

I feel sure the service of fast steamers which has been carried on by this company and the New Zealand Shipping Company has been of immense benefit to the colony, but the time is now certainly rapidly approaching when we shall be compelled to consider whether it is possible for us any longer to continue it.

I have, &c.,

J. W. TEMPLE,

The Agent-General for New Zealand.

Managing Director.

No. 6.

The AGENT-GENERAL to the PREMIER.

SIR,—

13, Victoria Street, London, S.W., 19th January, 1893.

In accordance with the instructions contained in your (Minister of Lands) letter of July last, I have lost no opportunity of endeavouring to make arrangements under which reduced passages would be provided for suitable settlers, conditionally on the Government, at their own cost, advertising extensively throughout the United Kingdom.

A few weeks after the despatch to you of my letter No. 1458, of the 13th October last, I had an interview on the subject, at their invitation, with Mr. Dawes and Mr. Jackson, two of the directors of the New Zealand Shipping Company, and, after several subsequent communications, their proposals were embodied in a letter, dated the 19th December last, copy of which I attach herewith.

Under the instructions contained in your letter of July, to which I have already referred, I felt that I should have been justified in at once accepting these proposals; but, as the New Zealand Shipping Company made it a condition that for the space of twelve months the arrangement in question should not, without their consent, be extended to vessels other than their own, I deemed it desirable to communicate with you before I finally accepted and acted on the proposals in question; and, in reply, therefore, I intimated that, subject to the ratification of the same by the Government, I was prepared to accept them. I accordingly sent you, on the 6th instant, a cablegram conveying to you the substance of the proposals; and on the 10th I received your reply to the effect that further conditions were necessary, and that you were accordingly communicating with me on the subject by letter.

With regard to our dealing with the New Zealand Shipping Company alone in this matter, I may observe that, the Shaw-Savill and Albion Company having declined to entertain the proposal I made to them in September last, and not having shown any inclination to renew the negotiations with respect to it, I consider the Government are at perfect liberty to make arrangements which would not extend to them: in fact, in my letter to them of the 28th September last, copy of which went with my letter to you of the 13th October, it was expressly stated that I felt myself free to approach other shipping companies on the subject.

I may also remark that I find that in other shipping arrangements the agreements have been made with the New Zealand Shipping Company only, with liberty, and, in some cases, with the understanding, that the company might carry the arrangement thus made into effect in combination with the Shaw-Savill and Albion Company.

With respect to the proposals themselves, I would point out that, in addition to providing reduced rates for second and third-class passengers, the company are prepared to grant reductions to first-class passengers, an arrangement which has, I think, never before been made. I attach some value to this, as the effect will be, I believe, to attract to the colony persons possessing capital, in addition to those going by the second and third-class.

A new feature also, to which I would specially refer, is providing an intermediate class. I have reason to believe that this provision will encourage the settlement in the colony of a class of men who, having with thrift and care possessed themselves of small amounts of capital, will go out with the determination to settle on the land, and, when there, make the most of the means which they take with them.

I would also advert to the proposal by which the company propose to contribute towards the expenses of advertising, proving as it does, that they are anxious to co-operate with the Government in the endeavour to promote, so far as possible, the settlement of the country by a class of settlers who will do good to themselves and benefit also those who are already there.

In the selection of those whom I should, on behalf of the Government, deem right to recommend for reduced passages, I shall of course be guided by the instructions which I shall from time to time receive from you.

In my first despatch to you on the subject, dated 18th March, 1892, I endeavoured to indicate the classes of persons whom I considered it was desirable to encourage, and it would be my greatest care to avoid sending out unsuitable persons of any description, whether as regards character, health, or vocation. My aim would be principally to encourage those who, with either small or large capital, intend to take up land in the colony and utilise it for their own occupation.

I believe there is no great demand at the present time for mechanics or labourers in the colony, and I did not propose to recommend such; but the proposed arrangement would permit of my sending out any class of persons whom the Government from time to time might consider required in the colony. With the exception of persons possessing capital, and persons having a special and practical knowledge of farming, the only other class which it seems to me the colony at present requires is capable domestic servants, and these, unless otherwise instructed, I should propose to encourage.

It seems to me that the proposal made by the company might be accepted with great benefit to the colony, and I hope the Government will see its way to give me the necessary instructions.

I have, &c.,

The Hon. the Premier, Wellington.

W. B. PERCEVAL.