Auckland			•••		•••			3,500
Taranaki		•••						150
Hawke's Bay			•••		• • • •		•••	750
Wellington	•••		• • • •			•	• • • •	$1,\!250$
Nelson	•••	• • •	• • •	•••				100
Marlborough		•••	•••	•••	•••	• • •		100
Canterbury	• • •	• • •	• • • •	•••	• • •	• • •	• • •	2,812
Otago	•••	•••	•••	•••	• • •	•••	•••	4,062
								12,724

It is the opinion of the Government that this number of immigrants is absolutely required to save the scheme of Public Works from jeopardy during the year. Increased exertions on your part are indispensable to enable the Colony to meet the demands on the labour market, not only on account of public works, but also to enable the ordinary agricultural and pastoral pursuits of settlers to be carried

on with reasonable prospects of success.

Writing from such a distance, it is impossible for me to gauge the difficulties you have to contend with in inducing a stream of emigration to this Colony, but I am informed, by gentlemen recently returned from Australia, that the Queensland Government have no difficulty in procuring any amount of emigrants they require. A special cablegram has been sent to you urging upon you to offer as liberal terms, if not more so, than they do, in the shape of free passages to suitable classes of immigrants. This authority was given to you five months ago, and has been repeated since; you have not hitherto availed yourself of it; and in now directing you to keep yourself on a level with competing colonization bodies, I have only this instruction to give, that the grant of free passages should carry with it a very stringent supervision of the emigrants, with regard to capability of work, health, and character. In addition to this remission of cost of passages, the Government propose by the next Suez Mail to submit to you a scheme of making free grants of land to the extent of £20 to those immigrants who pay the cost of their own passage. When the scheme is matured the substance of it will be sent to you by cablegram, so that you will be in a position to act on it by the time you receive this.

Turning to another subject, I observe by the accounts you recently furnished to the Treasury, that you have increased the salary of Messrs. Birch, Farnall, and Seaton, from 18s. per diem to £700 per annum. You have not favoured the Government with any explanation of your reason for doing so, and in addition to this, you have granted back pay to these gentlemen from their arrival in England, to the following amounts:—To Mr. Birch, £175 11s. 1d.; to Mr. Seaton, £170 18s. 8d.; to Mr. Farnall, £114 5s. 5d.

In the absence of any explanation from you of the reasons for more than doubling their original salaries and granting this back-pay, I can only say that these increases of pay are unsatisfactory to the Government, and are sure to be so to the House of Representatives. These gentlemen went home, as I understand it, primarily on private business, with a recommendation that you should avail yourself of their services during a temporary stay in the United Kingdom. Any obligation that may have been incurred by the Government in recommending, and by you in employing them, has, in the opinion of the Government, been now fulfilled, and the Government devolves upon you the responsibility of saying whether you consider the services of these gentlemen as emigration agents should be retained. Salaries of £700 per annum will not be passed. If you desire to retain their services at the salaries you originally fixed, and report from time to time the results of those services, the Government, if satisfied with the benefits accruing to the Colony from their exertions, would not decline to listen to recommendations based on the advantages obtained.

If these gentlemen are engaged in any important scheme of emigration, as I learn from His Honor the Superintendent of Auckland Mr. Farnall is at present, and of which I have advised you by this mail, I do not desire that he or any of them should be stopped short in accomplishing their respective objects, if, in your opinion, they are likely to succeed. What the Government desires is, that their Agent-General should bear the whole responsibility of the conduct of immigration, leaving to him the power of appointing or removing sub-agents. Salaries of £300 a year and upwards should receive the

sanction of the Government.

You will have learned by cablegram of an offer made by the representative of the firm of Gibbs, Bright, and Co., at Dunedin, Mr. Walcott, to convey emigrants for New Zealand by way of Melbourne, transhipping emigrants thence by steamer to New Zealand. He proposed, as a safeguard against our emigrants being intercepted at Melbourne, that payment should be only made for the passages of those landed in this Colony; but the Government are of opinion that no proposal to carry emigrants to this Colony by steamers should be entertained, unless they were borne direct from the port of embarkation. This, I may observe, is in accordance with the views you expressed in your letter communicating to the Government your report on your endeavour to charter the "Great Britain" for the conveyance of Government emigrants to New Zealand. The Government entertain a strong opinion against the stoppage of vessels conveying their emigrants at intermediate ports, and desire that, in accordance with the views you have expressed on the subject, you will refuse to treat with any steam shipping company, unless they run direct to New Zealand.

The only other matter I shall allude to is, that the Government see the force of your representation that if you are debarred from landing emigrants in New Zealand during the winter, your operations will practically be reduced to sending out emigrants during six months of the year, on account of the indisposition of emigrants to leave home during the winter months, and the prohibition of sending them out during the spring months, which would involve their landing here during our winter months. This restriction on the despatch of emigrants is now removed, as you have before this learned by cablegram