

6. Mr. Sloman at this time insisted that Mr. Kirchner had already chartered two of his vessels, and that he had directed him to have ten more in readiness. When Mr. Sloman made default in the Queensland contract, I gave him notice at the end of December that I could not extend the period of its completion; that it had in fact lapsed; and therefore that the other agreement, contingent upon the completion of that contract, had never come into force. Mr. Sloman's object was, if I had condoned the default, to plead that, the Queensland contract having been completed, the proposed consequent arrangement with Mr. Kirchner should at once come into operation.

7. There being absolutely no contract at the end of the year between the Government of New Zealand and Mr. Sloman, I could, after that date, only consent to charter vessels from him on special agreements quite outside of the Queensland contract. Mr. Kirchner had been previously instructed not to charter any vessels.

8. The case is now exceedingly simple. Mr. Kirchner and his agents have been obliged to admit that the 416 emigrants now on their way to the colony in the "Fritz Reuter," and who were, in the end, ordered to be sent at their expense by the German Government, constitute the entire number to whom free passages had been promised by them, so that all their engagements in regard to free emigration have been actually fulfilled. Mr. Kirchner, again—his agreement, owing to the non-fulfilment of the Queensland contract, not having come into existence—has no claim to have any emigrants sent out under it. As I have shown in the preceding paragraph, I was under no obligation to Mr. Sloman, by reason of the non-fulfilment of his agreement with me. The only question, therefore, that now really remains is the question of payment of the passage money of the 416 emigrants sent by the "Fritz Reuter," to which I shall most willingly agree, and would at any moment agree, on receiving a full discharge from all claims against the Government on the part of Mr. Kirchner, Mr. Sloman, and all parties concerned.

9. With regard to those 416 emigrants, I desire particularly to guard the Government against receiving them as if they were immigrants selected by the Agents of the Government, or sent out under its authority; or as if, in fact, they stood in any other relation towards it than that of immigrants sent out by Messrs. Sloman at their own cost and risk. While it will be impossible for the Government to prevent them landing, Messrs. Sloman's agents should be held strictly responsible for all expenses that may be incurred in connection with their arrival. It may be that the Government shall see no objection to their being settled on the lands of the Emigrant and Colonist's Aid Corporation, as suggested in my letter of the 10th instant. I threw out this suggestion, having become aware that the Corporation were, without any authority from me, in communication with Mr. Kirchner to secure them for their settlement; and I have no reason to object to their doing so, the circumstances being clearly understood between all parties.

10. In conclusion, I may state that I should have written on this subject previously, but that I had hoped, as I have already said, long before the present date, to have been able to inform the Government of the settlement. I see no reason to doubt that it must, whatever may be the further delay, be ultimately settled in the sense I have indicated.

The Hon. the Minister for Immigration,
Wellington.

I have, &c.,
I. E. FEATHERSTON,
Agent-General.

Enclosure in No. 1.

FEATHERSTON to R. SLOMAN, Hamburg.

"SHAKESPEARE" arrived. Free emigration stopped both from England and Continent. Applicants already accepted by Kirchner will be sent, but all others must pay their own passages. The German Government, in consequence of inquiries it is making, will be advised of this change.

No. 2.

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

(No. 406.)

7, Westminster Chambers, Victoria Street, Westminster, S.W.,

SIR,—

26th May, 1876.

I have the honor to acknowledge the receipt of your letter No. 56, dated 7th March, 1876, forwarding copies of the following documents relative to the "Otaki," which vessel, you inform me, arrived at Lyttelton upon the 8th February, viz.:—1. Immigration Commissioners' report. 2. Surgeon-superintendent's report. 3. Certified list of births and deaths.

The Commissioners remark that "all the compartments were exceedingly clean, the light and ventilation ample, and the fittings satisfactory;" also, that "the provisions were of good quality, and no complaints were made."

The remarks in your letter and in clause 3 of the surgeon-superintendent's report, recommending "direct communication between the single women's compartment and the poop," in order to "prevent the necessity of their going on to the main deck," has engaged my careful attention, and I enclose a report on the subject from my Despatching Officer. Having regard to the difficulties in the way of carrying out the recommendation suggested by Mr. Smith, I think it right to refer the matter to the Government for reconsideration, before giving any instructions thereon.

The Hon. the Minister for Immigration,
Wellington.

I have, &c.,
WALTER KENNAWAY,
(for the Agent-General, and in his absence).