

detained till the 25th May or the middle of June. Sloman I think would gladly cry quits of the remaining 3,000 emigrants if he were assured that the 1,000 to whom free passages are promised were to be forwarded."

Dr. Featherston at once replied by telegram: "Impossible I can accept the liabilities you say you have incurred without myself examining each application and verifying each acceptance." On receipt of this telegram, Mr. Kirchner replied that he was unable to forward the documents, "as our way of carrying on the acceptance of emigrants is different from yours," but that "at the close of last season" he had authorized his various agents to engage emigrants to the extent of 1,500.

On the 27th February Dr. Featherston telegraphed, "I absolutely repudiate any liability whatever in respect of a single one of the 1,500 you say you authorized your agents to engage, and will, if necessary, take immediate steps to prevent your proceeding further with such unauthorized transactions."

In his letter to Mr. Kirchner, of the 22nd February, Dr. Featherston had written, "When you were appointed Agent of the New Zealand Government for Continental emigration, it was upon the distinct understanding that while you might appoint local agents, the power of approving and accepting emigrants rested in you solely and exclusively, and that you could and should not delegate such power to your local agents."

On the 6th March, 1876, Mr. Kirchner writes, "I beg to enclose the original applications of emigrants which were accepted by me in Germany, Italy, and Switzerland. There were 125 emigrants more accepted by me, engaged by my agents in Scandinavia. I hope to forward the originals in a day or two. All were engaged previous to the 10th February, the date on which I had notice from you that free emigration would cease. The number of accepted emigrants, according to the enclosed lists, amounts to 433 statute adults, to which 125 from Scandinavia, as mentioned above, will be added; therefore in all 558 adults."

He then goes on to urge being allowed to forward these emigrants, and in reply Dr. Featherston telegraphed, "The more your proceedings are disclosed the more necessary it becomes that I adhere strictly to my decision communicated in my telegram of the 27th ultimo."

Then came Mr. Kirchner's letter of the 13th March, 1876, above referred to, with a recapitulation of his case, and Dr. Featherston, in his reply by telegram, states, "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 the 11th April, 1876, Mr. Kirchner wrote Dr. Featherston, informing him of certain proceedings instituted by the Government, and that the "Fritz Reuter" was to be despatched with 416 emigrants. He states, "with the despatch of the 'Fritz Reuter' all my promises will be fulfilled."

In his despatch of the 17th May, 1876, above referred to, Dr. Featherston writes as follows:—"On the 7th February I advised the several parties concerned of the total stoppage of free emigration from the Continent. They immediately professed to have promised free passages to some 3,000 emigrants, and to have engaged shipping from Messrs. Sloman for that number in advance. This was on the face of it such an obvious conspiracy to force the Government to carry on free emigration contrary to its express policy, that I at once determined to enforce my strict rights under the several agreements. Accordingly I refused to accept any emigrants to whom free passages had been promised, unless they had been actually accepted and approved by Mr. Kirchner himself, in accordance with my instructions to Agents, declining to recognize the action of his local agents. Mr. Kirchner at first said he thought he had engaged 500, but could furnish neither list nor certificate. A little later the number rose to a thousand. A few days subsequently he stated that, between the sailing of the 'Gutenberg' in December and the 20th January, he had ordered his agents to engage 1,500, and that shipping must be provided for that number. Finally, upon examination of documents, I discovered that not one of the alleged number had been really approved by Mr. Kirchner, and I accordingly decided not to accept any of them. 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 out at their expense by the German Government, constituted the entire number for whom free passages had been promised by them, so that all their engagements in regard to free emigration have been amply fulfilled."

As to Mr. Mathei's Claim.

In the action brought by Mr. Mathei against the Government, an affidavit was made by his solicitor, in which he states that the action is brought to recover a large sum of money as damages for breach of an agreement to provide a free passage to New Zealand from Hamburg for emigrants provided by him as the duly appointed and authorized agent of the defendants, and for money paid by him for the Government for the conveyance of the emigrants, and for commission in respect of the agency; and that he as such agent brought to Hamburg 416 emigrants to be shipped to New Zealand by the Government, and that as the Government refused to forward them, he was obliged himself to provide a free passage for them.

We are not aware of any contract whatever between the Government and Mr. Mathei, but in the letter of Messrs. Sloman and Co. to Dr. Featherston, which they allege constitutes the contract for the 4,000, they state as follows:—"As the German laws require a licensed agent for the conveyance of emigrants, we have appointed Mr. C. A. Mathei to act for us in this capacity under our responsibility, and to sign the charter-parties and other documents for our or on our account."

We are at a loss therefore to understand on what ground Mr. Mathei can make any claim against the Government.

In conclusion, we would advise that, in any arrangement which may be come to, care shall be taken not to admit that the emigrants sent in the "Fritz Reuter" were sent under the Queensland contract, unless all claims are got rid of at the same time, in which event this will be unimportant.

There yet remains to notice the claim of Messrs. Sloman and Co. to have remitted the penalty of £500 deducted in Wellington from the freight of the "Terpsichore," as to which they wrote Dr. Featherston under date of the 25th September, 1876.