

11. Application from heads of families desirous of taking part in any special settlement in this province will be received at any of the Wardens' Offices upon the gold fields, or at the Provincial Secretary's Office, Nelson.

Nelson, 12th February, 1875.

E. J. O'CONOR,  
Provincial Secretary.

APPENDIX B.

NOTES of PROCEEDINGS and EVIDENCE taken at the KARAMEA INQUIRY before ALEX. MACKAY.

THURSDAY, 20TH SEPTEMBER, 1877.

*J. Carmody* and *J. Conor*, special settlers, stated that they had no complaint to make; were satisfied with treatment and share of work.

An application was made on behalf of the settlers that Mr. O'Conor should not be allowed to be present while the investigation was going on. This, it was explained, could not be acquiesced in, as certain charges were imputed against Mr. O'Conor which necessitated him being present to explain. His presence was also needful for the purpose of eliminating information on other points as well, during the course of the inquiry.

*Mr. O'Conor* requested that witnesses should not be allowed to hear each other's statements prior to giving their own, and that the evidence should be taken on oath.

*Mr. Mackay* explained that he was not empowered to take the evidence that might be tendered at the inquiry on oath, his instructions being merely to inquire into and report generally as to the accuracy or otherwise of the charges made in the memorial to the House of Representatives by the Karamea special settlers, under date 17th August last; and in pursuance with these directions he was prepared to hear such statements from any of the settlers who desired to give their evidence as were pertinent to the subject under consideration.

*Andrew Jacobsen*, old colonist, said he had signed the petition, and knew the nature of some portions of it. On first coming to the settlement, was shown copy of prospectus, the terms of which had not been fulfilled as far as supplying goods to settlers. Some of the prices charged had been doubled in the accounts rendered two years after the goods were delivered. The price-list exhibited in the store had not been adhered to. Witness pointed out that there were discrepancies between the day-book and ledger, one item of 3s. 6d. in the former was posted as 9s. in the latter, another of 9s. was posted as 15s.

*Mr. O'Conor* explained that the day-book produced was kept by Mr. Naylor, who acted as store-keeper for awhile. He could not explain the discrepancy, but noticed that differences in items occurred in the accounts. On certain occasions the books of the settlement were sent to Nelson to be examined and adjusted. The ledger produced was prepared up there. Could not say what books the entries were posted from.

*Witness* said the price-list now exhibited was never to be seen in the store, another list was posted there. On getting goods at the store a ticket was usually given, but frequently the prices were unmarked. The prices were afterwards filled in, but at much higher rates than witness was led to believe would be charged.

*Mr. O'Conor* stated that Jacobson contracted to erect the store. He was a slow worker, and when offered general work would not do it. He neither took up land, built a house, nor had he any family at that time. There were other objections to him as a settler, but work was given to him to keep him in provisions. Subsequently he married one of the female settlers, and has since occupied some Maori land. He was a good builder and workman.

*Witness* said that during the last three years he had earned £138 on Government work, and nothing from the survey.

*Mr. O'Conor* stated that Jacobson first applied to take up land about October, 1876—twelve acres on the mud flat. Ledger account against witness showed on credit side some entries, apparently in adjustment of account, covering allowances for overcharges.

*Witness* explained that the entries alluded to represented wages earned and credited as a set-off against store account. Had not heard that the store would be sold to a private purchaser, but he had heard that after a certain date no more stores would be supplied by the Government. The work offered him had been at too great a distance from home, even while other work he was competent to do might have been given him nearer home. The last steamer that called at the port under Government subsidy was in March; another boat came in April, under private arrangement. He would say nothing about present conduct of store. He owed nothing. Had been charged a penny each for ship biscuits, 3s. 6d. for tea, and 26s. per 100 lbs. for Nelson flour.

*Daniel Scarlett*, special settler, said he had taken up 83 acres, and his two sons 50 acres each—183 acres 2 roods 6 perches. The Promised Land was first laid off in 5-acre sections, but Mr. O'Conor had promised to make application to get him an equal amount of land to the quantity he first held on the Terrace.

*Mr. O'Conor* stated that he did not recollect making any such promise, it being outside his province. On the 26th August, 1876, he made application, and paid deposit, £6 15s., for lease of land on the Terrace.

*Witness* said he had since, on his own behalf, made application for the land he now occupied at the Promised Land, and paid the fees. He had never been asked for or paid any rent for land since coming to the settlement. While the Government had the store, goods were sold at moderate prices. In October, 1875, the settlers had petitioned the Colonial Secretary, showing that they were then paying £1 per 100 for flour then selling at 13s. in Nelson. The petitioners asked that the price-list exhibited in the store should be revised by instructions from the Government, and not at the option of the storeman or overseer.