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138, Leadenhall Street, London, E.C., 19th December, 1892. SIR,-

Since the company addressed to you their letter of the 29th September last, they have carefully considered whether they can extend the offer which they then made of giving some concession from their published rates of passage-money in any special cases which may be recom-

mended by you.

It is understood in the first place that, provided the company take passengers approved by you by their direct steamers to New Zealand at reduced rates, you will extensively advertise in the United Kingdom to that effect. And under these conditions, and provided also that the passengers thus approved are for a period of twelve months sent only through this company, I beg to inform you that the rates of passengers will be reduced as follows, viz.: Saloon passengers, special terms, taking each case on its merits; second class; from £36 15s. to £28 per adult; third class, from £16 16s. to £13 per adult.

In addition to the above, it is proposed to have an "intermediate" class, which would afford a larger amount of space per adult than is made available for third class, and in which enclosed cabins and a more liberal dietary scale would be provided, and for this class of accommodation the

passage rate will be £18 18s. to those passengers only who are approved by yourself.

With regard to the space for intermediate passengers, the company are prepared to allot 25ft. per adult, it being remembered that under the Passengers Act the minimum space is 15ft. only; and, as regards the dietary scale, the details, no doubt, could be satisfactorily arranged after a conference with yourself.

In further reference to this matter, I would further add that the company are prepared to contribute towards the expense of advertising to the extent of 5 per cent. on the amount of passagemoney received by them on account of the passengers approved by yourself.

It is also to be understood that the company will pay a commission of not less than 5 per cent. to you or your shipping agent to cover agency charges

Awaiting your approval of the proposals contained herein,

I remain, &c., Thomas Johnson,

A Director, New Zealand Shipping Company.

The Agent-General for New Zealand.

31st January, 1893. Sir,-

Referring to your telegram of 6th instant, stating the terms upon which the shipping company will forward passengers to New Zealand who may be recommended by yourself, the Government views your proposal favourably, but is of opinion that the concession should be restricted to persons possessing capital, somewhat as follows:-

Each head of a family should prove to your satisfaction that he is possessed of £100 in cash, and that he is also possessed of cash equal to the sum of £50 for each member of his family over

twelve years of age.

Subject to the above you may enter into an arrangement with the shipping company for twelve JOHN MCKENZIE, months, and advertise as you propose. For Premier.

The Agent-General for New Zealand, Westminster Chambers, Victoria Street, London.

CABLEGRAM to AGENT-GENERAL, dated 3rd February, 1894.

Message received 6th January: Government approve of proposals, but concessions should be restricted to persons possessed of £100 each, and £50 each child over twelve years, subject to this arrangement with shipping company for twelve months, and advertise.

Westminster Chambers, 13, Victoria Street, London, S.W.,

17th March, 1893. SIR,-

Referring to your cablegram of the 2nd February, relating to the proposal of the New Zealand Shipping Company to provide passages at reduced rates to persons approved by the Agent-General, I beg to inform you that the arrangement has been completed in the terms contained in Mr. Johnson's letter of the 19th December last, copy of which went with my letter No. 75 of the 19th January last.

I herewith transmit the undermentioned forms and notices which have been prepared for use in this matter: 1. Notice as to reduced fares to New Zealand; 2. Application form; 3. Approval notice; 4. Memo. to Treasury authorising payment of capital deposited by passenger; 5. Memo. to

passenger directing him how to obtain payment of deposit on arrival.

I also enclose copy of pamphlet, "Farming and Labour in New Zealand" (six copies of which I forwarded to you by last mail), in which the reduced fares are advertised. I have arranged to sell a number of these pamphlets at W. H. Smith and Sons' railway book-stalls, selecting those which are situated in the country districts. The New Zealand Shipping Company are also distributing the pamphlet through their agents, and I am sending about three hundred copies to newspapers in the country for review or notice.

With regard to advertising, I have, pending any instructions I may receive, arranged to insert

an advertisement in a large number of country newspapers, limiting the cost of the same so that it may not exceed £400 per annum, and special paragraphs referring to the system of reduced fares have also appeared in the papers in which the advertisement has been inserted. I have also made use of the New Zealand Tourist map, which is exhibited at one hundred of the railway-stations, by