19 D.—2.

it was more a matter of convenience, as you are aware he operates for Mr. Kirchner, and most communications from the latter reach us through him. We beg to repeat that the ships for the 10th and 25th April were positively ordered by Mr. Kirchner, and we therefore suppose your telegram does not relate to them, nor can it generally prejudice our position in regard to our contract with you. Our observations regarding the German Government referred to such emigrants only who may be forwarded in conformity with your orders. Mr. Kirchner having informed us that the two ships referred to above would be entirely filled, we thought it would be in your interest to know what effect your communication to the German Government might have. To us personally it is of no interest as long as our ships are filled. For the moment we must beg to be favoured with your reply, and remain,

"Yours, &c.,

"R. M. Sloman and Co.

10. There appears to have been a letter written a week later, on the 11th of March, of a private character, and apparently making some overture without prejudice, which Dr. Featherston did not feel warranted in accepting, I have not seen this letter, nor is any indication of its contents given in a brief précis of the principal points of the correspondence prepared by Dr. Featherston himself, and I presume that, in accordance with the wish of the writer, it was either returned or destroyed. The Agent-General replied to it by telegraph in the following terms on the 14th of March:—

Featherston to R. Sloman.
"In answer to your letter of 11th, I can only repeat that I adhere to my decisions already communicated to yourself and Kirchner by letters and telegrams, and arrived at after mature consideration of all the circmstances of the case.
"7, Westminster Chambers."

" FEATHERSTON.

11. Three days after their receipt of this telegram, Messrs. Sloman wrote the following letter, which commences with a reference to their previous private letter of the 11th, mentioned in the preceding paragraph:

Messrs. Sloman to the Agent-General.

"DEAR SIR,-"Hamburg, 15th March, 1876.

"Your telegram, in answer to the writer's private letter of 11th instant, has greatly disappointed us. The case must now, of course, rest on its own merits, however great the consequences pointed us. The case must now, of course, rest on its own merits, however great the consequences may be. Our efforts were merely for peace; we regret exceedingly they have proved so entirely abortive. In the meantime we now beg to repeat that your Agent, Mr. Kirchner, engaged of us, in conformity with and on the terms of our contract with you yourself of the 12th May, 1874, two ships for the conveyance of emigrants to New Zealand, on your or your Government's account, to proceed from this on the 10th and 25th April; that we have supplied these ships, the 'Fritz Reuter' and the 'Humboldt;' that they are both here in port, and will in proper time be ready to receive on board their full complement of emigrants as passengers; and that we must hold you and your Government the following the state of these concerned with us, but more especially for answerable for all losses and consequences to us or to those concerned with us, but more especially for the freight and passage money, not alone of the above ships, but for those to follow under the said contract, if you adhere to your decision. Meanwhile we beg to be informed whether the two ships alluded to shall be fully provisioned for the reception of their passengers, and waiting the same, "We remain, &c.,
"The Agent-General for New Zealand." "R. M. SLOMAN AND Co.

12. Dr. Featherston replied to this letter on the 20th of March:-

## The Agent-General to Messrs. Sloman.

"My DEAR SIR,—
"I beg to acknowledge the receipt of your letter of the 15th instant. Though it appears to me that I have already, in previous telegrams and letters, answered your present inquiries, still, as I am anxious to give you any information you may desire, I beg now to state

"1. That Mr. Kirchner never had any power to charter ships without my sanction.

"2. That in the present instance Mr. Kirchner was expressly (when last in London) instructed by me not to engage vessels; that he has admitted that he had not, previous to being so instructed, engaged a single vessel.

3. That Mr. Kirchner has not only failed to produce the slightest proof that he has approved and accepted a single emigrant, but has confessed that he never does approve or accept emigrants till

after their arrival at the port of embarkation.

"4. That in Mr. Kirchner's letter of appointment as Emigration Agent on the Continent for the Government of New Zealand, it is declared that such appointment should continue only till after the completion of the 'Louis Knorr' and Queensland contracts, and that the proposed arrangements for the selection and shipment of 4,000 emigrants should not commence to take effect till after the completion of those two contracts.

"5. That as you have failed to fulfil the Queensland contract within the stipulated time, I decline

(as already notified) to extend the period for its completion.

"6. But as the proposed arrangements and agreements were contingent upon the due fulfilment of the Queensland contract, I cannot, and I do not, recognize the existence at present of any agreement between either you and the New Zealand Government, or between the latter and Mr.

"7. That I do not intend (as you have already been informed) to charter, during the present year, a single vessel for the conveyance of emigrants from Hamburg to New Zealand. "Trusting that I have now afforded you all the information you desire,

"I have, &c.,
"I. E. FEATHERSTON."