18 I.—5.

free passages to immigrants in London?—I consider that the instructions sent to the Agent-General by Mr. Waterhouse on the 23rd November, 1872, practically, though not explicitly, authorized the granting of free passages. The Agent-General was then instructed to relieve immigrants of the cost of reaching the port, and also of the cost of bedding and outfit. Mr. Waterhouse stated further:—
"I must again impress upon you that the speedy introduction of a suitable class of immigrants is the first consideration; the expense must be regarded of secondary importance, so long as it remains within reasonable limits." And again with regard to relieving the emigrants of expense, "the ultimate decision as to the course to be adopted must still rest with yourself; but you will understand that the Government desires that you should feel yourself unfettered in the exercise of a wide discretion in pursuance of the ultimate object of a large immediate addition to the population of the Colony." This has been referred to in the subsequent correspondence as authority to the Agent-General to grant free passages if he thought proper. The Agent-General's Regulations regarding free passages were issued on the 10th March, and revoked on the 17th of the same month. The Agent-General's telegram of 5th March was replied to on the 12th April, authorizing the Agent-General to dispense with all charges

he thought proper.
210. Was the Government aware of the position in which the Messrs. Brogden's contracts for immigration stood at the time the Government proposed to grant free passages?—The Government was quite aware of Messrs. Brogden's application to be relieved from the liabilities connected with their contract when Mr. Waterhouse's Memorandum of 23rd November, authorizing immigrants to be relieved of certain, if not all, charges, was despatched. Mr. Waterhouse on the same date, 23rd November, referred to Messrs. Brogden's application to be relieved from their contract liabilities

to the Agent-General.

211. Did the Government consider whether or not that action, the granting of free passages, would prejudice the contract with the Messrs. Brogden?-No. It never occurred to the Government

that the Brogden contracts would be in any way affected by it.

212. As a matter of fact, do you consider that it did affect these contracts?—No. The Government never considered that they were debarred from granting free passages, if they thought proper, by the immigration contract with the Messrs. Brogden. Even if it were so, any action that could be taken in respect of these instructions, could not be taken until at least three months after Messrs. Brogden had ceased sending out immigrants.

213. Mr. O'Neill. Have the Government ever received any information from the Agent-General relative to a communication received from the Messrs. Brogden, with regard to a settlement of their immigration contracts?—The Agent-General sent out a Despatch by the last mail, to the effect that the Messrs. Brogden had been pressing to have the matter of the liabilities they had incurred under their

contract comprised in terms of their letter of the 10th June, 1873.

214. The Chairman.] Did the Agent-General make any change in the Immigration Regulations between the time Messrs. Brogden entered into the contract and the time when they practically threw it up?—The contract was entered into with the Messrs. Brogden in June, 1872, and there was no change made in the Agent-General's Regulations between February, 1872, and March, 1873. The change was made on the 10th of March of that year. Free passages were offered between the 10th and 17th of that month.

215. During the seven days these free passages were offered, to what extent were they taken advantage of?—I only know of one case. I understand that several of Mr. Auld's immigrants per "Nicol Fleming" to Otago came out as free immigrants.

216. Was there any change made with respect to nominated immigrants about the time of Messrs. Brogden's application to be relieved of their contract liabilities?—Yes. The charges for nominated free immigrants were reduced to £4.
217. What date was that change made?—It was some time between December, 1872, and January,

The regulations came into force on the 15th December, 1872.

218. That alteration was made in the Colony?—Yes.
219. When would the letter containing that alteration get home?—I should say in February, 1873, but I will give the exact date. It is acknowledged in one of the Agent-General's Despatches.

220. Mr. Macandrew.] Is there anything stated in the correspondence which passed between the Agent-General and Brogden, or between the Government and Brogden, to imply that the risk of collecting the immigrants' promissory notes should devolve on the Government?—Certainly not. The Messrs. Brogden were allowed to charge an extra £5 in order to cover the risk they incurred. I think it is right to state that the charges made as between Government immigrants and the Brogden immigrants was not a charge as between £5 and £15. £5 was the sum which was taken when cash was paid, and £10 bills were virtually taken when cash was not paid. The regulation when cash (£5) was not paid was as follows:—"That a deposit of £1 should be made and a promissory note for £8; £2 and £6, £3 and £4, and £4 and £2. To all intents and purposes, the contributions the Government received for Brogden's immigrants of £10, were the same as the contributions of ordinary Government immigrants.

APPENDIX.

MEMORANDUM No. 22, 1872, for the AGENT-GENERAL, London.

HEREWITH are forwarded for your information copies of a correspondence (noted in the margin) that has passed between the Messrs. Brogden and the Government, with reference to their immigration contract of the 27th June, 1872. The Government have invited the Messrs. Brogden to place themselves in immediate communication with you, and have promised to favourably consider any suggestion or recommendation you may make on the subject.

> G. M. Waterhouse, (in absence of the Hon. the Minister for Immigration).

Immigration Office, Wellington, New Zealand, 23rd November, 1872.