

SAN FRANCISCO AND AUSTRALIA STEAMSHIP SCHEME.

Washington, May 18

Colonel F. A. Bee, managing agent of the New York and San Francisco Steamship lines, and the well-known projector of the telegraph from the Atlantic to the Pacific, had an interview with the President to-day in relation to the establishment of a line of steamships from several points in the Australian Colonies to San Francisco, touching at the Fiji Islands and Hawaii, and from San Francisco to take the passengers by rail to New York, and from thence to Liverpool. The time saved by this route is between 14 and 16 days less than by a direct water route from Sydney to Liverpool. Mr. Bee informed the President that an American Company was ready to place first-class steamers on such a line, if the Government would give them a small subsidy and the contract to carry the mail. He also says that the English Companies have now placed two steamers on this line temporarily, so as to frighten off the American Company, or prevent Congress from voting them any subsidy. One of these vessels arrived in San Francisco several days since, from Australia, with 250 first-class passengers, who, he estimates, will expend 100,000 dollars before they leave New York for Liverpool. He also states that the Australian Colonies have pledged themselves to give the same amount of subsidy to the American Company that Congress may give. Mr. Bee goes before the Congressional Committee during the week, and will have another interview with the President before he leaves for home.

The North Pacific Transportation Company will tender for the Australian line, and will build boats specially for the service of 2,000 tons burden, to steam 13 knots an hour. They will, if required, place on the route from Honolulu to Sydney steamers better adapted for the service than those at present used.

The papers say the mail from Melbourne to Liverpool must and will be accomplished in 40 days. "No one looks at the present arrangements as other than temporary in their character," says the *News of the World*. "So soon as the contract is let under the Bill before the Congress, and arrangements made by the contractor with the colonies, steamers equal to anything afloat will occupy

the line."

Washington, June 9.

The Senate Committee have reported favourably on the Bill granting a subsidy to an Australian and New Zealand steam line, via San Francisco. So soon as the Bill passes tenders will be invited for the service, and advertised for 60 days. The contract will only be let conditional upon the contractor obtaining the half of the whole amount from the colonies. The question as to the termini and ports of call is left to the colonies to arrange with the contractor.
