3. I observe that in paragraph 7 of their reply your Ministers substantially concur in the main conclusion at which I had arrived in regard to the contract and which was expressed in the 8th paragraph of my despatch and in these circumstances I do not consider that any useful purpose would be served by arguing the matter in detail ; and if the contract should result in the benefits to the colony which your Ministers anticipate, I need scarcely say that such a result will be most welcome to Her Majesty's Government.

4. I have added the reply and this despatch to the papers which are being presented to Parliament.

I have, &c., J. CHAMBERLAIN.