#### 1875. NEW ZEALAND.

#### IMMIGRATION TO NEW ZEALAND.

(CORRESPONDENCE RELATIVE TO THE INTRODUCTION OF IMMIGRANTS UNDER THE CONTRACT WITH THE EMIGRANT AND COLONIST'S AID CORPORATION.)

In continuation of Papers presented 1874.—D. S.

Presented to both Houses of the General Assembly by Command of His Excellency.

## No. 1.

Mr. A. F. HALCOMBE to the Hon. the COLONIAL TREASURER.

SIE,-Wellington, 4th September, 1874. I venture again to address you as to the release of the guarantee given by the Emigrant and

Colonist's Aid Corporation, and retained by the Government. You are aware that my efforts to obtain from the House of Representatives an affirmation that the

release should be made have been ineffectual. As, however, the report of the Public Petitions Committee, and the withdrawal of the motion in my favour before the House, were both based, not upon the merits of the case, but upon the position assumed by the two Governments, Provincial and General, as regards the securities held by my Corporation, I am therefore practically relegated to the original position.

I therefore again venture to appeal to you, as the principal party to the contract with the Corporation, to reconsider the question, and if you accept the position, which cannot, I think, be disputed first, that the land grants for £7,500 were to be retained only as a material guarantee of a bona fide

nrst, that the land grants for £7,500 were to be retained only as a material guarantee of a bonâ fide intention to take up and carry out our contract; and secondly, that our bona fides has already been amply proved—I trust that you will not allow the security to be longer retained.

I would desire to point out that from my principal's point of view it is an unnecessary addition to our already large expenditure, and a great discouragement, that the sum deposited should remain unreproductive, being retained, so far as they are informed, for no default of theirs, but for reasons quite outside those for which the security was deposited.

The Hon. the Colonial Treasurer, Wellington.

I have, &c., A. FOLLETT HALCOMBE, Agent E. and C. Aid Corporation.

## No. 2.

The Hon. the Minister for Immigration to Mr. A. F. Halcombe.

(No. 890.)

Immigration Office, Wellington, 10th September, 1874.

I have the honor to acknowledge the receipt of your letter of 4th September, applying on behalf of the Emigrant and Colonist's Aid Corporation for the release of £7,500, which the Govern-

2. I have already stated to you that, if the Wellington Provincial Government were willing that the security should be released, or land Crown-granted on account of it, the General Government would not interpose any objection.

3. It seems, however, that the Provincial Government are not willing to recommend that the security be given up, unless the colony will release the province from all liability in respect to the whole

of the debt for which the Feilding Settlement is collateral security.

4. Were the General Government to agree to Crown-grant land for the £7,500, the Provincial Government might conclude that they were entitled to found thereon a claim. In the absence of the Provincial Government's consent, I cannot adopt this course, or, indeed, do anything in the way of directly dealing with the money deposited. But the Government, recognizing the useful work you are performing in the interests of immigration, will agree to make you a distinct advance of £5,000, bearing interest at the rate of 5 per cent., and repayable before you have any claim to the release of the deposit now held by the Treasury. This advance will be made at you upon your conveying to the Government the assurance that, to the best of your belief, if such advance is made, the Corporation will be able to proceed with its work, and will not have to suspend its operations on account of any future want of funds.

5. I ask for this personal assurance, because I recognize how faithfully you have discharged your 1.—D. 7.

duty both to the Corporation and to the Government, and because I am convinced that, if you give the assurance, the Government will have every reason to rely upon it.

I have, &c., Julius Vogel.

A. F. Halcombe, Esq., Agent E. and C. Aid Corporation, Wellington.

### No. 3.

## Mr. A. F. HALCOMBE to the Hon. the MINISTER for IMMIGRATION.

Wellington, 16th September, 1874. SIR,-I have the honor to acknowledge the receipt of your letter of the 10th instant, informing me that the Government will make an advance of £5,000 in money, bearing interest at 5 per cent., to the Emigrant and Colonist's Aid Corporation, in lieu of issuing Crown grants for the amount held by the Government as a security for the bona fides of the Corporation.

Recognizing the difficulties surrounding the questions which are referred to in your communication, I have to thank you for the consideration of the Corporation's interests shown in the proposed arrangement, and desire to convey to the Government my assurance that, to the best of my belief, if this advance is made the Corporation will be able to proceed with its work, and will not have to suspend

its operations on account of any future want of funds.

In giving this assurance, however, in the form required by your letter of the 10th instant, and in accepting the offered advance of £5,000, I desire to remind you that the release of the security held by the Government was never asked for on the ground that its release was necessary to enable the Corporation to continue its work.

I still contend that, having more than faithfully carried out its contract with the Government up to the present date, the unconditional release of the security held is due to the Corporation, and will,

I trust, be made at the earliest possible period.

I have, &c.

A. F. HALCOMBE,

Agent, Emigrant and Colonist's Aid Corporation.

The Hon. the Minister for Immigration, Wellington.

#### No. 4.

## Colonel the Hon. W. FEILDING to the Hon. the COLONIAL SECRETARY.

Wellington, 13th February, 1875. SIR,-I am instructed by the Board of the Emigrant and Colonist's Aid Corporation (Limited) to bring to the notice of the Government of New Zealand the views they entertain respecting the contract of the 20th of December, 1871, as at present modified by the subsequent correspondence of the 23rd November, 1872.

From the wording of certain clauses in the contract, and of certain paragraphs in the letter from the Superintendent of this province (enclosed in your letter of the 23rd November, 1872), considerable inconvenience has already been experienced, misunderstanding arisen, and difficulties in carrying out the wishes of both parties to the contract are not unlikely to arise, unless an explanation be promptly made. With this intention, I have the honor to transmit herewith a memorandum on the subject, arranged, as far as practicable, so as to facilitate its being considered in detail by the several heads of departments.

I venture to hope that the Government will bring to the consideration of this subject a conviction that the Corporation desires to act fully up to the spirit of the contract, and honestly to carry out the scheme of settlement, to which, as the annexed schedule of their expenses in New Zealand alone, up to the 31st of December, 1874, will show, they are deeply committed, not only financially, but also in indication of their personal good faith.

At the same time I am dische handsome and liberal manner in which it has arrespond to the handsome and liberal manner in which it has arrespond to the handsome and liberal manner in which it has arrespond to the handsome and liberal manner in which it has arrespond to the handsome and liberal manner in which it has arrespond to the handsome and liberal manner in which it has arrespond to the handsome and liberal manner in which it has arrespond to the handsome and liberal manner in which it has arrespond to the handsome and liberal manner in which it has arrespond to the handsome and liberal manner in which it has arrespond to the handsome and liberal manner in which it has arrespond to the handsome and liberal manner in which it has arrespond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in which it has a respond to the handsome and liberal manner in the handsome and At the same time I am directed to convey to the Government the cordial thanks of my co-directors for the handsome and liberal manner in which it has always met, or tried to meet, their wishes.

Attorney for the E. and C. A. Corporation (Limited) in Australasia.

The Hon. the Colonial Secretary, Wellington.

P.S.—Since writing this letter, I received a reply to a letter I wrote yesterday to His Honor the Superintendent. Copies of these documents are annexed to this correspondence for your information. W. F.

#### Enclosure A.

In re the Manchester Block.

MEMORANDUM enclosed with Letter of 13th February, 1875, to the Hon. the Colonial Secretary. Index to facilitate References to the various Government Departments.

Immigration paragraphs—A, B, C, D, G, H (1st and 2nd). Public Works ,, D, E, F, G, H (3rd and 4th). Treasury ,, All.

**A**—1. The Corporation have, up to the present date, immigrated to this colony 910 statute adults (emigrants in the meaning of the contract—vide clauses 18, 19, 20, 24, 25, and 28). Another shipment of emigrants left England last month.

D.—7.

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.

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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 bond 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 depôt 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 depôt 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 bond fide residents thereon.

(b.) That it was of the utmost importance to the Corporation that the railroad should be com-

pleted 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.

(c.) I must here affirm that I was guided in my selection of this block by the assurance of the Government that the railway line would be completed, and as far as possible by the employment thereon of the immigrants of the Corporation.

2. It is therefore requested, as an inducement or an equivalent for the cancelling of clause 22, a Ministerial assurance may be given to the effect that the completion of the railway work through the Manchester Block may be placed in the hands of the Corporation, the contracts for the execution of such work being based on the prices ruling in the North Island for the time being.

3. My reason for requesting this assurance from the Government is that I may be able to afford proof to my co-directors of the possibility to carry out, as hitherto, the successful operation of the settle-

ment of the immigrants within the limits of the block.

I would therefore ask that, so soon as the drawings, &c., for the remainder of the Oroua and Rangitikei contract are completed, the execution of the work may be handed over to the Corporation; the remaining portions of the main line, viz. from the Bunnythorpe Junction through the Gorge, being indefinitely postponed till such time as may be convenient to the Government.

G-I wish also to assure the Government that their interests in almost every detail of the working out of this scheme are identical with those of the Corporation.

H-I would submit that this Corporation is entitled to especially favourable consideration, for the

following reasons:—

1. That the granting of free passages to all Government immigrants almost immediately after the granting of the monopoly of such concession to the Corporation very materially reduced the value of the contract, not only to the extent of the £30,000 involved, but also by the increase in the cost of agency and selection of emigrants due to the competition into which the Corporation was thrown with the Agent-General.

2. That, owing to the delay in the opening of the Foxton-Palmerston Tramway, the Corporation was at the very outset compelled constantly to postpone the date of departure of their pioneer party, thus engendering in their minds, as well as in those of the collecting agents, a doubt as to the capa-

bility of the Board to carry out the emigration clauses of the contract.

3. That, owing to a misunderstanding between the General and Provincial Governments, a portion of the capital of the Corporation was locked up from the very beginning by the retention of a really unnecessary guarantee. By this action a feeling of suspicion was aroused in the minds of the shareholders and others in England, as well as in this colony, as to whether or not the Government desired the operations of the Corporation to succeed.

4. Up to the present moment this guarantee, although ridiculously small in its actual amount as compared with the actual expenditure of the Corporation, is still retained.

I must, however, acknowledge that the General Government have, as far as they have been able, acted with great liberality, and have not only personally to myself, but also to Mr. Halcombe, always shown a sincere desire to afford all assistance in their power.

W. Feilding, Colonel, Attorney for the E. and C. Aid Corporation (Limited) in Australasia.

## Enclosure B.

STATEMENT of Expenditure in New Zealand by the Emigrants and Colonists' Aid Corporation up to 31st December, 1874

up to 51st December, 1674.										
,		•						£	SI.	d.
Interest paid to	Governme	nt and o	n loans					4,796	1	3
Paid to Govern					tha man	077 OF	:11	1,,,,,	-	U
			iase, exc	ingive or	тие шоп	ey st	111		_	_
retained as	guarantee	iuna			• • •		• • •	7,500	0	0
Paid to Govern	ment for ot	her land	since so	old				1,350	• 0	0
Rates, road, and	l education	( <sup>1</sup> )						993	0	0
Contribution to			•••				• • •	98	0	0
Expenditure in								. 00	v	•
				ISTAC OT FI	ie sums	COHU	11-	0 500		4.1
tributed from			•••	•••				2,739	4	4½
Railway formati	ion expendi	ture (*)	•••	•••	£1,945	0	0			
${f Less}$ refund	•••				1,091	15	<b>2</b>			
				1				853	4	10
Cottage expendi	iture (3)				£3,124	K	111	000	_	
Less refund	( )	•••		•••	,					
mess retund	•••	•••	•••	• • •	883	10	7			
		_					_	$2,\!240$		$4\frac{1}{2}$
Immigration dep					•••			385	13	7
Sundry building	s at Feildir	$\mathbf{p}$ and $\mathbf{P}$	almersto	on				570	1	6
Transit of immigrants from Palmerston to place									-	
of settleme				Prince	£607	8	41			
or semicine	ne, expende	ture (")	•••	•••			41			
					339	17	9			
							_	267	10	$7\frac{1}{2}$
Carrie	d forward						-	21,793	11	6 <u>1</u>
				••••	•••		•••	,, o		

<sup>1)</sup> The large cost of the transit of the immigrants for the thirteen miles between Palmerston and Feilding is due to the fact that, of the £662 paid in road rates, not one penny has been spent by the Board towards the formation of any road or other means of communication between Feilding and the main road to Palmerston; and as the Corporation does not possess an acre of land between that road and its boundary, it has to convey its immigrants over five miles of trackless land. The entire closing of the main road last winter by the action of Macdonald and the Maoris cost the Corporation

several hundred pounds.

(2) This represents only a temporary expenditure, inasmuch as on the completion of the railway contract the 20 per cent. and other sums retained as guarantee will be paid up.

(3) These items have been largely added to since December 31st, as the cottages are being erected at the average of

from five to six cottages per week.

				£	s.	d.
Brought forward	•••	•••	•••	21,793	11	$6\frac{1}{2}$
Medical attendance on immigrants (1)				59	17	6
Advances to immigrants for tools, stores,	and provisi	ons (2)		2,500	0	0
Office agency and travelling expenses (inc		ries)		1,584	10	$5\frac{1}{2}$
Sanitary and drainage works at Feilding (	<sup>3</sup> )			18	0	0
Loss in timber cutting for cottages			•••	23	8	6
Miscellaneous expenditure (not classified)	•••			483	6	$0\frac{1}{2}$
Stock and plant				430	0	0
Survey and exploration	•••	•••	•••	2,879	13	6
				£29,773	2	$6\frac{1}{2}$

W. FEILDING,

Attorney for E. and C.A.C. in Australasia.

P.S.—The surveys of the country sections for the occupation of the immigrants have been for some time in progress, and I confidently expect to be able to place the settlers on their future farms, of from 40 to 50 acres each, before this winter. The terms are seven years' occupation leases, with right to purchase at any time during that period.

#### Enclosure C.

Colonel the Hon. W. Feilding to His Honor the Superintendent, Wellington.

Wellington, 12th February, 1875. SIR,-With reference to our conversation on the operations of the Emigrant and Colonist's Aid Corporation in this colony, and also in continuation of former correspondence on the same subject, I beg to bring to your notice the disadvantages at which my co-directors have been, and are still, placed, by the fact of the sum originally insisted on by yourself as a guarantee of bona fides being still retained.

This retention of caution money of so very small an amount militates most unfavourably against the operations of the Corporation, affecting its credit not only in this colony, but also with financial people in England, as implying on the part of those in authority here grave doubts as to the will and power of the directors to carry out the conditions of the contract.

You are aware that you have, in former correspondence, shown that you no longer deemed it

necessary to insist on the retention of this sum as a guarantee.

As proving the bona fides of the Corporation in the gradual and effective settlement of its immigrants on the block, I would refer you to the figures in the schedule annexed (see Enclosure B), with correspondence attached.

I would call your attention to the fact that, in spite of considerable pressure for land on the part not only of the speculators, but also of bona fide old colonial settlers, only 4,894 acres of land have been alienated, whilst in the short space of twelve months 910 statute adults have been immigrated to this province by the Corporation.

Up to the 31st of December, 1874, the actual expenditure in New Zealand alone has been over

£29,000, exclusive of the refund for public works, and of repayments by immigrants.

Since the beginning of this year considerable expenditure has been incurred by the influx of seventeen families per "Carnatic," and of eleven families per "Berar," whilst six more families left England for the settlement last month.

Add to these sums those expended in England for agency, office, and other contingent expenses, and you will readily perceive how largely the Corporation is committed to the carrying out of this

their scheme of colonization, not only on the score of honor but also financially.

I would, therefore, respectfully and earnestly urge upon you to afford my co-directors not only your countenance, but also your active support and cordial co-operation, bearing in mind that the success of this operation, if furthered by you, will largely benefit this colony generally, and specially the province of which you are the Superintendent.

I have the honor, therefore, to request your consent to the release of the Guarantee Fund.

Trusting you will see, in all my dealings with you, a sincere acknowledgment of your courtesy, and a belief in your general support; and, in hopes of an early reply, eply,
I have, &c.,
W. FEILDING,

Attorney for the E. and C.A.C. in Australasia.

His Honor the Superintendent, Wellington.

### Enclosure D.

His Honor the Superintendent, Wellington, to Colonel the Hon. W. Feilding.

Superintendent's Office, Wellington, 13th February, 1875. SIR,-I submitted, without delay, your letter of the 12th instant to the Provincial Executive, and have now the satisfaction to inform you that I am prepared, with the full concurrence of my Executive Council, to consent to the liberation of the sum originally insisted on being retained as a guarantee of bonâ fides.

<sup>(1)</sup> Since the rendering of this account a further sum of over £60 for medical attendance has come to hand.
(2) Some of these may be considered as bad debts.

<sup>3)</sup> Since the 31st of December further sanitary and drainage works, not of a reproductive nature, have been carried out to the extent of £200.

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The statements in your letter fully establish the fact that you have thoroughly entered upon the work of the colonization of the block, and the Corporation you represent are therefore entitled to the benefit of the position.

The Hon. Colonel Feilding, Attorney E. and C. Aid Corporation, Wellington. I have, &c., Wm. Fitzherbert, Superintendent.

## No. 5.

The Hon, the COLONIAL SECRETARY to Colonel the Hon. W. FEILDING.

Sir,—

Colonial Secretary's Office, Wellington, 25th February, 1875.

I have the honor to acknowledge the receipt of your letter of the 13th instant, with its enclosures, including a memorandum of certain concessions and modifications which you propose to the Government to make in the contract between them and the Emigrant and Colonist's Aid Corporation

2. Your proposals have received very careful consideration at the hands of the Government, who, I scarcely need assure you, have approached the subject with a sincere desire to remove, as far as might be possible, any difficulties or encumbrances that may impede the operations of the Corporation.

3. I proceed to reply, seriatim, to the points raised in the memorandum accompanying you

letter.

A 3.—The Government will not enforce any penalties for non-introduction of two hundred

emigrants during the year 1875.

A 5.—They will also not enforce any penalties under clauses 18 and 24, if the Corporation have introduced and located on the Manchester Block, at the end of each successive period mentioned in clause 24, the total number required by the contract to be introduced and located within that period.

Provided the Corporation shall have immigrated to this colony 2,000 statute adults before the 1st of April, 1878, if on the 1st of April, 1879, there be not 2,000 immigrants bond fide residing 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.

C1 and 2.—The Government cannot agree to any but an officer of their own passing the ships or immigrants as suitable, but they will take the necessary steps to insure some duly qualified person

being always in London to perform the required inspection.

D.—With regard to the conveyance of the Corporation's immigrants by the railway or tramway now in course of construction between Palmerston and the Manchester Block, I am unable to say more than that the Government, whilst unable to meet your views as to free transit, will be willing to treat the Corporation's immigrants in the same way as ordinary Government immigrants, so far as transit to their location is concerned. It must, however, be distinctly understood that the Government may at any time revert to the terms of the original contract.

E 1, 2, 3, and 4.—With reference to these paragraphs, I have to observe that, although the Foxton and Palmerston Tramway was not completed by the Government at the time it was intended, the Government used every endeavour to have it so completed. The Government do not feel themselves justified in making the concession asked for in these paragraphs, because, although the Corporation have not had the use of the tramway so long as was contemplated, they have still carried over it more immigrants and stores free of cost, during the time it has been open, than was contemplated when the agreement was drawn up.

As it is proposed by the Corporation not to introduce any more immigrants for some months, the

concession asked for as regards immigrants would be of little value to them.

F 1, a, b, c, and 2.—The Government cannot agree to cancel clause 22 of the original contract. An equitable understanding has been come to already as regards this clause, which deals with it effectually up to October next, and the Government have no objection to giving the Corporation an assurance that they are prepared to hand over to the Corporation the remaining sections of the Manawatu and Wanganui Railway, as far as the Rangitikei River, for construction, provided the Corporation take them up at prices ruling in the North Island for similar works. When the plans and specifications for these sections are ready, a calculation can be made, as was done when the contract now undertaken by the Corporation was let, and a clause inserted in the contracts for the new works providing for the modification of the clause in the original agreement between the Corporation and the Government.

F 3.—The construction of the proposed line from Bunnythorpe to the Manawatu Gorge not having been sanctioned by Parliament, the Government can give no assurance as to what may be

done with the works on that line.

H.—Having received from His Honor the Superintendent a formal official notification of his assent to the release of the sum of £7,500 held by the Government as a guarantee for the bona fides of the Corporation, the Government gladly consents to your request on this point, and will be prepared to issue Crown grants to the nominees of the Corporation for land at the price of 15s. an acre, to the extent of any sums that may be to the credit of the Corporation under the contract, after deducting therefrom any sum due to the Government in respect to the advance of £5,000 already made, together with the interest thereon.

4. In making the concessions before mentioned, the Government beg it to be distinctly understood that the provisions of the original contract are not to be affected or prejudiced otherwise than as stated

in this letter.

5. I attach a tramway memorandum, showing the state of the account of the Corporation up to date.

I have, &c.,
WILLIAM H. REYNOLDS,
(in absence of the Colonial Secretary.)

## Enclosure in No. 5.

STATEMENT of the Principal Moneys repaid by the Emigrant and Colonist's Aid Corporation, and of the Land granted and to be granted in respect of such payments.

Principal paid—			£	s. d.	£		d.
6th September, 1873 Less amount applied as interest	•••		15,000 1,829	0 0			
14th May, 1874 14th May, 1874	•••		750 600	0 0	13,170	2	1
14th May, 1874	•••	•••			1,350	0	0
					£14,520	2	1
Land granted and to be granted. Gra		thorized)	) <del> </del>		£		d.
14th May, 1874—1,000 acres, at 1 14th May, 1874—800 acres, at 15				•••	750 600	0	0
To be noteined as require for educa-	C CT	000 3	L-16	.,	£1,350	0	0
To be retained as security for advance terest at 5 per cent. thereon, 6,83. To be granted—			nan-yea	-111 8	5,125	0	0
10,727 acres, at 15s		•••			8,045	2	1
					£14,520	2	1

Treasury, 25th February, 1875.

C. T. BATKIN, Secretary to Treasury.

## No. 6.

His Honor the SUPERINTENDENT, Wellington, to the Hon. the COLONIAL SECRETARY.

Superintendent's Office, Wellington, 26th February, 1875.

Sir,—

I have the honor to acknowledge the receipt of your letter of the 25th, covering copy of correspondence which has taken place between the Government and the Hon. Colonel Feilding in respect to certain concessions and modifications which, on behalf of the directors of the Emigrant and Colonist's Aid Corporation, the latter proposed to the Government to make in the contract between them and the Corporation; and beg to thank you for the information therein contained.

I have, &c.,

WILLIAM FITZHERBERT,

The Hon. the Colonial Secretary, Wellington.

Superintendent.

# No. 7.

Colonel the Hon. W. FEILDING to the Hon. the COLONIAL SECRETARY.

Sir.—

Wellington, 26th February, 1875.

I have the honor to acknowledge the receipt of your letter dated 25th instant, in reply to mine of the 13th instant.

The equitable and friendly spirit in which the Government of New Zealand have considered the various points raised in my letter, will afford a most valuable evidence to the public in England of the earnest desire to encourage, by all legitimate means, any endeavour on the part of private individuals to unravel the difficulties of settlement combined with immigration.

In the name of the Corporation I represent, I beg to tender through you my best thanks for the diligence and patience which the heads of departments concerned have brought to the rapid despatch of this business.

I have, &c., W. FEILDING,

Attorney for the E. and C. Aid Corporation (Limited).

The Hon. the Colonial Secretary, Wellington.

By Authority: George Didseury, Government Printer, Wellington.-1875,

Price 6d.]