

invested in this department, and we shall look anxiously for advices respecting the men's conduct, and their arrangements and intentions respecting repayment.—H. TWELVETREES."

245. You say that between June and September you ceased to send out immigrants?—During that time there was a suspension, but not a stoppage.

246. Then you did not consider that agreement very strong?—No; that is not the view to take. We suspended sending out emigrants in June, because we had no works to employ the men upon, and we did not then know where to send them.

247. Then Dr. Featherston was not insisting upon your sending out men?—Yes. See his letter of July. We sent out 1,877 statute adults, of whom about 1,300 were men. We were prepared to have sent out about 600 of those men ourselves on Government terms.

248. Was that ever proposed?—Yes, and agreed to by the Agent-General. That was when we were contemplating sending out men on our own account, but before we had begun to do so. The letter is dated the 8th February, 1872.

249. And afterwards you sent out a number of men on the same terms?—No.

250. I see, by the return put in (Statement D) that during the years 1872 and 1873, when you were sending out immigrants, the wages were lower than they had been at other times?—Yes.

251. Does not that show that you got the full benefit of the fall in wages?—No; but if we had continued sending out men the labour-market would have still further declined.

252. Does not the fact that Government brought out immigrants indicate that they did something to help to lower the rate of wages?—On the contrary, the return I have put in shows that up to the year 1875 the rate of wages was continually increasing.

253. *The Chairman.*] You stated that Government had altered the terms of payment in introducing immigrants?—Yes.

254. When was that?—I could only quote that from hearsay. They began in September, 1872. In August or September they ceased to require £1 deposit. There is a despatch from Mr. Reeves, dated the 5th June, 1872, to the Agent-General, in which he says, "This clause is to be struck out. The cost of reaching the port of embarkation, the dock fees, and the 20s. or 25s. per adult charged for mess utensils and bedding, together form an amount which, in a great number of cases, must prove an effectual barrier to the emigration of agricultural labourers and other suitable persons. Where emigrants can pay these amounts, they should do so; but I cannot too strongly impress on you the necessity there is that you should pay the railway fares and other charges for those who cannot pay for themselves, rather than lose desirable emigrants. I am informed that nominated emigrants, who have had small sums of money remitted to them for railway fares, have declined passages simply because they have been unable to raise the additional 20s. or 25s. per adult demanded for their bedding, &c.; and where the cost of railway fare has to be borne also it must undoubtedly largely tend to a similar result. As it would be unfair to make some pay and not others, you are authorized to add whatever amounts you pay on these heads to the promissory notes of the emigrant incurring them. In confirmation of the views I have above expressed, I enclose a letter written at my suggestion by the Rev. G. C. Cholmondeley, a clergyman long resident in Canterbury, who, from his knowledge and experience of the condition of the agricultural labourer in the Old Country and in the colony, is well qualified to offer an intelligent opinion on the subject of emigration. I send you the letter, not only because I fully agree with him in thinking that it is necessary to furnish agricultural labourers and others with the cost of conveyance from their villages to the docks, but because I think the suggestions he makes are, as a whole, worth your attentive perusal."

255. What would that amount to per head?—£2 or £2 10s.

256. When did that letter reach England?—In August, 1872.

257. At what time did you obtain a knowledge of these things?—In November, 1872. Mr. Waterhouse, who was then Premier, telegraphed over: "Insufficient immigrants. Division between provinces not accordant with instructions as pointed out by memorandums 114 and 115. Consider following instructions absolute: Open immediately central Irish Agency in Dublin. Send fair proportion emigration therefrom. Place Scotch Agency on original footing of efficiency. Send Scotch emigrants from Glasgow. Complete with utmost despatch number emigrants specified in Gisborne's memorandum 25th November last, exclusive of nominated and Brogden's, and if necessary make terms more liberal." And, again, Mr. Waterhouse says, "Government decide, if number of emigrants ordered not been despatched, you relieve emigrants of cash payments for passage to shipping port, luggage, or outfit, leaving to your discretion addition of these payments to immigrants' notes. Telegraph number emigrants sailed since 22nd September." I believe that was acted upon immediately.

258. When did these matters come to your knowledge?—Not for a long time afterwards. Mr. Reeves's despatch would not be heard of by us until some time after the telegram had arrived.

259. I suppose, practically, very few immigrants were sent out by you after you found that the relaxation you have referred to had been made by Government?—Yes; there were only two small lots of 99 and 7 respectively.

260. I understood you to say that, Government having relaxed their terms, you suffered loss, whereas, if they had not done so, you would not have lost anything?—Yes, that is practically the case.

261. You stated you ascertained that the agreement you entered into with Government for sending out immigrants was invalid?—We were so advised by Mr. Travers, but the Courts have since held that it was not so.

262. What did he advise with respect to the agreement you had entered into?—I will put in the advice. It is as follows: "I am of opinion that this contract is *ultra vires*. The 4th section of the Act of 1871 requires that all contracts under that Act or under the Act of 1870 shall be in the name of the Queen, the Governor having no power to contract in his own name, and still less to delegate the power of contracting.—W. T. L. TRAVERS.—5th April, 1872."

263. If the agreement is invalid, what claim has Government upon you for promissory notes?—If they had only gone against us for the promissory notes in England we should not have been here, and should have resisted their claim. But, instead of doing that, they retained moneys which were due to