

1877.
NEW ZEALAND.

EMIGRANT AND COLONIST'S AID CORPORATION (LIMITED)

(CORRESPONDENCE WITH THE).

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

No. 1.

Mr. A. F. HALCOMBE to the Hon. the PREMIER.

SIR,—

Wellington, 5th June, 1877.

By recent advices from England I am informed that the Directors of the Emigrant and Colonist's Aid Corporation have in contemplation the immediate purchase of the fee-simple of the whole of the Manchester Block, and that they desire to open it up for sale and settlement by the prosecution of roadwork with even greater vigour than heretofore.

In order to do this a very considerable capital, in addition to that already raised and expended, will be required; and I am under instruction to ascertain whether Ministers will agree to certain concessions which will materially strengthen the hands of the Directory in England, and at the same time guarantee to the Government that the colonization of the block will be carried on with a more reasonable expectation of successful settlement than if the present terms of the contract were rigidly adhered to.

The two questions I have to submit for the consideration of Ministers are,—1st. Whether the Government will forego the fulfilment of the remaining portion of the immigration clauses of the Corporation contract. 2. Whether, in case of the Corporation immediately paying off the whole of the promissory notes held by the Colonial Treasurer, the Government will refund to the Corporation, as an additional subsidy for road-making within the block, the sum of £10,000 paid as interest to the Government, in the proportion of £1 added to every £2 expended by the Corporation out of its own funds, thus providing a sum of £30,000 to be expended in further road-making within the block, of which £20,000 will have to be supplied by the Corporation.

With regard to the first question, I may mention that the Corporation has already emigrated some 1,200 statute adults, and has more than 1,600 now resident on the block. In the present depressed state of the labour market, both in the settlement and generally through the colony, it is I think evident that it would be neither wise nor humane to bring another 800 people *en masse* into the place before those already introduced have had time to educate themselves to their work, and to settle down into their places as colonists. My experience in this settlement is that the newly-arrived immigrant from England is, as a rule, eminently out of place at first in a bush country such as this, and that his education to the work before him is a tedious, difficult, and costly process, involving much hardship to himself and his family, and producing no corresponding advantage to any one else. The experience of Ministers who have acquaintance with the practical work of colonization doubtless coincides with mine, and I therefore have less hesitation in suggesting that it is much better that I should be allowed to consolidate my present settlements, and, continuing my road-work as rapidly as possible, seek to colonize the rest of the block, by means of persons accustomed to bush work, rather than fulfilling the terms of the contract that the Corporation should be forced to pour in a number of persons to compete in an overstocked labour market with those already here. I may also urge that, from a Government point of view, further immigration under the contract is inexpedient, for not only has the Government to find passages for the immigrants, but I should certainly be obliged to throw them entirely on the Government for employment under the terms of the contract.

With regard to the second question, there are many reasons which I feel justified in advancing in support of the request. In the first place, the value of the contract to the Corporation has by the action of the Government been materially decreased in several important particulars since it was entered into. When the contract was made in 1871 it gave the Corporation a monopoly of free immigration—a most important and valuable provision, securing to the Corporation a power of selection which for the purposes of the contemplated settlement would have been invaluable, and which certainly was taken into account as a set-off against the price agreed to be paid for the land, which was above the then market price for so large a block of dense inaccessible bush country. The moment free immigration was made general, the Corporation not only

had no advantage arising out of the immigration portion of its contract, but by being obliged to make conditions of settlement with its people, was heavily handicapped in the scramble to obtain immigrants, which immediately took place in England. Again, the rapid formation of the railway through the block was another point which weighed with the contracting parties, inducing the expectation that self-supporting settlement could be accomplished within the time arranged by the contract. It certainly was never contemplated by either party to the contract in 1871 that in June, 1877, another year would be required to complete the railway communication between the settled districts of Wanganui and Rangitikei, and the block. At present the block is quite inaccessible from that side, and, being inaccessible, there is no outlet for the timber of various descriptions, which settlers on the block must look to as their only available export for some years to come. When the contract was entered into it was also the expressed intention of the Government to form the railway line right through the block from end to end, and this work was looked to as affording employment for the Corporation immigrants for the first years of their settlement. Now, the formation of the portion between Bunnythorpe and the Manawatu Gorge, being nearly a third of the contemplated work, has been abandoned for an indefinite period. Again, in order to get access to the block at all, the Corporation has been forced to spend over £2,000 in the formation of roads through Native reserves and elsewhere, entirely outside the Corporation boundaries. It has also paid nearly another £2,000 in highway rates, without being able to get any return whatever for expenditure within the block. And, outside this money expenditure, some idea of the difficulties to be combated may be formed, when I state that for more than two years I was engaged in constant harassing negotiations with the Natives, even to acquire the right to make one of these roads, while the whole traffic of the settlement was going on during that time over hills and gullies axle-deep in mud. Again, the Government, through the Waste Lands Board, lately entered into a competition most injurious to the Corporation as retailers of land by the sale of the Kiwitea Block; and, though doubtless unintentionally, the way in which it was done was especially injurious to the Corporation's interests. For some weeks the Corporation had advertised an extensive sale of its lands; ten days before the appointed day a notice was advertised by the Waste Lands Board that this Kiwitea Block, lying on the Corporation boundaries, and made accessible by its roads, would be open for selection a few days after the date of the Corporation's sale. Now, the purchase-money payable to the Government, the accumulated interest, and the cost of survey bring up the prime cost of the Corporation land to fully 24s. an acre, and when to this is added the cost of road-work, and the other heavy charges in connection with the settlement, all of which have to be put upon the land, it is impossible for the Corporation to sell its lands without loss under £2 per acre. When, therefore, the Waste Lands Board offered land of equal quality with that of the Corporation in small sections, with roads partially formed, at the price of £1 per acre, to be paid by instalments extending over five years, without any interest charged on the unpaid balances, the natural consequence was that the demand for the Corporation land ceased entirely, and of the £22,000 worth of land offered for sale, only £20 worth was sold. Many intending purchasers, who had all but concluded arrangements to buy, preferring to wait for, and afterwards purchasing, the Government land.

In detailing these facts, I, of course, quite recognize that the Government of the colony has every right to do what it pleases with regard to immigration, railroad work, and sales of Crown lands; at the same time the Corporation has an equitable right to expect some consideration, where, by the action of the Government, and by no fault of its own, its colonizing operations are rendered more difficult or expensive, or where advantages certainly taken into account on both sides in making the contract have been subsequently taken away.

To show that the Corporation has so far, spite of many difficulties, honestly and effectively carried out its colonizing operations, I submit the accompanying statement of expenditure in New Zealand, and a memorandum of the road-work done by the Corporation both within and without the block. I also forward a map of the block, showing the progress and direction of roads and settlement. The whole of the work represented by these memoranda and accounts has been done out of the capital of the shareholders, aided by a small balance of profit on the land sales effected; and it is, I think, beyond question that the operations of the Corporation have been of a very great service in promoting the settlement of this part of the country.

The intention of the Corporation is, in case the Government agrees to entertain these proposals, to push on as rapidly as possible the formation of the roads necessary to open the block; and, believing that road-making and settlement are, in a country such as this, synonymous terms, it expects, by throwing the block open for sale to experienced colonists on the same terms it has offered to its own immigrants, that a far more satisfactory progress in the occupation and improvement of the country will be made than is possible while the Corporation is hampered with the present condition of its contract.

I have, &c.,

A. FOLLETT HALCOMBE,

Agent, E. and C. Aid Corporation (Limited).

The Hon. the Premier, Wellington.

MEMORANDUM OF EXPENDITURE, MANCHESTER BLOCK, to 31st May, 1877.

	£	s.	d.	£	s.	d.
Interest paid Government ... ..	...	...	...	10,123	9	5
Road Board rates ... ..	...	...	...	2,274	15	1
Survey ... ..	...	...	...	11,480	17	6
Road-work (exclusive of Government or Road Board payments)—						
Outside Block—						
Awahuri Road	1,759	5	11			
Feilding-Halcombe Road	365	12	6			
				2,124	18	5
Carried forward ... ..	...	...	...	26,004	0	5

	£	s.	d.	£	s.	d.
Brought forward ... ..	...	...	...	26,004	0	5
Within Block—						
Feilding Roads	2,504	15	3			
Halcombe Roads	487	5	6			
Kimbolton Road	312	10	6			
Makino	4,064	0	7			
Junction	6	0	0			
Tauranga	240	6	9			
Stanway	1,112	8	0			
Tramway	1,468	5	8			
Feilding-Halcombe Road	365	12	6			
Stream diversions	185	11	6			
				10,746	16	3
Charitable contributions (medical, school buildings, &c.) ... ..	...	...	...	333	17	6
Agency (being salaries, general expenses, telegrams, law charges, travelling expenses, &c.) ... ..	...	...	...	10,417	6	3
Total unreproductive expenditure ... ..	...	...	...	£47,502	0	5
Buildings—						
Immigrants' cottages, Feilding, 118 ... ..	...	...	...	4,419	10	10
Immigrants' cottages, Halcombe, 71 ... ..	...	...	...	3,157	4	6
Other buildings and improvements, Feilding ... ..	...	...	...	4,008	16	10
Other buildings and improvements, Halcombe ... ..	...	...	...	1,035	18	3
Advances to immigrants and others, being total amount of book debts ... ..	...	...	...	4,862	14	9
				17,484	5	2
Total expenditure ... ..	...	...	...	64,986	5	7

RETURN of ROAD-WORK up to 30th APRIL, 1877, by the EMIGRANT and COLONIST'S AID CORPORATION.

	M.	CH.	M.	CH.
Road-work inside Manchester Block—				
Roads cleared, formed, and metalled	10	32		
Roads cleared and formed ready for metalling	18	26		
Roads stumped and felled only in bush	1	70		
Underscrubbed	11	1		
Tramway	3	10		
			44	59
Roadwork outside the Manchester Block—				
Awahuri Road formed and metalled	4	14		
Halcombe to Feilding Road	1	30		
			5	44
Total			50	23

No. 2.

The Hon. the PREMIER to Mr. A. F. HALCOMBE.

SIR,—

Wellington, 5th September, 1877.

The Government have considered the questions put by you on behalf of the Emigrant and Colonist's Aid Corporation in your letter of 5th June, which questions, as you explain, have been put because the Corporation contemplate immediately purchasing the fee-simple of the whole of the Manchester Block, with the view of opening it for sale and settlement, "by the prosecution of road works, with even greater vigour than heretofore."

2. The Government sympathize with the desire of the Corporation, as stated in your letter, and in that spirit they have considered your questions, and have decided what they will be prepared to recommend for the approval of Parliament.

3. You first ask, "Whether the Government will forego the fulfilment of the remaining portion of the immigration clauses of the Corporation contract;" and you explain that, twelve hundred immigrants having been introduced and located within the block, compliance with the terms of the contract would necessitate speedily introducing and locating eight hundred more.

4. The Government believe that there is force in your argument that, considering that the immigrants located have not yet had time to become so used to bush country life as to practically settle themselves in their new homes, it would be advantageous for those in future placed upon the block to be selected with special reference to their fitness for such a life, and to be introduced just when they are required. The Government are therefore willing to recommend that further compliance with the immigration clauses of the contract shall not be required.

5. Your second question is, "Whether, in case of the Corporation immediately paying off the whole of the promissory notes held by the Colonial Treasurer, the Government will refund to the Corporation, as an additional subsidy for road-making within the block, the sum of £10,000 paid as interest to

the Government, in the proportion of £1 added to every £2 expended by the Corporation out of its own funds, thus providing a sum of £30,000 to be expended in further road-making within the block, of which £20,000 will have to be supplied by the Corporation."

6. The Government will recommend that effect be given to these conditions, provided — (1.) That the contribution of £1 to £2 shall apply only to road-works undertaken after the arrangements proposed by you have been completely ratified. (2.) That plans, &c., of any such proposed works, shall be submitted to the Minister for Public Works, and be approved of by him; and (3.) That evidence to his satisfaction shall be supplied of all expenditure with respect to which contribution in aid by the Government is asked for.

A. F. Halcombe, Esq.

I have, &c.

H. A. ATKINSON.

No. 3.

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

SIR,—

Wellington, 10th September, 1877.

I have the honor to acknowledge the receipt of your letter of the 5th instant, communicating to me the decision of Ministers with regard to the proposals made by me on behalf of the Emigrant and Colonist's Aid Corporation.

I have no hesitation in accepting, on behalf of the Corporation, the conditions attaching to your assent to my proposals.

I should be glad that the matter should be submitted as soon as convenient by Ministers, for the confirmation of the Assembly, as the London Board of the Corporation has advised me that the sum required to fulfil its part of the arrangement proposed is now at my command.

I have, &c.,

A. FOLLETT HALCOMBE,

Attorney, Emigrant and Colonist's Aid Corporation (Limited).

The Hon. the Colonial Treasurer, Wellington.

By Authority: GEORGE DIDSBUXY, Government Printer, Wellington.—1877.

Price 3d.]