

tered in the Colony or not, the exemption from compulsory pilotage, in the case of ships the masters of which possess pilotage certificates of competency, instead of this privilege being limited to colonial trading vessels in the manner prescribed by the eighteenth section of the present Act.

I enclose extracts of a letter which has been received from the Board of Trade on this point, together with a Memorandum drawn up at that department on the question of compulsory pilotage, and I trust that the matter, as being one of general interest, may receive the careful consideration of your Ministers.

I have, &c.,

BUCKINGHAM AND CHANDOS.

The Officer Administering the Government
of New Zealand.

Enclosure in No. 38.

EXTRACTS of a LETTER from MR. TREVOR to the UNDER SECRETARY OF STATE, Colonial Office, dated Board of Trade, Whitehall, 26th February, 1868.

I AM directed by the Board of Trade to acquaint you that they have had under their consideration your letter of the 7th instant, and one of its enclosures being an Act passed by the Legislature of New Zealand (No. 32) entitled "An Act to provide for the general control and management of Ports, Pilots, Lighthouses, and other matters relating to Navigation, and the regulation of Port charges and other rates," and with reference to the letters from this department of the 20th August, 1866, and the 20th May, 1867, I am to request you to direct the attention of His Grace the Duke of Buckingham and Chandos to the circumstance that the recommendations submitted for the consideration of the Governor of New Zealand with regard to some of the provisions of this Act do not appear to have been adopted, and no reasons are given for not adopting them.

1. It was suggested that exemption from compulsory pilotage in the case of vessels navigated by officers possessing pilotage certificates of competency should be extended to all vessels whether registered in the Colony or not, but the Act still limits the exemption to colonial vessels, and even in the case of colonial vessels, to such only as the Governor thinks proper.

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Should the Duke of Buckingham and Chandos think proper again to refer these points for the consideration of the Governor of New Zealand, the Board of Trade think it would be a favorable opportunity for transmitting to him the accompanying Memorandum on the subject of pilotage.

At a time when some of our Colonies are adopting pilotage regulations based on the practice of this country, it seems very desirable that the Colonial authorities should be acquainted with the difficulties which have arisen and are constantly presenting themselves owing to the existing state of the law concerning pilotage.

Having regard to the facts as to practice stated in the accompanying Memorandum, the reasons for and against the principle of compulsory employment of pilots by shipowners, and the inconsistency of that principle with the freedom of action in matters of trade which has of late years prevailed in this country; it is a matter for grave consideration whether the authorities should not hesitate unless on very special local grounds to introduce a system which has proved so objectionable and so beset with difficulties.

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Sub-Enclosure to Enclosure in No. 38.

(Confidential.)

PILOTAGE.

The Annexes to this Part of the Memoranda are (B B.) Parliamentary Paper, 455, 1862; (C C.) Parliamentary Paper, 532, 1864, (D D.) Last Annual Pilotage Return, Parliamentary Paper, 433, 1866; (E E.) Mr. Vernon Lushington's Paper; (F F.) Judgment of Dr. Phillimore in the case of the Halley; (G G.) Abstract of Correspondence relative to the licensing of North Sea Pilots.

Of the various questions on this subject there are two of considerable importance, viz.:—*Compulsory Pilotage, Pilotage Jurisdiction.* And of these the former is the one which at this time presents the greatest difficulties. The subject of compulsory pilotage is in a most confused state, and involves a host of anomalies. And one of the chief difficulties is, that it is perhaps hardly ripe for settlement.

The questions of jurisdiction, formerly numerous, are for the most part settled. Some, however, remain, and are noticed below.

Compulsory Pilotage.

By Compulsory Pilotage is meant a system which first of all fixes by authority the number of pilots which the trade of any given port is supposed to need; and then, in order to secure them employment and remuneration, proceeds to require that all ships frequenting the port shall employ them. It is not worth while going into its origin. It probably dates from times when guilds flourished, and when freedom in matters of trade was the exception, and formerly extended to most if not all the ports of the United Kingdom.

In and about 1836 there were great complaints, and a Royal Commission was appointed. That Commission made a number of recommendations, some of which have been acted on, and others of