

probably be made with New Zealand, in return for our taking their frozen mutton free of duty into the British Isles, that she should send us her kauri-gum free, but to all other nations an export duty of, say, 10 to 15 per cent. be imposed.

The United States receive annually 6,000 tons of this gum. If they continued to purchase the same quantity from New Zealand after the export duty came into force, our colony would benefit by £80,000 yearly; but it may reasonably be inferred that a much larger quantity would be sent direct to our English ports, when it would attract buyers from the manufacturing centres. Our varnish-makers would be placed in a good position, having their gum 10 to 15 per cent. less than their competitors, and it would at once stop the Americans from dumping their surplus stocks of varnish on this market, which has been done for some time past. Many working-men would have constant employment, not only in the varnish-factories, but in the docks and railways.

You are no doubt aware that Germany, France, and Holland invariably compel their colonies to send all their produce through their countries where the goods are either manufactured or distributed through their markets for their benefit. To business-men in Mincing Lane their policy is universally considered sound. If we are to keep a grip on our home trade something on similar lines to what I suggest is sure to come, and the sooner the better, as we are feeling acutely that things have been allowed to slide, and, whilst we have been sleeping, our opponents have been wide-awake and taking every advantage of our apathy and self-conceit.

The Secretary of State for the Colonies, S.W.

I remain, &c.,

B. M. BARTON.

### No. 24.

(No. 91.)

MY LORD,—

Downing Street, 28th November, 1903.

I have the honour to transmit to you, to be laid before your Ministers, a copy of a letter from the Home Office, asking for information on certain points connected with the working of the "probation" system in New Zealand, and to say that I should be glad if your Ministers could see their way to furnish the information which Mr. Akers Douglas desires.

I have, &c.,

ALFRED LYTTTELTON.

Governor the Right Hon. the Earl of Ranfurly, G.C.M.G., &c.

### Enclosure.

SIR,—

Whitehall, 25th November, 1903.

I am directed by Mr. Secretary Akers Douglas to refer to the report upon the Prisons Branch of the New Zealand Department of Justice for the year 1902, forwarded to this Department on the 28th ultimo, and especially to that part of the report which deals with the working of "The First Offenders' Probation Act, 1886," and to say that he would be very glad to have further particulars of the working of the "probation" system in New Zealand, with special reference to the following points, viz.:—

1. Are the probation officers selected from the police, or are they persons not otherwise occupying an official position?

2. Are they directly responsible to the Minister of Justice, or are they subordinate to the police authority, or the prison authority, or the Magistrates?

3. What are the costs which probationers are ordinarily ordered to pay, and to what fund are the costs paid allocated?

4. Are any statistics available of the area and population of the districts which are assigned to the probation officers?

If any similar system exists in any of the Australian colonies, Mr. Akers Douglas would be very glad if similar particulars with regard to it could be furnished.

The Under-Secretary of State, Colonial Office.

I have, &c.,

C. E. TROUP.

### No. 25.

(No. 92.)

MY LORD,—

Downing Street, 2nd December, 1903.

With reference to my telegram of the 12th ultimo, in which I informed your Lordship of the satisfaction which I felt at the enactment of the Naval Agreement Bill, I have the honour to enclose, for communication to your Ministers, a copy of a letter which has been received from the Admiralty in connection with "The Naval Agreement Act, 1903," of the Commonwealth of Australia.

2. I am advised that the alterations suggested in this letter in the limits of the three naval stations named in Article II. of the Naval Agreement will