

Also, that "The promise of temporary employment on public works must be considered an engagement."

Also, that the General Government will be prepared, provided that it meets with the hearty co-operation and assistance, financial and otherwise, of myself and the Provincial Government, to apply the proceeds of land sold under the New Zealand Settlements Act, after defraying charges incurred by them for compensation to native claimants, surveys, and location of settlers, and on public works, towards the completion of the scheme to the extent contemplated in the Loan Appropriation Act, 1863.

No promise of employment on public provincial works has been made.

The extracts from parliamentary papers, &c., enclosed, show how far engagements have been entered into with these immigrants, in regard to their employment on public works undertaken on behalf of the General Government.

It suffices to invite your attention to the relative position of the immigrants and the General Government in regard to that engagement.

But it becomes necessary to enter more fully into the engagements contracted by the General Government towards the Provincial Executive.

At your request the Provincial Executive consented to undertake, as agents for the General Government, and on land belonging to the General Government, the settlement of these immigrants, a number of whom had already arrived, and for whom no preparation had been made. This was to be done subject to the overriding control of the General Government.

In your letter to me, dated 21st December ultimo, you stated that the General Government will be prepared, from time to time, to supply me with funds for the maintenance and location of the immigrants, according to a plan to be arranged with me.

In your letter to me, dated 23rd December ultimo, you stated that such sums as may from time to time be required by me for the whole undertaking, would be placed at the disposal of the Provincial Government.

In my letter to you, dated 29th December, I stated that I was prepared to hold myself responsible for the complete success of the scheme (accidents of war excepted), provided that the land which I considered most suitable for the location of the immigrants, and for sale, were at once handed over to the Provincial Executive.

In my letter to you, dated 21st January ultimo, I informed you that the demands upon the Colonial Treasury must be proportionate to the time which might elapse before the handing over the necessary quantity of land.

All engagements with the General Government have been scrupulously fulfilled by me, but the land has not been handed over by you, and the supplies from the fore-mentioned date are stopped.

Hitherto the scheme has been a success, all immediate difficulties having been overcome by the Provincial Executive, but the time of year at which these immigrants have arrived has made it absolutely necessary (even if the obligation were not already sufficiently incumbent on the Government at whose instance they were brought here,) that means of support be afforded them until their first crops shall be fit for use, or until some means of employment shall be afforded in the vicinity of their settlements.

No land having yet been thrown open for sale, no capitalists or employers of labour have been attracted to the neighbourhood; and the expressed intention of the General Government to stop all means of support by way of rations or of Government employment renders inevitable the desertion of the settlements; a result to be further secured by the offer of Crown grants immediately, seemingly as a composition for the wayward abandonment of the whole scheme for permanent occupation of the Waikato.

I need not dwell upon the result of this course of action—upon the misery to the women and children, cast upon charity and public subscription; upon the inundation of pauperism into the towns; the reckless sales that would take place if Crown grants were at once issued; the hopelessness of inducing capitalists to assist in the culture when the labourers shall be no longer on the spot, and the death-blow given to all hopes of successful immigration from abroad by such treatment of those who have come to New Zealand on the faith of a scheme promulgated by the General Government.

Under these circumstances, I have no option but to resign the agency for the General Government, as do the other members of my Executive. We shall continue to act until the receipt of advices by the return mail from Wellington, after which time we shall consider ourselves relieved.

I beg you to accept our assurance that we are most careful not to embarrass you in any way. All difficulties arising from unpreparedness and the first hurry of location have been overcome for you; your staff is in thorough working order, and systematic operation has been established. You have but to appoint a Supervisor to charge on your behalf. To him, should he think fit to accept, we volunteer our advice and active assistance. We simply require to be relieved from responsibility for a scheme which we are no longer permitted to conduct on the terms agreed to.

I have, &c., ROBERT GRAHAM,

The Hon. the Colonial Secretary, Wellington.

Superintendent.

Enclosure to No. 35.

EXTRACT from Parliamentary Papers relating to Immigration.

This land should be given on condition of residence, and granted in fee simple after that condition has been fulfilled for three years. There will be no lack of employment, as public works on a considerable scale will be undertaken in the districts in which settlers are located, and until work is available in the ordinary course of country industrial occupations, the surplus labour of the districts will be employed on such works.

The Hon. R. Wood.

FREDERICK WHITAKER.