There is nothing to prevent the New Zealand Shipping Company making what arrangements it may see fit as between itself and Messrs. Shaw, Savill, and Co., so long as the terms and conditions of contract are fairly complied with under the responsibility of the former.

I am unable, however, to see any good reason why the Government should, before the contract is

commenced, be asked to be a party to any such arrangement.

I have, &c., J. MACANDREW.

H. Selwyn Smith, General Manager, New Zealand Shipping Company, Wellington.

No. 20.

The Hon. the Minister for Immigration to the Agent-General.

Immigration Office, Wellington, N.Z., 18th June, 1878.
Referring to your letter of the 5th October last, No. 923, relative to part payment of SIR,passages of small capitalists, I am disposed very much to agree with the view embodied in the letter of the 22nd May, 1877, No. 96, addressed to you by my predecessor; at the same time, I am not prepared to say absolutely that the system should not be acted upon unless you can get a sufficient number of this class to fill up a separate vessel, although no doubt that is the most desirable condition under which to carry it into effect.

If I remember rightly, many of the best immigrants who came to Otago years ago paid half their own passages, although they could scarcely have been termed "capitalists;" as it is, the matter is one

which should be left very much to your discretion.

There are many considerations which would no doubt regulate your action therein; of course a good deal will depend upon the class of the immigrants, their good moral character, and the nature of their avocation. If these are adapted to the requirements of the colony, the more who pay towards their own passages, and land with more or less money at their disposal, the better.

It is not, however, high character only that is required: there should also be self-reliance, together with the ability and willingness to work. None who possess these can fail in this country to secure for themselves and their families a position of comfort and independence more speedily perhaps than

in any other.

İ am aware that all this is already well known to you; it cannot, however, be too often repeated to intending emigrants.

The Agent-General for New Zealand, London.

I have, &c., J. Macandrew.

No. 21.

The Hon, the MINISTER for IMMIGRATION to the AGENT-GENERAL.

Immigration Office, Wellington, N.Z., 18th June, 1878. SIR,— Referring to the account of the disbursement of your department for the month of March last, I observe, among other items, the sum of £105 paid for the passages to New Zealand of Mr. S. Cochrane and daughter. I can find no record here of any undertaking on the part of the colony to pay this money, and shall be glad if you will be good enough to state the authority under which this expenditure has been incurred.

In the same account, there is the large amount of £1,093 5s. 6d. paid during the months of December, January, February, and March last to sundry local agents by way of commission or head

money on emigrants.

It appears to me that this expenditure is of a nature somewhat unsatisfactory and undesirable. I may possibly be mistaken, but it does not seem to me, as regards quality, to be calculated to produce

the best class of emigrants, whatever it may be as to quantity.

If it is deemed necessary to resort to extraordinary means for obtaining suitable emigrants, I am inclined to think that advantage might be taken of the services of those who, having acquired a competency, have gone home to visit their friends. There are many such who, throughout their native districts, would in themselves present, as it were, "a living epistle," setting forth the advantages which have resulted from emigrating to New Zealand, and who, I have no doubt, would be glad to make known the attractions of their adopted country at a cost to the colony much less than the amount of

the head money now in question, and with far greater results.

There would be the further advantage, in making use of the kind of agency now suggested, that the agents would, to some extent, feel themselves responsible to their fellow-colonists for the quality of the emigrants recommended by them.

I am fully passaged that this is the term bind of

I am fully persuaded that this is the true kind of agency to be adopted for the future. There are not a few in the mother country now whose services might be had, and every day their number is easing.

I shall be glad if this view of the question commends itself to your approval.

I have, &c., increasing

J. MACANDREW.

The Agent-General for New Zealand, London.