11 D.—3.

I need not add that, should you be visiting this part of the world, I should be glad to see you here, and extend to you genuine Irish hospitality.

Yours, &c.,

I. E. Featherston, Esq.,

GEO. VESEY STEWART.

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

No. 10.

The AGENT-GENERAL to the Hon. the Colonial Secretary.

(Telegram.) London, 26th September, 1873. RE Shipping Company.—Guaranteeing full passage at rate £14 10s. per adult for 150 each ship, whether shipped or not, and further guaranteeing moiety passage money for short shipments of all in excess of 150 of whose probable shipment ten days' notice has been given, will entail serious loss. Six vessels have been despatched, averaging each 182 adults: in two, these have been short-shipped 87, for whom Government liable to pay full passage.

To Reynolds, Wellington.

FEATHERSTON.

No. 11.

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

(No. 644.) 7, Westminster Chambers, Victoria Street, Westminster, S.W., 1st October, 1873.

Referring to the Hon. Mr. O'Rorke's Memoranda Nos. 119 and 136 respectively, on the subject of my departmental arrangements and the cost of maintaining my staff, I have the honor to submit the following observations:—

The continuance of Mr. Morrison's services was a provisional arrangement, made under circumstances which I reported to the Government at the time, and the Hon. Mr. Gisborne, in his letter of the 18th January, 1872 (No. 4), expressed his approval of the arrangement in very explicit terms.

With regard to the special agents sent home by the Government, Messrs. Seaton, Birch, and Farnall, I can add nothing to what I have already stated, except that I regret they were ever appointed. It is now out of my power to call upon these gentlemen for further explanations, inasmuch as two of them have left the country, and the third (Mr. Farnall) having left the service, has already declined to give me any information relating to his office.

With reference to the Hon. Mr. Reeves' Memorandum of 6th June, 1872, asking me "to determine whether it is for the public benefit that the services of these agents should be retained for a longer period than say one year," and authorizing me, "in the event of my decision being adverse to their continuance," to terminate the engagement, I would draw your attention to the fact that Messrs. Birch and Seaton only reported themselves here towards the end of March, 1872, and that their services were dispensed with in June, 1873. Mr. Farnall reported himself in May, and (although the Government suggested his being retained to complete the Auckland Special Settlement scheme) his services were dispensed with in July last.

It will be seen, therefore, that the Hon. Mr. O'Rorke is scarcely correct in stating that the payment of £460, made by me in November, was "back pay for a year and a half previously," for at that time these agents had not been more than nine months in the service.

I may add that, as these agents had been specially sent home, I felt that it would be neither just to them nor to the Government to dispense with their services without giving them a fair trial, and I accordingly allowed them ample time to give proof of the value of their work.

With regard to the rate of remuneration paid to these agents, I would venture to point out that I did not raise the actual salary above £350 per annum. The sum of £700 was made up by adding fixed allowance of £350 a year (being somewhat less than 20s. per diem) to cover all travelling expenses, of whatever kind.

I do not hesitate to say that if these agents had acted up to my instructions, to be constantly on the move, the allowance of £1 per day would have been barely sufficient to meet the most ordinary travelling expenses, to say nothing of those incidental claims that are constantly arising. It having been determined that the agents were to be paid their expenses, I submit that I made a good arrangement for the Government in fixing a commuted allowance; and having done so, it seemed to me more economical to apply the rule retrospectively than to allow the agents to send in claims for expenses incurred during the period of their engagement. This will account for the sum of £460, which, as the Hon. Mr. O'Rorke supposes, was a distribution of "back pay." I was assured over and over again by the agents themselves, that they were considerably out of pocket, their travelling expenses having far exceeded the allowance first made to them. To show that the claim for expenses incurred would have far exceeded the allowance of 20s. per diem, I think it will be sufficient to refer to Mr. Farnall's disallowed account, a copy of which was forwarded to the Government under cover of my letter of July 30th (No. 525).

There is another point in which the Hon. Mr. O'Rorke appears to have put an entirely wrong construction on my remarks.