in this article alone should rival in a few years the herring trade from the North of Scotland. Of course this fish, as well as all the herring tribe, are migratory; but fishermen would soon find out its habits, and follow it in its rounds from station to station, as is now done with the Scotch herring. Groper, moki, ling, and crayfish I also found to Cape Farewell, on the west side. The moki is a good fish for tinning, wet salting, and smoke-drying; but, as it will not take hook and bait, but has to be caught in nets, and as it inhabits rocky ground, I was not able to ascertain if it is plentiful enough in this quarter to depend upon it for large supplies. From Cape Campbell, on the west, I did not get a chance to try the fishing on the coast, owing to rough weather, until close-to off Martin's Bay, and here I commenced to meet with fish in such numerous shoals that from there to off Oamaru, inshore and offshore, I believe millions of tons of fish could be caught yearly. It is simply a question of proper appliances, and finding out the best and quickest modes of catching the fish; for the fish are there in countless millions, and natural harbours abound from Milford Sound to Oamaru. The Sound swarms with blue-cod, moki, trumpeter, rock-cod, and crayfish; and offshore are ling in great quantities and also groper. Stewart Island coast, in Foveaux Strait, I did not fish, because I got all the information I wanted from a gentleman of the name of Wait, who resided there many years, a very intelligent observer. Raupuka Isles, off Bluff Harbour, in Foveaux Strait, swarms with moki and trumpeter, but, as the moki has to be netted on rocky bottoms, high winds and rough sea, generally prevailing here, make the fishing rather dangerous. Chasland's Mistake, on the mainland, commands splendid moki fishing-grounds, and also blue-cod, rock-cod, and trumpeter fishing. And here I began to meet with the barracouta in large numbers, and found them all the way northwards to off Oamaru; but off Cape Saunders and Otago Heads seems to be a central gathering-ground for countless millions of those fish for several months in the year. Those fish are caught in a most peculiar manner. The fishermen are provided with strong hardwood rods about 10 feet long; to the rod is attached a strong cord 2 or 3 feet long, and to the end of this is tied a piece of red wood, generally cedar, about 4 inches long, $\frac{3}{4}$ inch square, and through the piece of wood a common wrought nail is driven and bent back to form the hook. The point of the rod with the line and piece of wood is vigorously kept describing circles in the water. The fish snaps at the piece of wood, and is flung quickly into the boat. As there is no fang on the hooked nail the fish drops off as soon as it is in the boat. Two men fishing, and one man rowing the boat, will often catch from thirty to forty dozen fish in two or three hours. As the barracouta swims about at great speed, some days it is difficult to follow them about, and if there is a slight sea running the boats now in use cannot work.

The local fishermen tell me that some seasons all kinds of fish are scarce, but, as the fishing hitherto has only been prosecuted inshore and in few places, the fishermen do not know much about the habits of the fish. Ling and groper in great quantities I found from off Chasland's Mistake to off Timaru. Those fish are found sometimes inshore, but to get them in quantity they must be fished for offshore. Otago Harbour commands most extensive and valuable barracouta, groper, ling, rock-cod, and crayfish fishing, and with proper fishing-smacks Otago Harbour could also command the blue-cod fishing. The kinds of fishes that I have satisfied myself can be obtained in large quantities cheaply, and fit for export trade, tinned, wet- and dry-salted, and smoke-dried, are Picton herring, in Cook Strait. Blue- and rock-cod, moki, trumpeter, groper, in the satisfied myself can be be and rock-cod, moki, trumpeter, groper, the satisfied myself can be be be and rock-cod to be be be been be and the satisfied myself can be be be been be been be been be been be been smoke-oried, are Ficton herring, in Cook Strait. Blue- and Fock-cod, moki, trumpeter, groper, ling, barracouta, crayfish, cockles, flounders, trevalli, silverfish, mullet, kelpfish, gurnet, and about twenty other varieties, including a kind of mackerel, abound on the coast of both Islands, and tinning and curing factories would use all in their season, if ever established. But the other kinds I have mentioned, along with snapper and large mullet of the North Island, are the kinds to make the large trade with; and no other country in the world has such a variety, and distributed round its coasts so well. As a central station for fish-curing and fish-tinning, Stewart Island seems to me to be one of the most suitable places in the world. It commands the best inshore and offshore fishing-grounds in the colony. Sawdust, the proper ingredient for smoking, can be obtained in abundance for taking it away. There is plenty of timber and water. All that is wanted is popula-tion to supply the labour for tinning and curing factories, and a market for the preserved and cured fish. If capital, aided by Government subsidy, will start operations here, Stewart Island will be one of the wealthiest provinces of the colony. I hope I have been able to state my views so as to I have, &c., be understood by you.

Sir Julius Vogel.

No. 2.

Messrs. Thomson Brothers to the Hon. Sir J. Vogel.

Sir,---Referring to our conversation re fish-tinning, we do not wish you to understand that the quantity named as obtainable now, if wanted—namely, 50 tons daily—can be procured all the year round. The present month is the time when they are to be had in largest quantities; next month round. they are not so plentiful at the heads, and gradually remove farther south until they get beyond the reach of our fishermen here with their present appliances; the price rising in proportion to difficulty in catching.

With regard to the bonus on fish exported, we would respectfully suggest that oysters and other shellfish be specially dealt with, as otherwise it might lead to large quantities of these being rushed into both Sydney and Melbourne, with the view of earning the bonus alone. If tinned it would be quite fair to encourage generously, but not in bulk in their natural condition. We may state that at present about one-half only of what is sent from the Bluff reach the Melbourne market in condition for sale. We have, &c.,

Sir Julius Vogel, Wellington.

THOMSON BROTHERS.

JOHN MACKENZIE.

Port Chalmers, 4th April, 1885.