

6. Are the contents of the first two paragraphs correct, in substance?—Yes.

7 Mr. James Brogden is one of your partners?—Yes.

8. And he followed Sir Julius Vogel to this colony in 1871?—He did. He arrived in New Zealand in October, 1871

9. And he found that the House of Representatives declined to give effect to the arrangements which had been made by Sir Julius Vogel?—Yes; the House of Representatives would not agree to carry out the arrangements which had been made with Sir Julius Vogel.

10. The arrangement made in December, 1871, was a suspensory one?—It was.

11. I believe you have been informed by your brother, Mr. James Brogden, by correspondence and otherwise, that shortly after his arrival in this colony the Government opened negotiations with him with regard to immigration?—Yes. I was informed also by the Agent-General, Dr. Featherston, that some arrangement had nearly been come to with regard to immigration between the Minister for Immigration and Mr. James Brogden.

12. And that was confirmed by the Agent-General's letter to the Colonial Secretary of New Zealand, which letter is dated 8th February 1872 ["I have the honor to acknowledge receipt of memorandum No. 56, of 25th November, 1871, relative to the contract which it was thought the Government would be able to arrange with Messrs. John Brogden and Sons, for sending to New Zealand a certain number of emigrants, but which contract (a copy of which I have received) has not been arranged. You request me, in consequence, to endeavour to come to some arrangement with the members of the firm in London. In reply, I beg to inform you that in the interview of a few minutes which I had two days ago with the Messrs. Brogden, they expressed their readiness to discuss the matter at an early date: they left, however, an impression on my mind that they were not disposed to enter into any emigration contract. At the same time I am satisfied that they could and would afford valuable aid in procuring emigrants."]?—Yes.

13. Is it a fact that immediately after that negotiations were opened by the Agent-General with your firm in London?—Yes; the Agent-General informed me that the negotiations which had been going on in New Zealand had been transferred to England, to be conducted there by him and my firm. A draft agreement was enclosed in the letter of the Minister to him. It is published in the Blue-book, D.-1, of 1872, page 11. That is the draft agreement which was subsequently brought under my notice. The Agent-General at the same time showed me the despatch of 25th November, 1871. The letters are Nos. 7 and 8 of D.-1, 1872, pages 8 and 10.

14. You had interviews with Dr. Featherston in December, 1871?—Yes, we had frequent interviews, because we were both ignorant as to the arrangements which had been made with regard to the railway contracts.

15. And you had some brief interviews with regard to the immigration contracts?—Yes, in a letter dated 8th February, 1872, Dr. Featherston says: "In the interview of a few minutes, ' &c. [See letter printed in Question No. 12.]

16. And prior to 7th March you had a number of interviews with Dr. Featherston?—Yes, I had several interviews with him, but I cannot remember how many

17 In a letter to the Colonial Secretary dated 7th March, 1872, the Agent-General says: "I have the honor to inform you that, although I have had several interviews with the Messrs. Brogden on the subject of the proposed emigration contract, I have not yet arrived at any definite understanding with them. Messrs. Brogden are, in fact—owing to the non-arrival of the December mail—so entirely without advices from Mr. James Brogden, that they scarcely feel themselves in a position to enter into any arrangement. I have, however, reason to believe that on the arrival of the mail they will be prepared to agree to the proposals submitted to Mr. James Brogden, with certain modifications. In the meantime they are engaging a considerable number of men on terms which appear to me fair and reasonable. They hope to send out 150 by the 'Schiehallion,' which will sail for Wellington on the 27th instant."—Yes; and I may say that by that mail we got no letters bearing on the subject from Mr. James Brogden, Wellington; but at that time we were commencing to engage men although no arrangement had been made, but upon the faith of our coming to some arrangement eventually. It is quite evident, from the despatches which were sent to Dr. Featherston, that immigration into the colony was not progressing as satisfactorily as was desired by the Government; consequently we gave assistance to him in selecting immigrants for the colony.

18. Dr. Featherston, in his letter, says: "In the meantime they are engaging a considerable number of men on terms which appear to me fair and reasonable?" Yes; but there were no definite terms as between ourselves and the Agent-General. The general understanding was that we were to give the Agent-General all the help we could, but at the same time in doing so we were not to sustain any loss nor make any profit. First of all we were under the impression that we should have to pay the cost of sending out immigrants, and provide for it by adding to the cost price of the works which were to be given to us to execute, but we got very early information of the fact that the amount voted for each line of railway which the Government were authorized to construct was less than the amount which the lines would cost. By the March mail I wrote to my brother, Mr. James Brogden, as follows: "We shall continue to send out emigrants until the number you mention is reached. Unfortunately your letter did not convey to us the idea that we had to take up the negotiations with Dr. Featherston, or that there had been such an advance in the negotiations with you as the preparation of draft agreements. We shall arrange with Dr. Featherston on the basis of our undertaking the liability of the passage-money with the Government much in the same way as proposed in the draft agreement, covering ourselves with engagements with the men, and stipulating also that in the 'cost-price' of the works there shall be added a sufficient sum to cover loss from defaulting persons. The Government will have to advance the money and be repaid by instalments, and we shall deduct a proportionate part of the weekly wages under our formal engagement; and have also in the prices an allowance for the loss which will probably occur. This item of 'cost' must be settled by you and Henderson, and should be added as the losses occur. The draft form of engagement of the men has been hurriedly prepared, and was copied without having been finally read over. In