

assurance he had made only a fortnight ago that all engaged passengers were to be forwarded. This is the case as far as it has proceeded by this time. In now pointing out the probable events which may take place, I only desire and earnestly hope that such eventualities may never happen, by the Agent-General fulfilling his promises in forwarding the engaged passengers. In case he does not, and the emigrants are forwarded to Hamburg, I do not know whether Mr. Sloman would ship them, risking to sue for the passage. I am not in Mr. Sloman's confidence, and therefore do not know his intentions. Suppose he does not forward them, the emigrants would of course lodge complaints that they had been deceived and swindled. The Germans would go to the police, the Italians, Swiss, Danes and Scandinavians to their respective Consuls; all Continental papers would be full of the hardships entailed upon the poor people, and these accounts would not fail to find their way into your papers also. I would probably be brought up on a charge under section 144, and ultimately all Continental Governments would issue a warning against emigration to New Zealand. Three years hard work to make the colony known on the Continent, the prestige which the former has obtained, the hope of its attracting hundreds of full-paying passengers, would all be lost, because the Agent-General forces me to break faith with 500 emigrants, as good people as ever were seen. I hear that last year nearly 40,000 free passages were allowed, and now 500 are too many! It is far from my wish to involve the colony or force our emigrants on it, and gladly would I have disposed of the above 500 emigrants either to South Australia or Queensland, but the emigrants themselves have no idea except New Zealand. I hope therefore the Agent-General will accept the above emigrants as the last which New Zealand has to receive from the Continent. On their being shipped, I undertake to give up my contract on receipt of the promised fair compensation, out of which I shall settle all claims which my agents may have a right to make, and free the colony from all further liability and claim caused by my action. Trusting that my last appeal may find a favourable ear,

"I am, &c.,

"The Agent-General for New Zealand, London.

"W. KIRCHNER.

"P.S.—If you deem a personal interview necessary, I am ready to come over.—W. K."

17. The Agent-General acknowledged its receipt by telegraph in the following words:—"Received your letter of 13th, giving your case drawn up for your lawyer. I abide by my decisions, and am quite prepared to defend the position I have taken up in regard to yourself and Sloman, and to bring the whole matter under the notice of the Hamburg authorities and German Government, to enable them to take whatever measures they may deem expedient for protection of emigrants alleged to have been engaged by local agents on your authority. It is quite clear, from your own admissions and documents, that not a single emigrant has been approved and accepted by you either in accordance with the Emigration Regulations or the terms of your appointment. On Sloman's failure to fulfil Queensland contract within specified time, all other proposed agreements contingent upon its completion fall to the ground."

18. Then commenced the proceedings connected with the despatch of the "Fritz Reuter" to the colony without the Agent-General's authority, and despite his protest. On the receipt of the last quoted telegram, Mr. Kirchner informed his agents accordingly, and received as he states (28th March) a notarial protest from Mr. C. A. Matthei, whom he describes as "the licensed Government Agent." He says, "Mr. Matthei declares that he holds me, as your Agent, responsible for all and every fine, loss, expense, and charges which may result from the detention of these people, who were ordered to arrive in Hamburg on the 7th April. I also received a letter from Messrs. R. M. Sloman and Co., stating that you had given them notice not to ship any people, and calling upon me to open credits for the amounts of the passage money, as otherwise they would charge you demurrage for the detention of the ships chartered."

19. The Agent-General simply acknowledged the receipt of this letter.

20. On the 4th April Mr. Kirchner enclosed a copy of a legal opinion by Dr. Carl Vogel, in the following terms:—"I am of opinion that should an investigation be made by the Imperial authorities into Messrs. Sloman and Co.'s agreements with the Agent-General, that Messrs. Sloman and Co. would be called upon to forward the said people at their risk, as the people were engaged on the basis of the said agreement, by which Messrs. Sloman and Co. have to ship the emigrants before they can claim payment."

On the 7th he writes again, stating that Mr. Matthei had called upon him to make preparation to receive the engaged emigrants, and that he had stated he was not in a position to do anything for them; that in consequence he expected to receive a summons to appear at Hamburg as the agent of the Government, which summons he could not disobey.

21. On the 11th of April Mr. Kirchner states the result of the proceedings at Hamburg as follows:—"Referring to my letter of 7th instant, I have now the honor to inform you that I arrived here yesterday, my attendance having been required in the matter of the emigrants to whom I had promised free passages to New Zealand. The authorities have now decreed that the securities deposited by Mr. Matthei, the licensed agent who acted for me, should be forfeited, unless the emigrants be forthwith forwarded according to their contract. Mr. Sloman, who has deposited the securities for Mr. Matthei, has therefore decided to forward the emigrants, amounting to 416 adults, under the transferred Queensland contract, which he does not consider completed yet. I have no copy from you of this contract, but you mentioned to me that the stipulated time had expired. I suppose this will be Mr. Sloman's own look-out. The 'Fritz Reuter,' the ship by which Mr. Sloman intends shipping the emigrants, will, I expect, be ready for sea by the end of this week. I shall, of course, be required to superintend the shipment in accordance with my contract, and I intend to send Dr. Uterhart, who has just returned from New Zealand, in charge of these emigrants."

In a further letter from Hamburg, on the 13th April, he encloses his correspondence with Messrs. Sloman, stating that Mr. Sloman had despatched, under legal advice, the 'Fritz Reuter' emigrants under the transferred (in reality expired) Queensland contract, and admits that now all his engagements were fulfilled. "With reference to my last letter of 11th instant, I beg to hand you enclosed the correspondence which passed between Messrs. Sloman and myself. The 'Fritz Reuter' has ample room for the engaged 416 emigrants; Mr. Sloman intends, therefore, to despatch the 'Humboldt' to Donna