

experienced in getting in the money for the promissory notes, which had been given by the immigrants brought to the colony both by the General and the Provincial Governments. He had always been led to believe, however, by his advices from England, that the arrangement with his firm would be on the basis that while his firm was not supposed to make any profit, it was not to sustain any loss. No sooner, therefore, had he become acquainted with the terms of the agreement of June, 1872, than he at once communicated to the Government his disapproval of it, and remonstrated against it. It was impossible, of course, for Mr. James Brogden to have caused any alteration in the arrangements made by his firm in London, because he was off his guard, and knew nothing of the nature of the arrangements until they had been completed; but, when once aware of them, he at once communicated to the Government and to his firm in England his disapproval of them, and intimated to the former his feeling that his firm ought to be relieved from them. The fact is that the agreement was one of an oppressive character, as far as Messrs. Brogden were concerned. They felt that they had considerable grounds for dissatisfaction, and brought this under the notice of the Government; and the Government seemed to think that the best course they could adopt would be to refer the matter to the Agent-General, in order that he might advise them. Accordingly, in the year 1872, the Hon. Mr. Waterhouse, in the absence of the Minister for Immigration, forwarded to the Agent-General the following letter:—

Herewith are forwarded for your information copies of a correspondence that has passed between the Messrs. Brogden and the Government, with reference to their immigration contract of the 27th June, 1872. The Government have invited the Messrs. Brogden to place themselves in immediate communication with you, and have promised to favorably consider any suggestion or recommendation you may make on the subject.

The correspondence which was enclosed with that letter consisted of three letters, two of which are from Mr. James Brogden to Ministers, and one from Ministers to Mr. James Brogden. The first is written by Mr. James Brogden, and is dated 28th October, 1872. It is as follows:—

Having reference to our conversation on Saturday last, I have now the honor to submit in writing the proposition which I then made. It is that the Government should at once relieve my firm of all further obligations (if any) under the contract of 27th June, 1872, and that the Government should repay to us all actual outlay incurred by us in connection with that contract, we indorsing to the Government the promissory notes given to us by the immigrants, and undertaking to aid the Government as far as we can in recovering the amounts payable under those notes. I need not repeat in writing the reasons which I urged why the Government should adopt this course. Should the Government consent to it, I shall be willing, on the part of my firm, to enter into arrangements with the Government for obtaining emigrants in England; but I think it inexpedient to propose terms for that service, which had perhaps better be discussed after the Government have signified their determination in regard to the matter in the former part of this letter. This letter is, of course, without prejudice.

Had the Government acted in accordance with the suggestions made in that letter they would have suffered no loss, and the Messrs. Brogden would not have been in the position they are now in. Further on, Sir G. M. O'Rorke, as Minister for Immigration, wrote as follows:—

I have the honor to acknowledge the receipt of your letter of the 28th ultimo, in which you propose that the Government should at once relieve your firm of all further obligations (if any) under the immigration contract of 27th June, 1872, and that you should be repaid the actual outlay incurred in connection with that contract; the promissory notes given by the immigrants being indorsed to the Government, and your firm undertaking to assist in recovering the sums due under those promissory notes. In reply, I have to express to you the regret of the Government that, after the gravest consideration, they find themselves unable to meet your views so far as to relieve the firm from their liabilities in connection with the conduct of immigration under the agreement referred to; but I may state that, so far as regards modification in the terms of the contract, as respects future operations, favourable consideration will be given to any suggestion or recommendation which may be made by the Agent-General, with whom, upon the subject, your firm are invited to place themselves in immediate communication.

On 4th November, 1872, after receiving the letter from Sir G. M. O'Rorke, Mr. James Brogden addressed the following further letter to the Minister for Immigration:—

Having reference to our recent correspondence respecting the immigration arrangements of the 27th June, 1872, I desire especially to put upon record one of the grounds upon which I, at several interviews, urged the Government to relieve my firm from their obligations (if any) under it—namely, that it places the immigrants in a far worse pecuniary position than those who are introduced under the ordinary Immigration Regulations of the Government, while it also places my firm in the invidious position of endeavouring to enforce, upon such of them as we may be desirous of employing, conditions more unfavourable than those under which we can employ other persons of the same classes. This letter must, however, not be treated as any recognition on my part of any obligation under the arrangement above referred to.

The Hon. Mr. Waterhouse, on the same date, refers in very strong terms to the fact that a far less number of immigrants had arrived than had been arranged for. In the memorandum No. 19, of the year 1872, the Hon. Mr. Waterhouse says:—

As regards the supply of immigrants generally, the Government cannot avoid a feeling of apprehension, almost amounting to certainty, that the number which it was desired should be introduced in course of 1872 will not arrive within the specified time. Under date, 25th November, 1871, instructions were given for the introduction within the year 1872 of 8,000 immigrants, exclusive of nominated immigrants and of those to be introduced by Messrs. Brogden. Although so near the termination of the year, only 3,116½ statute adults have arrived, and we have advices of only 469 more being on the way out—making a total of 3,585½ statute adults. But of these 958½ are nominated immigrants and Brogden's people, leaving a balance of only 2,627 immigrants as against 8,000 ordered. Doubtless, this number will be increased by the arrival of one or more of the vessels to sail after the date of the last advices. There seems, therefore, no possibility that the number of immigrants arriving in the course of the present year will be at all equal to the number which were considered requisite, for the forwarding of which instructions were given under the date quoted.

On 21st December, 1872, Messrs. Brogden addressed a letter to the Agent-General, as follows:—

In fulfilment of the letter of our agreement with you relative to New Zealand emigrants, we have the honor to hand you our promissory notes for passage-money disbursed by you to the 19th November, 1872. But while we thus unreservedly fulfil the letter of the agreement, we have to represent to you that we are likely to sustain very great loss in the transaction. Our agents in New Zealand inform us that great numbers of the men whose passage-money we thus secure deserted on arrival in port, and it will be extremely difficult, even if at all possible, for us to recover from them our advances for passage-moneys and kits. Nothing is included in our prices for works to cover that contingency. Not only, then, is our object for securing men for the execution of our works defeated, but our expenditure is thrown away and becomes dead loss; while the New Zealand Government, whose object is immigration, for all purposes, secures the distribution of a number of able-bodied men through the colony at our expense. Under these circumstances, and seeing that in accepting your form of agreement we relied mainly upon your long experience, and on your opinion that the margin between the amount to be paid by us and the amount charged to the emigrants would amply protect us from any loss, we trust to your supporting any representations we may have to make to the Government hereafter, by way of appeal to them, to make allowance to us for any losses we may ultimately sustain by the transaction.

With that letter, as will be observed, the Messrs. Brogden handed over the promissory notes referred to in the petition. By the terms of the contracts for works, there was power given to the