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3. It will be remembered that Otago was originally an almost purely Scotch settlement. On the 1st instant, I was invited to the annual meeting and games of the Caledonian Society, when an address of welcome was presented to me in the presence of above six thousand spectators. This seemed a good opportunity to place on record (as it were) a brief summary of the statistics showing the remarkable progress which Otago has already achieved, and also to announce the nomination as my successor of Sir James Fergusson; a nomination which has been favourably received throughout New Zealand. The address and my reply were as follows:—

"MAY IT PLEASE YOUR EXCELLENCY,—The Directors and Members of the "Caledonian Society of Otago, beg respectfully to approach your Excellency with "expressions of loyalty to the throne, and congratulations and welcome to your "Excellency and Lady Bowen on your visit to Otago. We do ourselves the honor "to lay before your Excellency the book of our constitution and rules printed for "the use of our members, from which we take leave to make the following extract "setting forth the objects of the Society:- 'The object of the Society shall be the "'promotion of benevolence, national literature, customs and accomplishments. "'(1.) Benevolence to be promoted by contributions to the funds of such charitable "'institutions as the directors may determine, by giving information and advice to "'newly arrived immigrants, and by affording for special cases of destitution such "temporary relief as to the directors may appear practicable and expedient. "'(2.) Literature to be promoted by offering prizes for the greatest proficiency of "' pupils attending the various educational institutions, and also by procuring and "'disseminating information regarding the poetry, history, and archæology of 'Scotland. (3.) Customs and accomplishments to be promoted by offering "' prizes for excellence in the performance of national feats, games, and exercises "to be exhibited at the annual gathering of the Society.' We rejoice to know "that our beloved Sovereign has accorded Her special patronage to similar societies "at home, and that their annual gatherings are honored by the presence of Her "Majesty and the Royal Family, and we beg to express our gratification at your "Excellency and Lady Bowen's presence amongst us at the present gathering, affording as it does a proof of your Excellency's belief that our Society, although "constituted on a principle of nationalty and to perpetuate national traditions, is "ever ready, as our means permit, to extend its benefits without distinction of " race or class. Renewing our expressions of unabated loyalty, and congratulating "and welcoming your Excellency and Lady Bowen on your visit to Otago, and "respectfully soliciting the honor of enrolling the name of your Excellency as a "Patron of the Caledonian Society of Otago, we have the honor," &c. address was signed by Mr. Keith Ramsay, President; Mr. David Baxter, Vice-President; Mr. James Marshall, Hon. Treasurer; and Mr. W. S. Douglas, Secretary.

## REPLY.

"Gentlemen,—I thank you for this Address, which is very gratifying to "me, in the first place on account of your expressions of loyalty to our gracious "Sovereign; and, secondly, on account of the assurance of your good will to Lady "Bowen and myself. I have read with much pleasure the Constitution and Rules " of the Caledonian Society of Otago, and cordially sympathize with its objects, "which have been carried out here with so much energy and perseverance. Indeed, "it is hardly too much to say that this Province itself was originally one great "Caledonian Society. It is certainly a noble monument of the industry and "enterprise of its founders. The official statistics prove the rapid strides with "which it has advanced since the first difficulties inseparable from a new "settlement were surmounted. It appears that the population of Otago, which "in 1860 was, in round numbers, under 25,000, is now above 75,000; that the "public revenue from all sources, actually raised in the Province, which in "1860 was under £100,000, now exceeds half a million sterling; that the trade " (including exports and imports) has risen in value during the interval between "1860 and 1872, from less than £400,000 to nearly three millions; and that "the increase in live stock and cultivation during the same period has