D.—6.

little as possible. The difficulty can be got over in this way: Supposing the prayer of their petition is granted, and that they get all the work they want, and that the rents to the 1st January are made back debts, in place of charging £1 per month on, say, £5, charge at the rate of 20 per cent on their gross earnings; this would amount to exactly the same thing, and moreover would be a more equitable way of doing it than charging every one alike, whether his cheque be large or small. By so doing the Government will secure payment of back debts in proportion to the money spent by the Government. With respect to the making of back rents a back debt, it may be of advantage to the Government, as until the whole of the back debts are paid no title to the land can be obtained. It will be a question for the lawyers to decide whether a man could not demand his deeds if the rents were all paid, and the other conditions complied with, even if he did owe the Government money for stores; but I presume if they elect to have the rents put in as indicated, then I fancy no deed could be granted until the whole of the debt was paid.

I trust the Government will give me positive instructions on the whole subject. I have agreed not to collect any more rent until they heard from the Government in answer to their petition. It might be as well to forward a copy of this when you are reporting to the Government on the matter. Another matter came up during the visit of the Hon. Mr. Macandrew: Mr. John Murdock took occasion a few hours before he left to accuse me of introducing what he called "the truck-system," and that I had given orders to the settlers compelling them to buy goods from the stores kept by Mr. Marks. Knowing the men I had to deal with, I was particularly careful in this respect, and I accordingly gave the overseer and gangers instructions to give any one who desired it a certificate of the time he worked, and they could take it to any one they chose; and to those who came to the office I was careful to avoid giving the order on any one in particular, but left the name to be filled in by the parties themselves. With Mr. Macandrew's consent, I wrote to him (Murdock) asking him to withdraw his statements, but he replied "that, as he had stated nothing but facts, he had nothing to withdraw." Mr. Macandrew told him that if he had anything to prefer against me he should put it in writing, and the matter would be inquired into. I, therefore, must perforce wait until he does put it into such shape, so that I may be able to take action in the matter, as I am quite aware that until he commits himself in writing I shall be fighting a shadow. I may state that two weeks before the arrival of Mr. Macandrew, at a meeting of settlers held in the schoolroom, at which he was present, I suggested to the settlers then the advisability of forming a committee and drawing up a stament of their wants and grievances in writing. I left the meeting, so that they might not be deterred by my presence, but it seems they did nothing; in fact, Murdock was the first to leave the meeting. However, I am quite prepared to meet his accusations and refute them.

I have, &c.,
D. Macfarlane,

E. Patten, Esq., Hokitika.

Resident Agent.

No. 8.

The Under Secretary for Immigration to the Officer in Charge, Jackson's Bay Settlement.

Immigration Office, Wellington, 12th April, 1878.

I have the honor, by direction of the Hon. the Minister for Immigration, to acknowledge the receipt of your letter of the 4th instant, transmitting copy of a report from the Resident Agent at Jackson's Bay, with reference to the progress of the settlement, and, in reply, to inform you that Mr. Macfarlane's suggestion as to making the rents due up to the 1st January last back debts, and deducting at the rate of 20 per cent. from the immigrants' gross earnings on account thereof, is approved, as being the only way in which the Government is likely to recover

the moneys due.

The whole scheme of the supply of stores has been a very unsatisfactory one, but as the liabilities have been incurred on behalf of the Government they will have to be met; the further expenditure on account of the settlement, however, being limited to the £3,000 proposed to be expended under the control of the County Councils of Westland and Vincent on the Paringa and Haast Tracks, and also to the amount necessary for the completion of the wharf, provided

the plans are approved by Mr. Blackett, to whom they have been submitted.

Arrangements have been made with the agents of the steamer "Maori" to convey any of the settlers who may desire to leave the settlement as far as Hokitika, Greymouth, or Westport, at a nominal fare, the amount of which is to be decided by the Resident Agent, and is to bear a relative proportion to such sum as the applicant for the passage may be able to pay, the object being to enable any of the settlers who are absolutely destitute and unable to obtain work at Jackson's Bay to proceed elsewhere, should they desire to do so.

Please inform the Resident Agent accordingly.

The Officer in Charge,
Jackson's Bay Settlement.

I have, &c.,
H. J. H. ELIOTT,
Under Secretary for Immigration.