from each intending emigrant for the examination and certificate you now require. I think you might safely undertake to pay 1s. 6d. for each report based upon the principles laid down by you; and that you should make that payment whether the applicant is rejected or accepted. If you should find—as might be the case, though I do not think it would be—that some surgeons were making a business of giving reports for the sake of the fees, you could easily inform such practitioners that you would no longer accept reports from them. The surgeons should be required to post their reports to you direct; or in the event of your deputing any one to visit the locality, to hand them direct to your officer.

IV.—Subgical Examination of Emigrants in Depôt.

9. Your letters respecting the Blackwall Depôt have not altered my opinion that it would have been desirable that establishment should be in the hands of the Government. I continue to be of opinion that it is desirable you should have the appointment of the manager of the depôt; and that he should be a medical man, so as to discharge the duties of doctor as well as of general superintendent. His examination of persons in the depôt should, in most cases, be directed to ailments that may have presented themselves after the date of the first examination in applicants' districts, upon which you had based your approval of them as emigrants: that is to say, where the first examination had been of a satisfactory character, he would not require to go over the same ground again. In case, however, he should find that the examination and report upon which you had based your acceptance of an emigrant were manifestly unsatisfactory, he should state the circumstances to you, and you should be at liberty, if you thought it necessary, to reject the emigrant. A case illustrative of my meaning is that of the two persons afflicted with congenital deafness and dumbness, who were recommended by a surgeon in the country, and who were about to be shipped for Otago, only that, as you will recollect, I strongly represented to you that you should not, under any circumstances, permit such a thing—that it would be better for us to pay any amount as compensation, rather than to risk the possibility of the colony having to support future generations of persons similarly afflicted. In that case the surgeon who examined the two persons omitted to inform you of their state, and when they had reached the depôt you were reluctant to refuse them passages to the colony, more especially as they had been nominated. It is clear, however, that it is preferable to pay compensation, or to do almost anything, rather than to send to the colony those who are evidently undesirable emigrants.

V.—CHILDREN.

10. Much of the controversy which has arisen between yourself and the Minister for Immigration is due, directly or indirectly, I believe, to the very large proportion of children shipped by you. I have before me a return kindly furnished me by the Agent-General for Queensland, from which I gather the relative numbers of adults and children despatched by him during 1874. I give for the same period the numbers of children and adults despatched by you, from which you will see how much larger a proportion of adults to children has been shipped by the Queensland Government.

		Queensland.		
	Souls.	•	Statute Adults.	
	8,334	equal to 7,25%		
Adults. 6,451		Children between 1 and 1,612	12.	Infants. 271
		New Zealand.		
	Souls.		Statute Adults.	
	36,613	equal to	29,982	
Adults.		Children between 1 and 12. Infants.		
24,994	•	9,979		1,640

11. An undue proportion of children makes assisted immigration very costly. I have to instruct you, therefore, as an absolute rule, subject to modification only by express instructions from the colony, that you do not in any case, or upon any account, accept as emigrants families including more than three children between the ages of 1 and 12 without exacting either promissory notes or cash payments for the passages of the number in excess. For infants under one year you have not to pay, and, therefore, you need not include them in the number of three. It is possible the Minister for Immigration may decide to reduce the number I have mentioned to two.

VI.-IMMIGRANTS LAND ACT.

12. I have separately addressed you on the subject of this Act. I now forward to you a draft advertisement,* which I think you will find states the facts more correctly than they are stated in the advertisement published in the Times; and I also forward a draft of a memorandum to be issued to persons intending to take advantage of the Act. I have prepared the latter document as the best way of ending a troublesome discussion, and showing you beyond any room for doubt the position which I think you should occupy towards applicants under the Act. You will observe that the draft is merely a skeleton. I leave you to supply much necessary information, and to make such alterations and additions as you may think desirable, not overlooking the chief point of the document, which is the assertion, on your behalf, of discretion in accepting or refusing to accept, as "suitable immigrants," any persons who may apply to you.

VII.—THE SCOTCH AGENCY.

13. You will have gathered that I consider this agency to be of great importance. I have, as you are aware, telegraphed to the Government, recommending that arrangements should be made with