A.-50.

land Office, at from one-sixth to one-eighth of the cost of our system. And as for the examination of the coupons paid by the Crown Agents, it need not be done in England at all; but the coupon payments could be audited at head-quarters in New Zealand, as is done in respect of the coupons of New South Wales, Victoria, South Australia, and Queensland, all of which are sent out to the colonies for audit. There would then only remain the single function to be provided for, which is imposed on the Audit Officer by the Revenues Act, of countersigning the Agent-General's cheques; and I see nothing to prevent the Government appointing the Secretary to be an "officer of the Audit Department," as required by the Act, whereby he would become capable of being "selected" for that single function by the Controller-General, and one salary would be saved altogether.

Summarizing what I have said, the following is the estimate of the office-cost for the present

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1. Expenditure fixed by the Government, or for which the Government is actually liable:—

					ಕ	s.	d.	£	8.	d.
Agent-General		•••		••	1,250	0	0			
Secretary	•••	•••			600	0	0			
Accountant	••				300	0	0			
Rent (excluding	g Audit	Office)		••	400	0	0			
Caretaker, unde					31	4	0			
							2	,581	4	0
2. Expenditure cont	rolled by	y the Ago	ent-Gener	'al :						
Clerks (subject	to reduc	etion of o	ne)		508	10	0			
Messenger, stationery, postages, and contingencies					250	0	0			
				O				758	10	0
					,		-			
							£3	.339	14	0

Out of which, perhaps, £250 a year will soon be saved in rent and discharge of one clerk

These figures compare favourably with the cost of the offices of the Australasian Agents-General and the High Commissioner of Canada. I am only permitted to give you the particulars of those departments in confidence, as they have been communicated to me on condition of their not being made public; but I may say in this letter that the cost of the New Zealand office (as above estimated, and not counting the reduction I hope to make) is less by £750 than the least, and of course greatly less than the highest of any other colonial Government office in London.

If you have adopted the recommendation contained in my letter of the 19th May, and taken a vote for £3,500, the Government can be sure from what I have said that the expenditure here will be within the vote. I ought, perhaps, to remind you that the estimate I am making only goes to the ordinary expenditure of the year, and does not include special matters, such as the Wool Exhibition, where Government orders may cause special outlay to be incurred.

I have, &c., I have, &c.,
F D. Bell.

The Hon. the Colonial Secretary, Wellington.

No. 2.

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

7, Westminster Chambers, London, S.W., 22nd July, 1881. S1R,--In further reference to the subject of my letters of the 19th May and 29th June, I have now to report what I have done about the offices here.

I told you on the 29th June that I should try to sublet all our rooms together, and take a smaller set; and accordingly I communicated with the Tontine people about a plan for exchanging offices in these chambers. But I found rents had so much increased of late, notwithstanding the huge buildings erected in this street for letting out in flats, that, while the rent of one of our own sets was only £50, rooms much inferior to ours were being let at £60: and the Tontine people not only required £360 for a set of six back rooms on the ground floor-a flight of steps below the street-level, and inferior in every respect to our own-but would call on us to redecorate some of the latter if we gave them up.

I saw, therefore, that it would be no use to move, as we should only be incurring the disadvantage of changing our address (to be avoided, if possible, in a vast place like London) without getting any appreciable saving in return. So I made an arrangement with the Tontine to open a communication between our two sets of rooms, in such a way as would safely shut off two offices for subletting. The alteration will cost very little, while I expect to get a good tenant at from £80 to £100 a year for the rooms to be shut off. In order to induce the Tontine to break an opening through the party wall, I told them we would remain here, which they are, of course, desirous we should do: and I do not think (supposing the agency to be continued) that we shall be able to do better than renew our tenancy when the present lease runs out, for as yet there is no sign that even the extensive building still going on all round will bring down rents in this street.

All the Australasian offices, and the Dominion office, are now together. You will see, by the particulars I am sending you about those departments, that the rents they pay do not compare with I have, &c. ours to our disadvantage.

The Hon. the Colonial Secretary, Wellington.

F D. Bell.

No. 3.

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

7, Westminster Chambers, London, S.W., 28th July, 1881. SIR. Adverting to the latter part of my letter of the 29th June respecting the cost of this office, it may be as well to note that the difference between that cost and the cost of the least of the other