

2. It is considered by competent judges that these emigrants are amply sufficient for the colonization of that portion of the Manchester Block within easy reach of the town of Feilding.

3. It would therefore materially facilitate the settlement of these colonists on their future homesteads, if the Corporation were allowed to abstain for the next eight or ten months from the emigration from England of any more settlers to the block.

4. Previous to the commencement of the creation of a fresh centre of operations, it will be necessary that the railway should be in use as far as Feilding, and that the new township should be connected with it by roads and other means of communication.

5. I would therefore urge that the following interpretation of clauses 18 and 24 of the contract be accepted by the Government—viz., “That the Corporation shall cause a stream of immigration to flow into New Zealand at the rate of not less than 200 statute adults in each period of twelve months, exclusive of the 100 statute adults sent up to 31st December, 1873.”

“That so long as the Corporation have immigrated to this colony 2,000 statute adults before the 1st April, 1878, and that on the 1st April, 1879, there be not 2,000 *bonâ fide* residents on the block, the penalties will not be exacted without allowing the Corporation a further reasonable time (say six months) in which to make up the deficiency.”

B—N.B.—The failure to carry out the provisions contained in clause 24 is only likely to occur if during the latter part of 1878 a gold-field rush should occur in the immediate neighbourhood of the block, or in the event of a series of severe earthquakes, or possibly a Maori disturbance.

C—1. That in the event of a stoppage of the general immigration by the Government of New Zealand, the necessity arising therefrom that the Corporation should find themselves forced to engage passages for their own emigrants, it shall not be necessary that the Agent-General should be the *only* person without whose approval no person immigrated into this colony “shall be deemed an emigrant” in the sense of clause 19.

Considerable difficulty might arise owing to the absence of the Agent-General, or from his inability to find time to approve of such intending emigrants.

2. It has been contended that the Agent-General is the only person who can declare as “suitable” (clause 21) ships conveying emigrants for the Corporation to New Zealand. I submit that a certificate of fitness for such duty, signed by a duly qualified official of the Imperial Emigration Department, shall be deemed sufficient evidence of such ship being suitable.

D—It will be seen, on reference to the accompanying schedule, that up to the 31st of December, 1874, the sum of £600 was disbursed by the Corporation for the transit of their immigrants from their dépôt at Palmerston to the block.

All Government immigrants are conveyed free of cost, in the first instance, to their several places of employment or settlement. It is therefore not unreasonable to ask that, so soon as the railway or tramway shall have been made available for any traffic to the interior or edge of the block, the Government shall allow free transit to such point on the railway or tramway as may be nearest to their destination, for all the immigrants of the Corporation, and their baggage.

2. I would here mention that last winter stores to the amount of over £1,000 were delayed in transit from Palmerston, owing to the action of the Government in tolerating the stoppage of the Palmerston-Awahuri road by the Maoris under Macdonald. For two months these stores were unavailable, and a fresh supply had to be procured and conveyed by a difficult route, at a great expense to the Corporation, in order to avoid a complete breakdown from absolute starvation.

E—1. The date mentioned in clause 23 was inserted on the distinct understanding that the Government would complete the tramway from Foxton to Palmerston in time for the transit of the first party of the immigrants of the Corporation. Owing to the non-completion of this means of communication, the Corporation was compelled to delay the sending out of their first shipment from January to September, 1873.

2. I therefore submit that, inasmuch as hardly any benefit has been derived by the immigrants or by the Corporation, owing to the failure on the part of the Government to fulfil their agreement, the time for the concession (clause 23) to lapse should be extended to two years from the date of its first use by the immigrants—namely, 15th January, 1874.

3. Also that, inasmuch as it is the intention of the Corporation to discontinue for the present (viz. until the settlement of the southern portion of the block is commenced) the use of the dépôt at Palmerston, the term “settlement” may be interpreted as meaning the destination within the block of any party of immigrants, or of any stores for their use.

4. I may add that, as it is not intended for some months to send out any large batch of immigrants, the charge on this head to the Government will be insignificant.

F—1. Inasmuch as considerable difficulty has been experienced in the working of clause 22, I would suggest that, so long as its intention be carried out by the Government, the terms in which it has been attempted to give it verbal expression may be ignored by both contracting parties. It may be well, therefore, to set forth the objects of the Corporation in the insertion of this clause.

(a.) That, by a certainty of employment on or near the block, the immigrants might, by the certainty of the earning of a wage sufficient for the actual support of their families, be induced to become colonists therein, whilst their forced residence with their families during such employment on or near the block would almost constrain them to become settlers, and *bonâ fide* residents thereon.

(b.) That it was of the utmost importance to the Corporation that the railroad should be completed through the block, or, at any rate, to connect it with the port of Foxton.

Not only would the transit of their future settlers be thereby facilitated, but the value of the land, and the reaping of the timber harvest by the immigrants, be considerably increased. By this clause it became imperative on the Government to cause a large expenditure of the public money on or near the block, a great portion of which would flow into the pockets of those whom the Corporation wished to benefit.