

necessary, you might safely state that where a reasonable desire to accept employment offered to them is shown by immigrants, they need not incur expense of any moment from the time they land in the colony until they obtain employment there. This information might ease the minds of many suitable persons who, desiring to emigrate to New Zealand, might still hesitate, because they doubt as to what they are to do between the time of landing and of getting employment. You might give some further particulars about the rates of wages and the rapidity with which immigrants are absorbed. You should be careful not to let the emigrants suppose that you guarantee any rate of wages. As you know, the Government do not endeavour to raise or to lower the rates of employment, and the emigrants should clearly understand that the promissory notes are not used for the purpose of forcing them into distasteful labour or at distasteful rates. Within a reasonable time after their arrival, the immigrants may acquire the franchise and political power; and there is no country in the world possessed of more liberal provisions for the education of all classes. A reference to the facilities offered for education might appropriately be made in the notice. I attach much importance to your stating in the notice that persons by applying at your office, as already described, can obtain the presence of an officer to give them all the information they desire about the colony. The notice should be circulated in very large numbers. The more you circulate it the larger will be the number of applications you receive and your range of selection of the numbers you require.

X.—GERMAN CONTRACTS.

17. The introduction of the system of promissory notes points to the necessity of making some change in your arrangements for shipping Germans and Scandinavians. Apart from this necessity, while I do not deny the special excellence, in some respects, of those immigrants, I do not see why we should be unable to obtain from the United Kingdom the number of immigrants we require. The expenses of dealing with Germans and Scandinavians on their arrival in the colony, and the disadvantages arising in many cases from the foreign shipping arrangements, make me think that it would be better, on the whole, to end these contracts. I find that the Queensland Government came to the conclusion that emigrants from the United Kingdom were sufficiently available and suitable to render it unnecessary to continue to send out Germans. You not only took up the Queensland contract, but you entered into an arrangement with Mr. Kirchner to give him a separate contract. I am unable to say what our legal position in the matter is, but I think that the question should be referred to our solicitor, Mr. Mackrell, for his opinion, and that, if necessary, Mr. Kirchner should be compensated for giving up any claim he may have. If the contracts were carried out, you would have to insist upon his exacting promissory notes from his emigrants, in the same manner as it is now proposed to exact them from emigrants from the United Kingdom. It would be intolerable that our own countrymen should have to pay for reaching New Zealand, while we were conveying foreigners thither entirely at our own expense. I need scarcely add that I do not propose you should take advantage of technical points to defeat any equitable claim Mr. Kirchner possesses: in brief, you must deal with him justly.

XI.—DESPATCH OF SHIPS.

18. You are aware that great dissatisfaction exists as to the mode in which many ships have been despatched; and that, in the colony, doubts have been expressed whether it was desirable to retain Mr. Smith's services. You have stated that you have a very high opinion of the character of that officer. I have not had an opportunity of forming an opinion from personal observation; but, as far as I have been able to judge, he seems exceedingly zealous, and it is certain that very large duties have been thrown upon him. I believe it would be better if you were, to some extent, to lighten his duties by appointing some of the higher officers of your department to attend on board ships that are about to sail, so that they could be available for reference where doubtful questions arise, and thus leaving Mr. Smith to attend to his more ordinary duty of seeing that the fittings, &c., are such as we require, and are all in good order. Under sufficient discipline, Mr. Smith ought to be an exceedingly valuable officer; but his explanations, when complaints are made, are not satisfactory. A perusal of some of his memoranda causes me to agree with the opinion of the Minister of Immigration to that effect.

XII.—REVISED CHARTER-PARTY.

19. It will be necessary, before entering into fresh shipping arrangements, to decide what shall be the nature of the future charter-party. I have come to the conclusion that, in several points, the existing charter-party should be amended. There should be power given to us to disallow the shipment of an undue quantity of spirits, wines, and oils. In most cases it would be far preferable if the shipment of those things could be forbidden, especially on board vessels which are not so constructed or fitted as to protect the spirits and wines from being pilfered during the voyage. In my opinion, the fire on board the "Cospatrick" arose through a careless use of a candle or matches during attempts to broach cargo. The punishment for broaching cargo is not nearly severe enough. It is such an offence against the safety of a ship and all on board of her, that the punishment should be exceedingly severe. This is, of course, a matter beyond your control. The failures of vessels to sail on the days appointed, resulting in many cases in the long detention of emigrants, have been exceedingly objectionable. From a return which has been furnished to me, I find that the vessels from Glasgow sail almost punctually to the advertised day, whilst a very wide departure from such a rule prevails as regards the London ships. There should, for such delays, be provided a penalty, exclusive of the penalty of maintaining the emigrants. But I think that the contractors should also be informed that penalties are not desired, and will in future not satisfy the Government,—that what is wanted is punctual sailing on the announced day in each case, and that contractors who habitually fail in punctuality will be liable to find that it does not suit the Government to employ them. We must insist upon the payment of half the passage money in the colony. The case of the "Cospatrick" illustrates this necessity, as also how ready astute contractors are to protect themselves. You sup-