

advance the other half of the seed and manure at cost-price, to be deducted from the price paid for roots delivered. From the third year on, all roots are to be paid for in one-half cash and one-half paid-up shares—that is to say, each grower will receive £1 per ton for roots delivered at the factory for one-half the area grown by him, and fully paid-up shares in the company for the other half, such shares to be held for the growers by a committee to be elected by the growers and the company, in trust, and the growers shall receive all the dividends and profits accruing on such shares from the third year on, but the shares shall revert to the company at the end of twenty-one years, unless the grower or his heirs renew the agreement to continue growing for another twenty-one years.

2 The area required to be guaranteed will be 5,000 acres on a four-years rotation of crops, so that a total area of 20,000 acres will require to be provided. The guarantee will require to be in form to the approval of the company's solicitor, and be registrable against the land as a security for the performance of the contract by the growers.

3. In cases where the land is already mortgaged, or where the mortgagee declines or objects to join in the guarantee, the company will be prepared to find the money to pay off the mortgagee and to take a fresh mortgage on terms similar to, and at the same rate of interest as charged by, the Government Advances to Settlers Department whereby the principal and interest are paid off in thirty-six years and a half

4. The company will supply the best varieties of sugar-beet and manure at cost-price, payment of which will be deducted out of payment for roots delivered at factory; but seed and manure supplied to grow roots purchased for shares in the company will not be charged for. This concession is very valuable, and amounts to equal to £20,000.

5 The company will, if required, plough and cultivate the land with special steam-ploughs or oil-engine ploughs and other labour-saving machinery, at a cost of about one-half the present contract price of ploughing, &c. by horse-labour.

6 The company will sell to growers on easy terms, by instalment or hire system, all necessary ploughs, cultivators, drills, and farm-implements, which will be obtained at wholesale prices from the best makers.

7 The company will advance money up to £5 per acre on the area of roots grown for shares in the company, for the first two years, in three instalments—(1) during seed-planting, (2) weeding, and (3) during harvesting, towards the cultivating of the crop, and to be paid back by equal instalments, with interest at $3\frac{1}{2}$ per cent. per annum, extending over ten years, commencing from the third delivery of roots, such advances to be secured on the collateral guarantee of the growers, who shall form themselves into an association under the Unclassified Societies Act, and elect a committee of management.

8. The company will take delivery of roots at any suitable landing on the Waikato or Waipa River banks, into barges, and growers will pay a small charge for use of barge and towage to factory to be deducted from price of roots. It is confidently expected that, the cheap river freights being brought into competition with the railway Government will make a specially low rate for the haulage of roots by rail.

9 The factory will be erected on the most suitable site, to be selected by experts, but such that it can be served by both railway and river steamers.

10. The growers will have the preference in the purchase of loose or compressed pulp, and molasses, for food for stock, which will be delivered by the company's steamers on the river-bank at the lowest payable price, as arranged, but for their own consumption only.

11 To cover the cost of organization and flotation, the growers will be required to enter into an agreement to pay the promoters royalty of 6d. per ton on all roots sold by them to the factory for cash during the said term this royalty to be secured by registration of agreement against the land.

12. The amount of shares for the half-area of 5,000 acres of roots to be paid for in shares fully paid up will amount to 38,000

13. The profits and dividends to growers on these shares for nineteen years is estimated at £149,998, but will probably be more.

14. In the first year the company will give prizes (1 of £100, (2) £50, (3) £25, for the best growers' exhibit in quality and quantity. Following other satisfactory results, other inducements will be offered to growers.

Yours, &c.,

JOHN ST CLAIR.

Mr J A. Young.

EXHIBIT 3.—LETTER FROM MR. E J ROGERS, KIRIKIROA.

DEAR MR. YOUNG,—

Kirikiroa, 8th October, 1901

In reply to your inquiries about sugar-beet culture, I beg to say that I have grown the roots in small areas for a number of years. My experience is that it is the best root feed for stock that I have ever grown. Cows, horses, sheep, and pigs eat it, and seem to like it. It is one of the best-keeping roots out. I generally feed the turnips first, the carrots next, and the sugar-beets last, as they keep the best, and are just as good at the end of the season. From my observation they are better feed than mangolds. The only fault I found about them was that the roots had a tendency to go to fingers and toes, which makes them difficult to lift, otherwise they grew well and large. I used to plough about 5 in. or 6 in., and then break up the ground as for carrots, and drill in just the same. I used the Planet Junior hand-drill. I found them no worse to look after than either carrots or mangolds, as far as the weeding was concerned. I used generally to put seed in about middle of October. I am prepared to put in a small area again if I can obtain seed.

Yours, &c.,

E J ROGERS.