

states, in his despatch of the 25th November, 1871, that Government had opened negotiations with Mr. James Brogden.

• 228. You have said that you had no desire to make a profit, nor did you wish to make a loss by this work. Now, as a contractor of large experience, you must know how very important an element the cost of labour will be in taking a contract, and consequently you would naturally leave a large margin to meet the case of a rise in the price of labour?—Yes; but that only refers to the labour we employed, not to the men we imported under the emigration agreement. The price we paid for the labour we employed was that on which we based our contract price, and we charged accordingly; but this is a claim for sums paid on account of immigration. No doubt the introduction of so many immigrants would have an effect upon the labour market, and we complain that we should receive only a partial benefit while bearing the whole cost, and further that the Government have charged us twice as much as they have charged any other persons, whereas the colony, and not us, has had advantage of these people.

229. You, in making the allowance for the rise in wages, would simply be following the law elsewhere?—Yes.

230. You no doubt made your contract with the view of recouping yourself by paying a lesser price to the men you brought to the colony than they would have got elsewhere?—No; they would not work for us for less than they could get from anybody else. We were to pay them a minimum wage of 5s. per day but at the same time, if the minimum rate of wages in the colony was greater than that, they were to receive the current rate. The agreement was that any dispute respecting the rate of wages that might arise should be settled by the Governor. We actually introduced more adult males than the Government did during the same time, and we did so at our own expense, while, at the same time, we have paid double the amount charged by Government for bringing out other immigrants. We had to pay in passage-money alone for our 1,300 males and their families £18,240, while Government introduced 3,262 people at a cost to the emigrants which at £5 each would be about £16,000.

231. You say you think that it is unfair that Government should have charged you twice as much for your immigrants as they paid for their own—will you explain that?—Yes. The utmost price Government charged to any immigrant for cash was £5, and they charged us £10; that is to say, if an emigrant applied for a passage to New Zealand he would only be charged £5 by Government, while if we sent him out we would have to pay £10 for him.

232. If you applied for your immigrants to be sent out for £5 for each immigrant, would you not be able to get it?—No; they would not allow us to take advantage of that assisted scale. Our promissory notes were really cash, because Government took the money due to us to pay these notes, and Government also greatly relaxed the terms to the other persons going out.

233. When you found Government would not accept your terms, were you obliged to accept their terms?—No; we could not have been bound or compelled to send out one man.

234. And when you found that Government were imposing too onerous duties upon you, why did you not refuse to send out any more?—Look at Dr. Featherston's letter of the 16th July, 1872, and the despatch named in it, and consider whether we could have thrown up the contract and declined to send out more men. We could not tell actually whether we would have work given to us on the date of the arrival of these men, and at the same time we were pressed to send them out.

235. You continued to send out immigrants thinking that your agreement was valid?—Yes.

236. What was the date of Mr. Travers's opinion?—5th September, 1872.

237. After you found the agreement was invalid, you determined to send no more immigrants?—We sent a few people with whom engagements had been made, but as soon as we found that arrangements were unsatisfactory we ceased sending people out.

238. *Hon. Mr. Dick.*] How many men did you agree to bring out?—2,000 men with their families, altogether not exceeding 6,000 persons. We were bound by Government only to charge £15 per head.

239. When you first entered into this agreement, was Government bringing out immigrants?—Yes; but not very largely.

240. Were they doing it at £5 per head then?—Yes, for assisted and nominated immigrants; for other immigrants the price was £1 deposit, and a promissory note for £10.

241. Then you knew, when you entered into this arrangement with Dr. Featherston, that, whilst you were charging your people £15, Government were bringing out immigrants for £5?—Yes; £5 in cash, or £10 in promissory notes.

242. Did you represent to Dr. Featherston the improbability of people coming out by you for £15, whilst they could come out under the Government scheme for £5 cash?—We were charging £5 more to our knowledge than the others who gave their promissory notes were being charged, and we were putting our men to that extent to a disadvantage. But, on the other hand, our men were in a somewhat better position than the others; because, whilst Government required theirs to provide themselves with a certain quantity of clothing, &c., and to pay £1 for ship's kits, and to travel to the ship at their own expense, we provided our men with the necessary kits, clothing, &c., and paid their expenses.

243. Have Government prosecuted the men for not paying their promissory notes?—They have ceased to prosecute.

244. When do you consider your arrangement with Dr. Featherston to send out 2,000 men ceased?—We determined to cease sending out men in November, 1872. I will put in a letter from our firm in London to the firm here. It is as follows: "We have received telegrams during the past week, urging us to stop emigration from England. No further vessel has been engaged for our emigrants, and operations are now suspended. It may, however, turn out that in a few districts a few families have been promised that they should follow by the December ship, and, as we know that several have been discharged from their employment, and turned out of their cottages in consequence of having applied to us for employment, we may find it difficult to refuse to send them out. None will, however, be sent unless we are positively committed to do so. A very large amount of money has been already