The Government are anxious to be enabled by you, if possible, to submit to the consideration of The Government are anxious to be enabled by you, it possible, to submit to the consideration of the Legislature next Session, some practical proposals for establishing a continuous system of immigration combined with settlement in the Colony. The delay which has unavoidably arisen in your departure has considerably curtailed the time available for your collection of the necessary information, especially when it is considered how much the main object of your mission must occupy your attention; but the Government hope that the services of Mr. Knowles, your Secretary, whose former connection with New Zealand immigration and intimate knowledge of the Colony especially qualify him to assist you in the details of this work, will still enable the object in view to be attained. I have, &c., W. Gisborne.

The Hon, F. D. Bell and the Hon. I. E. Featherston, M.D.

## Enclosure in No. 3. MEMORANDUM by the Hon. W. Fox.

The attention of the New Zealand Commissioners is urgently directed to the following passage in

the Financial Statement delivered by the Colonial Treasurer during the last Session:—
"I feel, Sir, that in dealing with questions which intimately affect the future as well as the present

of the Colony, I should ill discharge my duty if I failed to make the House acquainted with the sentiments of the Government on the great question of immigration. We recognize the large effects which in the past have resulted from direct immigration from the mother country, and it is certain that in the present comparative cessation of immigration we have cause for much thought, much consideration and But whilst we admit that the subject requires to be dealt with, we do not see our way to deal with it this Session. Something more is needed than merely attempting to induce immigrants to come; it is highly desirable to be able to base the inducement on tangible grounds. The great variety of the climate and resources of New Zealand should make it a suitable field for immigration for a vast variety of persons, and we are persuaded that, but for the Native disturbances, New Zealand would be once more a favourite field. But it is idle to suppose that, with so many colonies and countries competing for immigrants, something more than merely asking immigrants to come is not necessary to obtain a number sufficient to do justice to the progress in colonization which the country ought to A great part of this Island yet remains to be colonized; whilst for colonizing the last portion of the Middle Island still remaining unsettled, a Bill has been carried through the House this Session by the Superintendent of Otago. We have seen, in times past, what results may spring from a nucleus created by a few score of hardy, energetic, enterprising settlers; and we know that the continued maintenance of immigration has largely contributed to further progress. But the problem is only partly solved. It meets us in this form—What shape should assisted immigration continue to take? I can only lay down some conditions: amongst them, first, I would class an exceedingly careful selection of suitable persons. We are here brought to the conclusion that the proposal which has found favour in some quarters, of a scheme of immigration conducted by the Imperial and Colonial Governments jointly, is not likely to be successful. The interests of the two Governments are entirely diverse. It is the interest of the Imperial Government to rid the country of the worse part of the population: it is that of the Colony to obtain the best. Again, we have to consider that assisted immigrants should not find themselves landed on our shores without some one to look to for guidance and employment; and I will go further, and venture to lay down as a principle, that it is exceedingly desirable that the assistance rendered to the immigrant, in respect to his passage or otherwise, should be by him faithfully and rigidly repaid. But it is in the last degree objectionable to establish direct relations of a pecuniary character between the Government and a large body of individuals; it follows that, in theory, the most desirable system of immigration would be one in which all pecuniary transactions were conducted by some body or association intervening between the Government and the immigrant, but in which, as respects selection or approval, the Government should have much discretion left to it. Now, Sir, I will ask the House to accept one more proposition; that such body or association should be able to base its calculations on a computation that out of a certain number of immigrants so many will be successful, so many, from various causes, the reverse. Here are abstract considerations which still remain to be forged into shape. I lay them before the House that it may be understood on what principle the Government come to the conclusion I am about to announce. conclusion is, to invite, outside as well as within the Colony, not only every information obtainable, but also a number of specific offers and proposals for carrying out a continued scheme of immigration, allied with settlement, and of laying them before the Assembly next Session, together with carefully prepared recommendations based on them.

"We make no doubt that, within as well as without the Colony, persons will be found willing to undertake to form settlements in this Island on land which the Crown, without violation of any rights, or without proceeding to any fresh confiscation, will be able to place at their disposal. Such offers have, in more than one instance, been made respecting the Patea District, and proposals of the kind are even now maturing at home. Even the settlers already located in some of the out-districts would find it a benefit to be able to associate together for the purposes of self-defence, and of framing, within limits, bye-laws to govern and unite them, and to aid the promotion of the industries in which they are engaged. One cannot fairly estimate what combined efforts at settlement, such as have proved so successful in the past, may yet do in this Island. It need scarcely be said that the duty of self-defence, and the clear exemption of the Government from compensation risks, will have to be the guiding condition of such settlements; but these are details into which I will not now enter. It must not be supposed that we consider to this Island only should national efforts to promote immigration be confined. Much that I have said applies to both Islands; and it is the intention of the Government to propose next year a comprehensive plan which, without violating constitutional conditions, will extend the benefits of regular and systematic immigration to the Colony throughout its length and