No. 2.

The Hon. the Premier to the Agent-General.

Wellington, New Zealand, 16th June, 1892. Sir.

In reply to paragraph three of your letter of 18th March, dealing with the question of attracting small farmers with capital to the colony, I have the honour to inform you that the Government concurs in the views expressed in your letter with respect to the introduction of immigrants of the farmer class who possess more or less capital, and they would be willing to assist desirable persons desiring to settle in New Zealand by affording to them every information in their power, and by approaching the different shipping companies with a view of inducing them to grant passages to this class of settlers at reduced rates.

It is deemed advisable that the benefits which would accrue to settlers of the farmer class, together with the advantages which this colony offers to such colonists, should be advertised somewhat in the manner you have suggested, and particular attention should be given to the distribution of these advertisement in the provinces, from whence we may expect to draw settlers who would come under the heading of farmers. It is believed that the colony could absorb a considerable number of farmers who possess capital varying from, say £300 to £5,000, the more so as there is a tendency at the present time to subdivide the estates held by large proprietors in this country, which thus offers to that class of immigrants who, from age, habit, or want of colonial experience, are unfitted for coping with the pioneer work of subduing the wilderness, chances of securing partly improved farms, where their experience may be of benefit to them.

Intending settlers should be asked to show that they were possessed of some means, and to produce some form of guaranteee as to the amount of capital owned by them, and possibly the course pursued by your predecessor under the same circumstances would equally meet the present case. In addition, there should be procured satisfactory evidence as to the character and general suitableness of the people for colonists. Then the Government think the shipping companies would come to some arrangement with you, whereby the passage-money could be reduced, as it

would be impossible for the colony at present to provide the money for such a purpose.

It does not appear necessary to confine the time during which passages may be given in this manner, to the ten months that the shipping companies offer facilities to emigrants, so long as the

companies are satisfied with the arrangements entered into.

You could, no doubt, enter into specific arrangements with the shipping companies trading to this colony, and insure that a proper dietary scale, medical attendance, &c., is established, in which you will find assistance from the arrangement made by your predecessor under somewhat similar circumstances. The mode of payment for the passages would be subject to the same arrangements as

formerly without any assistance from the colony.

In communications with intending settlers it will be necessary to insist upon the fact that those who desire to settle on Crown lands should be informed that they will be practically confined in their choice to forest lands, which have to be cleared and sown with grass before any return can be expected, and, moreover, that the lands that the Crown has to offer are, with few exceptions, confined to those suitable for pastoral purposes; but which may, nevertheless, be held in areas varying from 200 to 2,000 acres. You will see from this that farmers who have had some experience in pastoral pursuits are the most suitable class so far as settlement on Crown lands are concerned, even on the Crown lands clear of forest in the South Island, and that, therefore, special attention should be given to advertising in those parts of the United Kingdom where pastoral pursuits prevail.

The course of action, therefore, the Government think it most advisable you should pursue, is to advertise extensively throughout the United Kingdom (the cost of which will be defrayed by the Government), giving all the information available concerning the colony; then when suitable settlers come forward expressing their willingness to go to the colony, and show to your satisfaction that they are possessed of a certain amount of means, it will be for you, having previously arranged with the shipping companies, to see that they are provided with tickets for their passages at reduced rates. In entering into negotiations with the shipping companies, it is suggested that you should fully place before them the advantages which will accrue to themselves by offering inducements to a most desirable class of people to emigrate and settle in the colony, a class of people who will almost immediately become producers in the colony, and naturally help to swell the business of the shipping firms trading to New Zealand.

J. Ballance.

The Agent-General for New Zealand, London.

No. 3.

The AGENT-GENERAL to the PREMIER.

Sir,-13, Victoria Sttreet, London, S.W., 4th August, 1892. I have the honour to acknowledge the receipt, by the San Francisco mail which was delivered here on the 21st ultimo, of letter (not dated) from the Minister of Lands, communicating to me the views of the Government with reference to the proposals I submitted for consideration in the third paragraph in my letter No. 336 of the 18th March last, and, in reference thereto, to state that I have placed myself in communication with the shipping companies for the purpose of endeavouring to make arrangements with them for a reduction in the amount of passage-money as regards persons who may be recommended to them by me as eligible for such assistance, it being understood that the Government, on their part, will advertise extensively throughout the United Kingdom, for the purpose of inducing suitable persons to proceed to the colony by the companies' direct steamers.

Owing to the absence from London of many persons who have to be consulted in this matter, I have not yet been able to come to any definite arrangement, but I trust will be able to do so I have, &c., W. B. Perceval. shortly.

The Hon. the Premier.