

place between Mr. O'Connor and Mr. Mathews concerning the sale of the store. On that occasion Mr. O'Connor informed Mr. Mathews that Government would not guarantee any person. It was also stated that the building would be sold separately, and the goods at cost price. Heard that a horse, dray, and harness had been sold to Dolphin for £15, while others would have given more had they known it. Consider that the settlers have a grievance, because Mr. Dolphin, who was supposed to have money, had received employment from the Government. A grindstone that had been sent down for the use of the settlers was sold to Dolphin, and he had removed the handle. A rata tree, said to have been on Mr. O'Connor's land, was cleared off at the Government expense.

*Mr. O'Connor* explained that the rata tree stood on the road, and was felled and cleared at the expense of the Government.

*Witness*: Could not have bought the cows excepting through the store, as everything was supposed to be done through Mr. O'Connor. Remember Mr. Mathews being refused the privilege of passing a few pounds of butter through the store for a few sick women in the settlement. Cautioned Jordan not to speculate, because the future of the settlement was uncertain. Have received a fair share of work. Earnings on Government works amount to £260, and survey work since January to £75.

Adjourned to 9 a.m. on the 22nd September.

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SATURDAY, 22ND SEPTEMBER, 1877.

*O. Mathews*: Came to Karamea as a special settler from Nelson. Have no complaint to make concerning the price of stores while it was in the hands of the Government. Have no complaint to make respecting the quantity of work received. Was allowed to pass some butter through the store on one occasion, but the price received was much lower than paid by the settlers. The potatoes put through the store was while Mr. Simpson had charge. Could never get an account of the work done, or of the position I stood with regard to the store.

*Mr. O'Connor* explained that every facility was given to every one (who was desirous of so doing) to ascertain the position of their accounts. Persons were sent down by the Provincial Government to audit the accounts, and any person could have seen the state of their accounts.

*Witness*: I went over the books once with Mr. Rawson, and on that occasion was satisfied; but afterwards Mr. O'Connor made my account £1 3s. in debt more than Mr. Rawson. Received a cheque of £8 10s. from Mr. Jennings, the surveyor, for work done, which I forwarded to Nelson, to Mr. Greenfield, the Commissioner of Crown Lands, to defray the cost of my land. On Mr. O'Connor's arrival he demanded this cheque, and called me a scoundrel. I offered to settle the balance of my account in cash if he would let me have 200 lbs. of flour. Did hear of a meeting at which it was announced by Mr. O'Connor that the Government store was to be sold. Heard Mr. O'Connor say that Government would sell the store. The building to be sold separately, and goods at Nelson cost price. The conversation alluded to took place between Mr. O'Connor and Mr. Dolphin. Believe that Mr. O'Connor has an interest in the store, as he always makes up the books. Asked Mr. O'Connor if Government would guarantee, and was informed that no security would be given for stores sold to the settlers, and that Government would not be responsible. Heard afterwards that the building was sold to Dolphin for £50. On the terms that the store has been worked since, I would have given £100 to £150 for it, every one having to give an authority to the storekeeper to receive the money coming to him. Heard that Mr. O'Connor had become responsible for £900 for Dolphin, and that he had stated he would see that he was paid for the stores. A medicine-chest sent down for the use of the settlers was sold with the store; also a pack-saddle, harness, grindstone, and forge. It has been rumoured that the forge was sold to Dolphin. Believe that more money has been placed to my credit than I have earned, and that the store account has been made up to correspond with it. I am of opinion that large profits have been made in the store. Judging by Mr. O'Connor's actions, the store appears to belong to him. I have bought cattle from Mr. O'Connor. I purchased one cow for £12; the same animal in Nelson, in the condition she was when I got her, would only have fetched about £4. I bought the animal for a friend, because there was no one else to buy from but Mr. O'Connor. I have since purchased Hammond's share for £6, sold her again with her calf to Hammond for £8 and eight days' work—£12. I arranged to buy another cow for £16 from Dolphin, but, after seeing Mr. O'Connor, he said he could not sell under £20; took the animal at the price because it was "Hobson's choice." Mr. O'Connor seemed to throw obstacles in the way of other people bringing cattle to the settlement. A person named Cooper desired to bring twenty head, and was promised that they should come by the steamer, but no opportunity occurred, because the steamer was always occupied in bringing cattle for Mr. Dolphin. I sold a heifer to D. Graynay for £16; this was his own offer. Have arranged to sell four others with their calves; the purchasers to fell bush for me for £7 10s. per acre. The arrangement is with two men, and the quantity to be felled is eight acres (equal to £15 each). These same animals were sold at auction, by Sharp and Pickering, for £7 10s. each; I consider that the cost of driving them overland has added £3 to their value. Two cows, the property of the Government, were sold to Dolphin for £24, and shortly after by him for £32 to Black and Jordan. It was not publicly known that the animals were for sale when Dolphin bought them. A strawberry bull (Government property), that cost in Nelson £15, was sold to Dolphin for £8. A small red bull, that cost £12, was sold here for £9. A number of cattle were sold by Mr. O'Connor on a Sunday for various prices, ranging from £14 to £16; were supposed to be Government property, but after the cattle were sold it was found they were Dolphin's. On one occasion I received a ticket from the store, which afterwards did not agree with the books. I was charged 4s. too much; was promised that the mistake should be rectified, but cannot say whether it was done. Believe that a feeling prevails that the work has not been distributed fairly. Have no complaint personally. During the last three months a great deal of partiality is said to have been shown, especially since the election. The persons who voted for Mr. O'Connor have been favoured above others—namely, Connor, Carmody, Hill, Curtin, and Graynay. Have been informed that all the Promised Land settlers have been refused work. Could have obtained