

No. 7.

The OFFICER in CHARGE, Jackson's Bay Settlement, to the UNDER SECRETARY for IMMIGRATION.
SIR,—

Hokitika, 4th April, 1878.

I have the honor to forward herewith, for the information of the Hon. the Minister of Immigration, copy of a letter received by me from the Resident Agent, Jackson's Bay, portion of which relates to the future payment of wages to the settlers, and also to the deductions to be made on account of their indebtedness to the Government.

With reference thereto, I beg to state, as a petition on the subject is about to be presented to the Government by the settlers, that Mr. Macfarlane has simply acted according to his instructions, and also that I consider the recommendations made by him *re* the future adjustment of the accounts to be fair for all parties. I shall be glad, however, to be furnished with definite instructions on the matter.

The Under Secretary for Immigration,
Wellington.

I have, &c.,
EDWARD PATTEN,
Officer in Charge.

Enclosure in No. 7.

The RESIDENT AGENT, Jackson's Bay Settlement, to the OFFICER in CHARGE of the Settlement.

SIR,— Resident Agent's Office, Jackson's Bay, 18th March, 1878.

I have the honor to report the arrival of the s.s. "Waipara," bringing as passengers the Hon. J. A. Bonar, Mr. Mueller, Chief Surveyor, and Captain Turnbull. After discharging cargo the steamer proceeded to Martin's Bay to tender the s.s. "Hinemoa," and returned to the Bay on Sunday, the 3rd March. On Monday Mr. Bonar, and Mr. Mueller visited Smoothwater, and on their return we went up the Arawata Road as far as Jackson's, the extreme point of settlement on the river, coming back by the river bed, so as to enable them to inspect the punt and mill-site; thence to Okura, which we reached about 8 p.m. On Tuesday morning we visited all the settlers on the North Turnbull Road, and inspected the new wire bridge across the Turnbull (300-feet span). Time would not admit of their visiting the south side, as the steamer was to leave at 11 a.m. Both Mr. Bonar and Mr. Mueller were highly pleased with the settlement, but, as Mr. Bonar intends reporting on it when he returns, I will leave him to speak for himself.

It is to be regretted that the Hon. Mr. Macandrew, the Hon. Captain Fraser, and our member, the Hon. Mr. Gisborne, were unable to visit the whole of the settlement (they only saw Smoothwater and the lower end of the Arawata), as they only saw the worst part of it; but I could not prevail on them to go any farther; Mr. Macandrew being ill, and the others did not feel able to make the journey overland to the Okura. I am glad to say that Mr. Macandrew approved of our jetty, and I have instructions to push it on as quickly as I can. I have, however, to submit my plans to Mr. Blackett, in Wellington, Captain Fairchild, of the "Hinemoa," having told them that the work will not stand. Mr. Macandrew is of a different opinion himself; but I have to forward the plans, with all the necessary memoranda, to enable him to get Mr. Blackett's opinion. I may say I think Captain Fairchild has taken a very unreasonable prejudice against the place, and forms his opinion on insufficient data.

With respect to the future of the settlement, Mr. Macandrew informed me that the balance of the £6,000 would be available for the works we had in hand, and he suggested that the jetty, and the Bay and the Arawata Road should be pushed on and completed first. £3,000 is to be given by the General Government for the Paringa and Haast Tracks, contingent on £1,500 being applied by the Counties of Westland and Vincent. This work is to be laid off by the County Engineer in small sections, the price to be fixed by him, and offered to the settlers. Should they not see fit to take the work at the price put on it, then it will be open to the public. Mr. Clarke, the County Engineer, it is expected will come to the Bay and arrange matters with me. In connection with the expenditure of this money, there is a strong feeling amongst some of the settlers that it should not be considered settlement money. The idea is being worked up by a few of those who are always finding fault, and their object is plain enough: they wish to repudiate their indebtedness to the Government, and they think, if they can get the money paid in any other way, they can defy the Government. You will see by my returns that I have collected some of the back rents; this has given great offence, and resulted in an indignation meeting, when a number of resolutions were agreed to, copies of which I will forward, if possible, for your information. At the request of some of the settlers I attended the meeting, and answered certain questions about the collection of rents, &c. In the matter of the back debts, I told them I had no option; my orders were to stop £1 per month, and with regard to the rents I was to use my own discretion—that is, if a man had a big cheque for the month, I was to deduct accordingly; and you will see that I have done so, in some cases taking £2 and in others 5s. This, together with my statement that I could only give them half-time as originally agreed on, they considered very unsatisfactory, and they are accordingly petitioning the Government to allow all rents that were unpaid on the 1st January, 1878, to be considered as back debts, and that they be allowed to work two-thirds time on the settlement, and full time on the Haast and Paringa Roads. It is very easy to perceive the drift of this movement—viz., the getting all the Government money they can, and paying back as