

26. In a letter addressed by your firm in London to Mr. James Brogden in this colony, and dated 30th May, 1872, you say: "The third lot of men despatched sailed from Gravesend to-day in the 'City of Auckland.' I am not able to send you the exact number, but they are included in the number of 285 men telegraphed you on the 21st instant. You will have received already the lists of the men sailing by the 'Schiehallion' and the 'Halcione,' both of which ships sailed for Wellington. The 'City of Auckland' sails for Auckland, so that you will know what proportion of the men already sent out are going to Wellington and what proportion to Auckland. I enclose you the form of account for the money advanced and goods supplied, with a copy of the promissory note. It is drawn in accordance with Mr. Morrison's advice."—Yes; that is correct. Mr. Morrison had acted as an agent for the Provincial Government for some years. In fact, I believe he acted as agent for more than one of the provinces as well as for that of Wellington.

27. Had you any conversation with Mr. Morrison with reference to the recovery of the amounts of the promissory notes?—I do not remember. I had frequent conversations with him, and I believe he must have been present when this subject was discussed.

28. Is the Committee to understand that, in connection with the promissory notes, you acted entirely on the information supplied to you by the Government departments?—Yes, undoubtedly.

29. Was it not part of the verbal, as well as part of the written, arrangement that the immigrants whom you sent out should be distributed according to some rule?—Yes; we were to name the places to which the ships were to go, and to find a sufficient number of persons to fill them. At that time we had very little work on hand in New Zealand, except some small works in Auckland under special arrangements. This was the case up to August, 1872, and we were unable to localize or locate the immigrants whom we sent out in such a manner that they would be useful to us in assisting to carry out our contract works. As a matter of fact, we had at that time hardly any contract work to do in New Zealand. But at that time Dr. Featherston was urged very strongly by his Government to send out immigrants, and he transferred part of the pressure to us. We thought we were assisting the Government to carry out their Public Works policy, and, in fact, doing them good, and that is why we acted as we did.

30. Can you say, from documents in the possession of your firm, what became of the first few ship-loads of immigrants that you sent out to the colony?—Yes; I will put in a return giving all that information. The return was prepared from documents in the office of the firm, and is to the following effect: (Statement A).

It will be seen from this that the first ship was sent out from England on 13th April, 1872, and arrived in this colony on 9th July, 1872; but when the men arrived here we had no work for them to do; consequently we had to send as many of them as would go to Picton. They were sent to Picton from Wellington at the expense of my firm, and it cost £91 7s. to take them there.

31. They had been sent to Wellington on the presumption that you would have work there for them?—Yes.

32. This return that you have put in shows the number of immigrants introduced into the colony by your firm?—Yes. I also produce a return showing the number of people sent out to the colony by our firm, and the number that remained in our employ after they arrived here. The return is as follows: (Statement B.)

33. I believe it was early in May 1872, that the terms of the actual agreement, which was subsequently entered into, were agreed to?—Yes, on 2nd May, 1872, the Agent-General wrote as follows: "I have the honor to inform you that I have only this moment, after repeated discussions, come to an arrangement with the Messrs. Brogden, with respect to the emigrants to be sent out by them. I trust to send you the agreement, duly executed, by the next mail. The main provision of it is, that Messrs. Brogden are to give the Government their promissory note for £10 for every statute adult, they taking a promissory note from the emigrants for £16."

34. In the sixth and seventh paragraphs of the petition you state certain matters in connection with the instrument of June, 1872, and the terms generally. Are the statements there made as regards the assurances which you received on the subject such as you have described, and correct in substance and fact?—Yes.

35. I believe you notified your brother, James Brogden, as to the agreement?—I did. A copy of the draft agreement was sent out to him by the mail, which left London on or about 30th May.

36. The agreement was executed on the 27th June, 1872, and you received an intimation to the effect that Mr. James Brogden was dissatisfied with it?—Yes, the Agent-General received a despatch from the Hon. Mr. Ormond, dated 6th June, 1872, relating to the matter. I think, however, that the first intimation we had of my brother's dissatisfaction was a telegram to the Agent-General, which he received about 17th August, which he showed us before Mr. Ormond's despatch arrived.

37. Then your brother, as soon as he became aware of the terms, pointed out that they were unfavourable?—Yes.

38. And you afterwards became aware of the correspondence between your brother and the Minister for Immigration?—Yes.

39. You continued to carry on the immigration until you received advices from your brother?—Practically we suspended the immigration in June, 1872, because we thought then that we had done quite enough to show that we were able to send out a good number of men, but seeing that the arrangements for contracts were so long in being concluded we did not think it wise to go on. The Agent-General, however, induced us to resume the sending out of men.

40. Did you address the Agent-General on the subject in writing?—No, the Agent-General addressed us as follows on 16th July, 1872:—"Gentlemen,—I venture to suggest that it is extremely advisable that you should resume emigration, and send out the number of emigrants specified in your contract with the least possible delay, for the following amongst other reasons: (1.) The Minister for Public Works, in a letter dated Wellington, 13th May, says,—'Mr. J. Brogden is here, and about to tender for several railways, but we can give him no reliable information as to what labour may be expected to arrive. Practically the public works cannot proceed until we get a considerable stream of