D.—1.

There are at least 10,000 acres of good agricultural land in and around the valley, principally timbered. It is from fourteen to seventeen miles from the port of Mongonui, to which a steamer runs weekly from Auckland; a good road has been formed from Mongonui right through the valley to Kaitaia. The land can be taken up free of charge, except the cost of laying off the sections at the rate of forty acres per adult, sufficient being reserved for extension of holdings. The immigrants can have free passages on application to Dr. Featherston, Agent-General, 2 Westminster Chambers, Victoria Street, Westminster. In the event of sufficient offering to fill a ship, say 200, a ship would be laid on specially, either for Russell or Mongonui. If that number offered, the block would be set apart solely for Moravian settlers. To make the settlement a success there should be from twenty to thirty of the settlers possessed of a small capital, say £400 and upwards. Of course, if all had smaller capital the result would be similar. They should arrange to arrive here between January and March, so as to get housed before winter, and to prepare ground for spring crops. The climate is warm, suitable for growing the vine, tobacco, maize, &c., as well as the ordinary English crops.

Any further information I shall be happy to afford, and shall be glad to hear of your success.

Samuel Dunn, Esq., The Wade.

I have, &c., THOMAS B. GILLIES, Superintendent.

Enclosure 4 in No. 50.

The Hon. G. M. WATERHOUSE to His Honor T. B. GILLIES.

Colonial Secretary's Office, Wellington, 14th February, 1873.

Adverting to correspondence which took place between your Honor and the Colonial Government in December last, upon the subject of establishing a special settlement of Moravians at Victoria Valley, I enclose for your information a memorandum by my colleague the Minister for Immigration, which will convey to your Honor the views of the Government upon this question.

I have only to add that should your Honor be of opinion that Mr. S. Dunn can influence the establishment of a Moravian Settlement, the Government will be glad to give effect, as far as lies within their province, to any arrangement that may be arrived at between yourself and that gentleman, within the limits set forth in Mr. O'Rorke's Memorandum.

His Honor the Superintendent, Auckland.

I have, &c., G. M. WATERHOUSE.

Sub-Enclosure to Enclosure 4 in No. 50.

MEMORANDUM for the Hon. the COLONIAL SECRETARY.

I was obliged to defer replying to the letter of His Honor the Superintendent of Auckland, of the 30th December ultimo, on the subject of establishing a Moravian Settlement in the Victoria Valley, Mongonui, until the arrival of the "Nebraska," on the 7th instant, as I desired to furnish him with the latest information to hand on the subject of immigration from the United Kingdom. I may observe that, owing to the detention of the November mail, no letters were received here in January from the Agent-General, but last week I received his November and December letters.

The point of which I was anxious to give His Honor definite information was whether the Agent-General had felt it necessary, under the authority conveyed to him last November, to offer free passages to emigrants to this Colony. The Government in that month instructed the Agent-General that if the supply of the number of emigrants which he was directed to send out to the Colony could be expedited by granting free passages, he was to do so. Up to the present date no advices have been received from the Agent-General to show that he has been under the necessity to offer free passages in order to fill his ships. And the question further arises, would it be right to offer free passages to capitalists of from £400 to £1,000, whilst all other immigrants have to contribute to the cost of passage according to a fixed scale? It is my desire to meet His Honor's proposal in the most liberal spirit, and the correspondence will be forwarded to the Agent-General with instructions so to deal with it. I have reason to hope that the additional inducement of forty acres of good land for each statute adult which is offered by His Honor in his letter to Mr. Dunn, for the encouragement of the class of immigrants he recommends, may prove successful.

It will be necessary for Mr. Dunn to acquaint his friends with the regulations for assisted emigration to this Colony, and to direct them to put themselves in communication with the Agent-General, who will be directed, if a sufficient number, say 200 as is proposed, should offer, to send them either direct to Mongonui, or, as His Honor seems to prefer, to the Bay of Islands. If His Honor, after consultation with Mr. Dunn, should think proper to appoint any person at home to organize the movement, and he induces the number of statute adults His Honor named to emigrate for the purpose of founding a settlement in Victoria Valley, the Government will direct the Agent-General to furnish him with a free saloon passage in the vessel which brings the immigrants, in addition to the ordinary capitation allowance. I observe that His Honor recommends that the immigrants should arrive here between January and March, so that there will be ample time to convey any further directions he may wish to make on the subject before embarkation. I presume that it is a *sine qua non* that twenty or thirty families should be possessed of capital from $\pounds400$ to $\pounds1,000$.

The Government will no doubt cheerfully comply with His Honor's request, and advise the Agent-General by the outgoing mail to give every assistance and encouragement to the emigration of this class of settlers.

Lands and Immigration Office, Wellington, 12th February, 1873. G. MAURICE O'RORKE.

Sir,-