

the centre of the road. W. Harry did a portion of the work and felled the rata, the tops of which, with a portion of the trunk, fell upon some cleared land of mine (section 6). Some time after, Harry came to me saying that he could not complete the contract as his cow had broken her leg and required constant attendance. Under the circumstances, I gave Harry credit for day wages for the time he had already spent on the contract, and relet the work to settlers named Elford and Simpkin, including the burning off of the rata tree. The great difficulty was to get rid of the butt, as when the tree fell it came down roots and all, completely blocking up the road. I was at the time detained at Karamea by bad weather, and after Elford and Simpkin lit the fires on the first day of their commencing work they left it, and for three days I kept the fire going myself. It is probable that, had I not let the contract in the first instance to burn away the tree, and had the top of the tree not been required to burn the stump, I would, from motives of delicacy, have cleared away the top of the tree at my own expense. Several other trees which you have seen have been felled by road contractors upon my property, and, were I not acting for Government, I would undoubtedly insist upon their removal. As it is, I do not propose ordering their removal at Government expense, but I shall ask for instruction concerning them.

24. How many settlers were originally located at Karamea, and how many now remain?—Original number fifty-four, now reduced to forty-four—of the latter number, four are newcomers.

25. How many families were located on the South Terrace, and what was the extent of land cleared and brought into cultivation by them?—Twenty-five families—about thirty-five acres.

26. How many families were located on the North Terrace, and what was the extent of the land cleared and brought into cultivation by them?—On the north side of the Karamea River there are thirty-one families, including that of the late storekeeper, and S. Castles, who is not a settler, but works as a cabinet-maker upon his own land.

27. How many settlers are located on each side of the river at the present time, and what is the number of children in each locality?—On the northern side of the river thirty-one families, on the southern side, all living on the Promised Land, except the family of Meyrick Jones, which is located at the mouth of the river—fifteen. The number of children on the north side is fifty-two, on the south thirty-nine.

28. Which is the best plan, in your opinion, for supplying education for the children in the district?—I think that, in the first instance, a school should be provided upon the Education Reserve (section 18), and, if the attendance of children from the Promised Land cannot be secured in any other way, the master should divide his attendance, according to the necessities of the case, between the main school and a branch establishment upon the Promised Land.

29. When the store was sold, was there any understanding with Mr. Dolphin that the debts incurred by the settlers at the store would be guaranteed by you by obtaining orders from them on the Government for work done?—No understanding whatever existed with Mr. Dolphin with regard to the debts of settlers, nor did I know until last July how payment would be made to settlers for work done. He gave them credit at his own risk, except in two cases where the settlers were in debt to the Government. Upon his refusing to supply them with provisions, I promised that I would recommend, if their earnings were not sufficient to pay the debt to Government and to him, that, if he supplied the provisions they required, the earnings should be divided equally between the two accounts.

30. Please explain the position you occupied as regards the settlers and Mr. Dolphin in connection with the store, and, if orders were given by them, were they given voluntarily to pay for stores supplied?—The position I occupied between Dolphin and the settlers was that of a mediator. Whenever any question of disputed accounts occurred, I took the part of the settler, and investigated the matter on his behalf. On several occasions when Mr. Dolphin refused to extend credit to particular settlers, I interfered and prevailed upon him to do so, sometimes becoming personally liable for the payment of the debt. The orders were given voluntarily.

31. Have you at any time, when the settlers were out of employment and in want of provisions, given them work at your own expense; if so, how much have you expended in that way?—Yes; I found that, in my desire to complete the work of settlement, I was impeded by the smallness of the means at my disposal. I have supplemented those means by private expenditure, and in that way I have expended most unprofitably about £250. Further particulars upon that head may be seen in the schedule to my report dated April 13, 1877.

32. Please explain the principle observed in distributing labour amongst the settlers?—Labour was never refused to any settler who had not a credit upon the store books. When a settler had a credit, he was then requested to employ himself at home upon his land, all his wants being provided for. All settlers received employment on requiring it, unless they were in credit. The plan adopted was to give employment in order to help the settler to get necessaries, always taking care to leave him sufficient time to clear and cultivate his own holding.

33. What led the Government to commence a system of store-keeping?—The store-keeping on the part of the Government was a necessity; no other means of providing for the settlers existed. The Provincial Government would at any time have been glad to have been relieved of the trouble and toil connected with the store, which mostly fell upon myself.

34. Have you at any time received a discount when purchasing stores, &c., for the Karamea store?—Never, directly or indirectly, have I received any payment or allowance whatever, and I shall be much obliged if you will confirm this by reference to the merchants and tradesmen with whom I have done business on behalf of the Provincial or General Government for the last three years. I ask this particularly, because it has been insinuated that I have been paid in that way for my services to the Karamea Special Settlement; and I affirm that all the work I have done and all the hardships I have endured since my connection with the place until the first January last have been entirely unrequited. When in office as Provincial Secretary of the Nelson Province I received the salary attached to that office, and I think it will be generally acknowledged that the extra work, anxiety, and hardships endured by me in connection with the special settlement were such that very few men in my position would have undertaken, nor could it be considered as strictly pertaining to the office held by me. The work which I have performed since the 1st of this year is also out of comparison with the