



The Union Steam Ship Company

James Mills founded the company in Dunedin in 1875. After acquiring an interest in five small steamers running a coastal service from the port of Otago, Mills had attempted to expand the company. He was unable to find anyone to back him financially until he met Scottish shipbuilder and investor Peter Denny from the firm William Denny & Bros of Dumbarton, in 1874. This began a long friendship between that firm and the Union Steam Ship Company, which was formed in Otago the following year with a combination of local and British assets.

After a rapid expansion of its coastal services, the company soon dominated the coastal trade. In 1876 it also began a service across the Tasman with the vessels *Rotorua* and *Wakatipu*. Before long the company controlled the trans-Tasman trade as well.

At the end of the company's first ten years of trading the fleet amounted to 29 steamers and despite the economic depression of the 1890s, the company continued to grow as it absorbed competitor shipping interests (becoming known as 'the southern octopus' in the process). To guarantee its coal supplies, it bought a West Coast coal mine and acquired interests in coal companies there.

In the 1880s the company established new services between New Zealand ports, San Francisco (from 1885) and Calcutta (from 1887). In 1890 the first *Monowai* arrived to join the San Francisco service. In 1901 the company took over the Canadian Australasian Line that operated services to Vancouver, carrying mail and passengers through Sydney, Auckland, Suva and Honolulu. The *Makura* was added to this service in 1908 and the much larger *Niagara* (13,415 tons and the first British liner to burn oil fuel) in 1913. Other services were established throughout the Pacific, to Fiji, Tonga, Samoa, Rarotonga and Tahiti. Summer cruises around the New Zealand Coast were also popular, beginning in 1876 and continuing for 33 years.

In 1895 the *Penguin* began a Wellington to Lyttelton service, which grew into a regular daily service from 1906 with the *Mararoa* and *Rotomahana*. In 1907 a specially built ferry, the [second] *Maori*, took over and in 1913 the first *Wahine* joined the run. In 1912 the company became involved in the United Kingdom/New Zealand cargo trade for the first time with four refrigerated cargo steamers operating from the west coast ports of the United Kingdom.

By the outbreak of the First World War in 1914 the company was one of the largest shipping companies in the world and dominated coastal shipping in both New Zealand and Australia. During the war it provided ships as transports, supply vessels and two hospital ships (*Maheno* and *Marama*). Eight of its steamers were lost on war service.

During the war, Mills who had been managing director since the company's foundation, sold out to the British P&O Company, although management of the company remained with a local board of directors, who from 1921 were based in a new head office in Wellington.

The years between the wars saw a period of consolidation as ships were acquired to replace losses and some trade routes changed. The introduction of motor vessels rather than steam ships began with the cargo ship *Hauraki* in 1922. All the larger passenger ships were converted to use oil instead of coal and from 1925 on, all vessels built for the company were oil-burning steamers or diesel engine ships. The new trans-Tasman liner *Awatea* began operating in 1936 and soon gained the nickname 'the Tasman Greyhound' for the speed of her crossings.

As well as replacing some of its older ships with new vessels, the company diversified into aviation in the 1930s with its company Union Airways of New Zealand, operating services throughout the country. The involvement in aviation ended in 1945 when the New Zealand Government acquired the company's shares and established a state-owned airline.

During the Second World War, the company's ships transported over 870,000 troops and brought nearly 13,000 refugees and released prisoners of war to this country, while its cargo ships carried thousands of tons of very important war supplies. An unusual aspect of the company's activities during the war years was the management, on behalf of the NZ Government, of the Finnish sailing ship *Pamir*.

After the war the company's cargo fleet was rebuilt. The first *Wahine* was lost when she ran onto a reef north of Australia in 1951 while carrying troops to the Korean War. A second *Wahine* was built as a roll-on roll-off ferry in 1966, but lasted only 20 months before foundering in a storm at Wellington with the loss of 51 lives. The era of roll-on roll-off ferries had begun in New Zealand in 1962 with the Cook Strait ferry *Aramoana*, later joined by the *Aranui*, and the Union Company operated and staffed these ferries on behalf of the Government and New Zealand Railways until 1971. The 1960s saw the introduction of palletised and containerised cargo and new 'ro-ro' ships like *Maheno* and *Marama* were commissioned, along with new bulk carriers like *Union New Zealand*.

The 1970s began a time of cutbacks for the company, which withdrew from the Pacific routes and reduced its coastal services.

The Union Company finally closed for business in 1999.

Further reading: *The Union Company*, Ian Farquhar; *The Southern Octopus*, Gavin McLean (Both available at the Museum of Wellington City & Sea Shop).