

Mr. O'Rorke very properly indicates certain discrepancies in this letter, namely, that His Honor, after pointing out the peculiar advantages offered by the Province of Auckland to small capitalists, &c., says,—

"These considerations account for the fact that a large quantity of mere labour cannot be rapidly absorbed: a few hundreds could be at once, in the settled districts, extending from Auckland to and including the Waikato, but it would take time ere the filtration to the out-districts could take place;" while a little further on, the following view is expressed:—"I have no doubt that the Province is capable of absorbing as great a number of labour immigrants as any other portion of the Colony of the same population." And finally,—“Of first-class agricultural labourers also, several hundreds would find immediate employment, as well as a steadily increasing number.”

Having regard to those discrepancies, the Hon. Mr. O'Rorke warns me not to be “misled into the idea that the Government desires any reduction to be made in the 3,500 immigrants ordered for the Province of Auckland for the current year.”

These discrepancies in the letter of the Superintendent of Auckland, which the Hon. Mr. O'Rorke confesses himself unable to understand, are equally inexplicable to myself; but as the Government have apparently indorsed the discrepancies by instructing me (in their Memorandum of 14th April) to send out, instead of 800 emigrants originally ordered in their Memorandum of 27th November, 1872 (No. 27), 3,500 emigrants to the Province of Auckland, I shall of course do my best to comply with this instruction.

I have, &c.,

I. E. FEATHERSTON,

Agent-General.

The Hon. the Colonial Secretary, Wellington, N.Z.

No. 25.

The AGENT-GENERAL to the Hon. the COLONIAL SECRETARY.

(No. 780.)

7, Westminster Chambers, Victoria Street, Westminster, S.W.,

11th June, 1873.

SIR,—

I have the honor to acknowledge the receipt of your letter of 15th March, 1873 (No. 26), enclosing copy of a letter from His Honor the Superintendent of Otago, with its enclosure, on the subject of a line of steamers to New Zealand *via* Cape of Good Hope.

I trust that the efforts I have already made in this direction render it unnecessary for me to assure the Government of my hearty co-operation in promoting the establishment of the proposed line of steamers. I regret, however, to say that from the inquiries I have made, and from the communication I have held with parties most competent to give an opinion on the subject, and also most disposed to take up the project, the scheme appears far more difficult of accomplishment than it was two years ago.

An attempt was recently made to float a company for the purpose of running a line of powerful steamers between Liverpool and Melbourne; but it has for the present utterly failed, and it is now argued that if steam communication cannot be made to pay with Victoria, still less will it pay with New Zealand. In this case, however, a very high rate of speed was to be maintained, it being proposed that the voyage should be performed within forty-two days.

During the last two years the price of iron has risen about 100 per cent., and artisans' wages at least 50 per cent., so that a steamer say of 3,000 tons, which, two years ago, would have been built for £80,000, would now cost probably £120,000 or £130,000.

Then, again, coal has risen 50 per cent., and it seems very doubtful whether any material reduction can be expected either in the price of iron and fuel or in wages.

The steamer “Great Britain,” which has been running so many years between Melbourne and Liverpool, which has been a favourite vessel, and has generally had a full complement both of passengers and cargo, has (it is commonly asserted) not paid, but I believe her consumption of fuel is very great.

A steamer of 3,000 tons would require to have at least 800 emigrants guaranteed for each voyage. The average number of saloon passengers by the “Great Britain” has been, I believe, about seventy. Messrs. Bright Brothers, when I was negotiating with them to send her to Otago, told me that they could not calculate upon more than half the number for New Zealand, and the calculation seemed based upon facts which there was no gainsaying.

It would be extremely difficult for the Government to guarantee anything like the number of emigrants above stated; for the emigrants (as I have often pointed out) require to be sent, not, as in the Australian Colonies, to one port, but to some five or six. You cannot keep a large number of emigrants in reserve: you must send them off as soon as they are ready or you lose them altogether.

The average voyage of the “Great Britain” to Melbourne has been about sixty-three days. It would scarcely be safe to calculate upon its being made in less than sixty-five days to New Zealand.

The average voyage of some twenty of the emigrant ships despatched last year was ninety days. It may be questioned whether, by shortening the voyage by twenty-five days, you would in any material degree stimulate or increase emigration of the labouring class.

In thus pointing out some of the difficulties which at present stand in the way of the proposed scheme, it is very far from my intention to throw cold water upon it; but what I really wish to impress upon the Government is the necessity, in my opinion, of giving a moderate subsidy for the first few years. Three years ago Mr. Galbraith thought a subsidy of £50,000 a year would be necessary.

Mr. E. B. Cargill appears, from the conversation I have had with him, to have arrived at the same conclusion as I have.

I have, &c.,

I. E. FEATHERSTON,

Agent-General.

The Hon. the Colonial Secretary, Wellington, N.Z.