

196. Were not contracts taken under the open system at a much lower rate?—I am not able to reply from my own knowledge; but I believe that many of the contractors who have taken contracts at low rates have failed.

197. Did your firm succeed in obtaining any contracts under the open system?—I do not remember if we tendered for any under that system.

198. Was the extra £5 taken as a guarantee? That was the sum fixed upon by Dr. Featherston, as being sufficient to guarantee us against loss; and, if we had recovered that, it would have gone to reduce the loss we might sustain from others failing. That £5 was intended to cover the risk arising under ordinary circumstances.

199. Was it to enable you to take all the risks yourselves?—No; I do not think so. We were acting, as it were, under Government advice. The Government were taking promissory notes of £10 each from other immigrants; but they have not recovered the amount of those promissory notes.

200. How much did you claim?—We claimed £17,467 5s. 4d.

201. Is that the only sum which, under the circumstances, should be paid to you?—That is the only sum which, under present arrangements, we ask to be paid; but even then we would suffer a very large loss. We do not claim from Government the amount of money which we paid for immigrants' kits, &c.

202. You stated that if you had sent out 600 men, you would have been at the expense of about £3,000 in doing so?—Yes; if we had sent out these 600 men, we should have sent them out at £5 each, as that was the arrangement on the subject with Dr. Featherston.

203. Does this number of immigrants include the men's families?—In that case, we should not have selected men with families at all. We should have selected special men, who would either go to the colonies leaving their families behind them, or those who had no families. Of course, there might have been a few exceptions, if we wanted special men; and, in that case, we might have sent out their families also. In the 18th paragraph of the petition, we say: "Out of the 2,000 male immigrants and their families contemplated to be sent out by your petitioners, 1,877 statute adults, or 2,174 persons, were actually forwarded, and of these, no less than 887 or 41 per cent., were women and children—a class much more valuable to the colony than to your petitioners."

204. Would the men have been likely to have left without their families?—Many of the first men who were selected went out leaving their wives behind; but men with families would probably make better settlers than men without them.

205. In your agreeing with the men, did you take any particular care to find out that you would be able to enforce payment of the promissory notes?—We concluded that the law would enforce payment of the promissory notes. We thought the law of master and servant, or some other similar law, existed in this colony; and we considered that, if such were not the case, either the Agent-General or some of his officers would have informed us of the fact.

206. Do you know that repeated attempts were made by your brother, whilst here, to bring the Masters and Servants Act into operation in this colony?—No, I do not know that he did; but in those days there was no telegraph between here and England, and communication was necessarily delayed. And between March and 2nd May, when this agreement was first under consideration and settled, it was impossible to get information on all subjects of this kind, properly and in time.

207. I understood you to say that you gave two bills to Government for £18,240?—We gave them several bills.

208. At that time, when you knew the Government were bringing out immigrants at such prices, did you enter any protest?—Yes, undoubtedly we did; and we should have resisted payment of the promissory notes in the English Courts, I think successfully, but here we could not do so. The Government deducted the money for the amount of the promissory notes forcibly, from moneys which they owed us for works done. The fact of the matter is, that, while we were sending out immigrants, and were charged by the Government £10 each, they were sending them out for £5 each. We have had to pay twice as much as any of the others. The very month of June, 1872, in which the agreement of 27th June was signed, instructions were sent from here to alter the Government terms, making them more favourable to immigrants—viz., the £1 which was required from each immigrant for his kit, was after that time to be at the charge of Government, and not of the immigrant; and there was a great modification of the terms altogether, and a constant diminution of the charges to the immigrants. All this time, however, we were made to pay the £10, and the £1 for ship's kit. (It is to be observed that, before there was any deduction made from our contract moneys for the amount of the promissory notes, we made our appeal to the Agent-General, viz., in June, 1873.)

209. Were the deductions on account of promissory notes you refer to made in England or this colony?—They were made here. The letter of the 10th July, 1873, produced at last sitting of the Committee, is the answer to our appeals in the previous month. I would repeat here that, if Government had attempted to recover the money for the promissory notes in England, we should have resisted their claim before the Courts of Justice.

210. Did your representative here try to resist the claim?—Yes.

211. I believe you paid here a good deal of money away in cash?—Yes; for medical treatment, &c.

212. Had it anything to do with the transshipment of immigrants?—No. Some expenses connected with the landing, &c., of immigrants have been repaid to us by the Government; but I do not consider these transshipment charges. In respect of transshipping these men from one port to another, we have paid £767. We were urged to send the men out by the Agent-General, and, at the time many of them came out, we had no works to put them on at the place they arrived at; and we had in many cases to send them to other ports. In fact, the Government put pressure both upon us and the Agent-General to send men out, before the contracts for works with us were entered into.

213. In your letter to the Agent-General, your agent seems to have been aware that considerable difficulty existed in collecting the moneys for promissory notes?—Yes; but we thought that some mistake might have been made in the matter; and Dr. Featherston assured us that our agent must have been in fault. As soon as we found out that difficulty was experienced by our agent here, we stopped sending out immigrants. The last few ships we sent out contained only the people with whom