

tariff only £100 of such effects are admitted free. The loss to the revenue by the remission of this duty would be very small indeed, and it is difficult to see why New Zealand should not offer the same inducements as other colonies. The colony which is our chief competitor for this class is Tasmania, and there no duty is charged on personal effects. The point is a very small one, but it is small things of this kind which seem to have such a large influence. In order to satisfy inquiries of this class it would be useful to me to have prospectuses of schools, property lists giving house rents, and information of a social character. A certain amount of this is already in the office, and will be collected by the officer in charge of the bureau; but I frequently find that publications which are freely distributed in the colonies are not to be had here.

No doubt a great many persons would go to New Zealand to permanently reside there if the advantages offered by the colony were better known. The ignorance regarding the colony is still stupendous, and much has to be done in the way of bringing the social and educational advantages of New Zealand into prominence.

### 3. SMALL FARMERS WITH CAPITAL.

This is the class above all others which I consider it desirable to attract. It is quite contrary to my intention to suggest a return to the old immigration policy. I feel that New Zealand will be able to obtain from the neighbouring colonies for years to come a sufficient number of artisans and labourers to meet any increased demand that may arise for that class of settlers; but the same remark does not apply to farmers with capital, able and willing to settle upon and cultivate the land, with advantage to themselves and also to those now in the colony. With regard to farmers, although something can be done by setting before them the many advantages of the colony as regards climate, fertility of soil, &c., yet I feel assured that in order to put the colony on a fair footing in the competition with other colonies in procuring suitable colonists, it is very desirable that some assistance should be granted to them similar to that which was granted some years ago, when, after being approved by the Agent-General and paying their capital into this office, to be repaid to them on their arrival in the colony, they were assisted to the extent of about £10 per adult in the cost of their passage. It will be found that during the two years this policy was in force 395 souls were sent out to New Zealand, and that capital in the aggregate amounting to £17,532 was received at this office for repayment to the owners on their arrival in the colony. The cost to the colony for passage-money was £3,025. Intending settlers of a really suitable description are, I believe, attracted by some advantage which is immediately available, more, perhaps, than by any other inducement. I therefore venture to recommend to the Government for their consideration the granting of some assistance, even though the aggregate amount be comparatively small.

I have been in communication with the shipping companies, and I find that during ten months out of the year they are prepared to reduce the cost of the passages of intending settlers with capital on the following scale:—

| —                             | Present Rates. | Contribution by Shipping Company. | Contribution by the New Zealand Government. | Reduced Cost to Passenger. |
|-------------------------------|----------------|-----------------------------------|---------------------------------------------|----------------------------|
|                               | £ s. d.        | £ s. d.                           | £ s. d.                                     | £ s. d.                    |
| Second Saloon ... ..          | 36 15 0        | 8 15 0                            | 8 0 0                                       | 20 0 0                     |
| Third ditto (two in room) ... | 21 0 0         | 3 0 0                             | 4 0 0                                       | 14 0 0                     |
| Ditto (enclosed berth) ...    | 18 18 0        | 2 18 0                            | 3 0 0                                       | 13 0 0                     |

It will be seen by this that, under this proposal, assistance to the extent of £16 15s. per adult will be available to persons going by the second-class, and of from £5 18s. to £7 to those taking third-class passages, and the reduction made by the shipping company is practically equal to the contribution made by the Government.

Although this is perhaps not a very large inducement, yet I venture to think it will have a good effect; and the bare announcement that assisted passages are given to farmers with capital brings such in direct communication with this office, and, what is perhaps more important, draws the attention of others to the colony who do not desire assistance. From the number of inquiries made at this office I have the means of knowing that the great cost of the passage to New Zealand compared to other colonies acts as a serious deterrent. The cost to a man with a large family is so large as to be prohibitive in the case of a man with a very small capital.

I hope I have made it clear that, although I consider the benefit the colony will derive from the introduction of small farmers with capital to be considerable, I regard the necessary advertising which this scheme involves of the greatest importance. The adoption of this scheme will give what is so much wanted, a *raison d'être* for extensive advertising, using the term in its largest sense.

It appears to me that the present time is especially opportune for making an effort to attract settlers to the colony. The marvellous growth of our exports and land settlement, and the buoyancy of our revenue, at a time when the expenditure of borrowed money is reduced to a minimum, are facts which bring our colony into prominent and favourable notice. The success also attending our agricultural and pastoral industries offers a favourable opportunity of bringing New Zealand under the notice of the English farmer, whose prospects appear at the present time so gloomy; while the policy now being pursued by many of the land companies, of putting land on the market, affords to such an opportunity of acquiring improved farm lands at a reasonable price, should they desire improved lands rather than Crown lands.

The Hon. the Premier.

I have, &c.,  
W. B. PERCEVAL.