E.—3.

17. The scheme embodied in this instrument of the 27th June, 1872, was accepted by the memorialists Alexander and Henry Brogden entirely at the instance and upon the faith of the representations of the Agent-General, who from time to time communicated to them the urgent despatches of the Hon. Mr. Gisborne on the subject of the paramount necessity of a prompt and continuous flow of from eight thousand to ten thousand emigrants into the colony (Parliamentary Papers, 1872, D. No. 1), and the Agent-General earnestly pressed upon them the resumption and completion of the treaty which Mr. James Brogden had begun with the Minister in the colony. Acceding to this, at the Agent-General's strong instance, they intimated their willingness to assist the immigration schemes of the Government by some arrangement which should neither yield them any profit nor expose them to any loss; and they suggested that they should keep account of the moneys expended, and the repayments received from emigrants, and that the account should be ultimately settled upon the basis of repaying actual outlay. It was in anticipation that such would be the basis of agreement between themselves and the Government that the memorialists, before the execution of the document of 27th June, 1872, sent out between six hundred and seven hundred emigrants and their families. But the Agent-General objected that there was no finality in such an agreement. At the same time, he vouched to the memorialists Alexander and Henry Brogden, in the strongest possible manner, and as from his own actual personal experience, that the terms which were ultimately embodied in the document of June, 1872, would fully and effectually indemnify them from all loss; and they, without experience themselves, but implicitly relying upon this assurance (which to them was invested with all the weight attached to the ex officio utterance of a Government authority), and confiding entirely in it, executed the document in question, and proceeded to act upon it until, in the whole, they had despatched twelve hundred and ninety-nine able-bodied emigrants to the colony, representing, according to the quoted estimate of the Prime Minister, a net value to the country of no less than about £260,000.

18. At the time these statements of the Agent-General led to the memorialists executing the deed of June, 1872, it was also represented to them by him that the Government itself was dealing with emigrants on a similar footing of making advances and taking promissory notes; that it was found a satisfactory course to the Government; that there were no difficulties in the way of recovering and enforcing these notes; that the law of arrest prevailed in the colony, and was effectual; and that other emigrants would be exported by the Government upon very similar terms. And all these representations were received by the memorialists as authentic, and contributed to induce them to accept the deed of June, 1872, instead of the basis they had themselves desired.

19. But, since executing that deed, there is not one condition of the things represented which has not been changed. The Government began by taking out their own emigrants in the same vessels with those of the memorialists upon other and more favourable terms,—thus creating jealousy and discontent on the part of the latter. It then proceeded to grant entirely free passages to emigrants other than those of the memorialists, and so raised the feeling of the latter from one of discontent to one of accusation against the memorialists, whom they charged with defrauding them, and against whom every device to avoid payment of their promissory notes was deemed lawful. Bankruptcy, which, as the memorialists are informed, had always refused discharges to those who were indebted to the Government for cost of immigration, granted discharges to those who were indebted to the memorialists. The Government afterwards ceased to enforce the promissory notes of their own emigrants, thereby showing their estimate of the value of securities which the memorialists had been so strongly assured by the Agent-General to be effectual. At length, every possible chance of recovery was extinguished by the repeal of the law of arrest for debt. Yet the Government claims to remain creditor of the memorialists, after having itself destroyed the security which the Agent-General had ex officio assured them was ample to protect them from loss in undertaking the liability to pay for

the export of emigrants to enrich the governed country. 20. In this state of things, and in consequence of the losses sustained by the memorialists through their endeavour to assist the immigration plans of the Government by the means provided in the deed of June, 1872, Mr. James Brogden, in October, 1872, at an interview with the Hon. the Minister for Immigration, claimed, as an act of justice, that the Government should relieve the memorialists from that deed. The claim was further urged in a correspondence between the Minister and Mr. James Brogden in October and November, 1872, and between the memorialists in England and the Agent-General on the 15th 26th, 27th, and 28th of May, the 12th of June, and the 10th of July, 1873. This correspondence is all set out in extenso in the Appendix to the Report of the Committee, hereinafter referred to. (See the Parliamentary Paper, 1873, I.-5, pages 19 to 22.) The letter of the memorialists to the Agent-General, of the 12th June, 1873, recapitulated to the latter the fact of the Government having originated the negotiations which resulted in the deed of June, 1872; the pressure put both by the Government and himself upon them to undertake it; their statements to the Agent-General at the time that they sought no profit, but desired to make no loss; the strong assurances of the Agent-General of the amplitude of the security against loss, and upon the faith of which assurances alone the memorialists entered into the deed; and many of those subsequent measures of the Government to which the defalcations of the immigrants, in spite of the assurances of the Agent-General, are to be

21. To the statements of that letter of the 12th of June, 1873, no contradiction has ever been offered by the Agent-General, either to the memorialists or to the Government; but they have for two

years been acquiesced in, and are, therefore, to be taken as proved.

22. In their letter of the 10th July, 1873, to the Agent-General, already referred to (1873, I.-5), the memorialists showed that the amount in which their immigrants were indebted to them on promissory notes for the agreed rate of passage, and for nearly £11,500 advanced for kits, outfits, and sundries, was £39,874 13s. 9d.; and that, against the item for passage money, the memorialists had given to the Government their own promissory notes for £18,240, of which only £1,007 18s. 8d. had been received back; and they proposed that they should be relieved from these latter promissory notes, and should transfer to the Government those of the immigrants, to enable the Government to collect