

APPENDIX A.

COMMENTARY on the Evidence taken at the Inquiry held at Karamea touching the allegations contained in the subjoined heads of a Petition from the Special Settlers there to the House of Representatives, dated 17th August, 1877.

"THAT, as special settlers, we have been permitted to take up land at the Karamea on deferred payments.

"That, in occupying land in such a remote locality, we were assured by the Nelson Provincial authorities—1. That we should be supplied with stores at moderate prices. 2. That work would be given us whereby we might earn money sufficient to pay for such stores, and also to pay the instalments of money falling due on our land. 3. That a subsidized steamer would call at the port."

According to the terms of the prospectus issued in November, 1874, under the scheme for founding a special settlement at Karamea, it was not intended to supply the families located there with provisions longer than seven months, but in a fresh prospectus issued in February, 1875, greater latitude is given to the intention. In the latter prospectus it is notified that provisions and other necessaries would be supplied at cost price until the settlement had received a fair start. This arrangement, according to the evidence, has been adhered to, there being only a few dissentients, and their complaints had reference to other articles rather than to stores.

Seven months' work is all that is promised in the prospectus, and no assurance was either given or implied that regular work would be given to enable the settlers to pay the instalments falling due on their land. On it being found that the settlers were not in a position to maintain themselves at so early a period owing to the many difficulties they had had to contend with in forming a home in an inaccessible district, and the liabilities they had contracted with the Government for stores, &c., while so occupied, additional work was given them to provide for their immediate wants, and to enable them also to pay off their liabilities.

There was no positive understanding that a steamer should call regularly. The first arrangement was for six months, and afterwards extended without any promise of continuance. Considerable difficulty was subsequently experienced to induce Messrs. N. Edwards and Co., the proprietors of the line of steamers plying on the coast, to send a boat to the place, owing to the heavy expenditure incurred by them in floating one of their steamers that got on shore while entering the river.

"That for some time provisions were supplied us at moderate prices, in return for labour done on roads, but that we received little or no cash.—"Great complaint has been made by the settlers at not being paid in cash for labour done, and also against what is termed "the truck system" that prevailed at the Karamea while provisions, &c., were supplied them by the Government. The system complained of, however, was to a great extent unavoidable. At the commencement of the settlement, the settlers, having no means of their own to enable them to settle on the land, became indebted to the Government for the tents, tools, and other necessaries supplied them. The Government had also to establish a store to supply them with provisions. Owing to the inaptitude of the people for the life they were suddenly required without any previous experience to adopt, a long time elapsed before they gained the knowledge requisite for a bush life. This circumstance, coupled with the want of frugality, and the desire manifested by many to obtain as large a credit as possible at the store, augmented their liabilities to the Government; consequently it took a long time before they worked off their indebtedness. It is patent, therefore, while they were so engaged it was unreasonable to expect that money could be paid for work done, more especially as the chief motive for giving them employment was to enable them to get out of debt. The Provincial Government was averse to commencing a system of store-keeping, but no private individual would open a store at the settlement without a guarantee; the Government, therefore, had no option but to open a store to supply the settlers with provisions.

"That, without notice to your petitioners, the Government store has been sold and its contents to the director of the settlement, or his trading partners, and that the price of provisions has been raised to an exorbitant degree."—The first part of this allegation is contradicted in evidence. Only five persons out of the number examined (thirty-six) supported the assertion. Ample notice was given of the intention to sell the store at a public meeting held at the settlement about the 15th February last. Efforts were made by Mr. O'Connor to dispose of the store to persons in Nelson and Westport, without avail, and the building and stores were subsequently sold to Mr. Dolphin with the consent of the Government.

The terms upon which the store was offered for sale were, that the building should be taken at a valuation, and the balance of stock at Nelson cost price, with freights added, without guarantee as to trade or tenure, and reserving a small store on the wharf for Government use, in case it was decided to send provisions to the settlers after the store was sold.

Concerning the statement "that the price of provisions has been raised to an exorbitant degree" since the sale of the store, the arrangement with Mr. Dolphin on taking it was that he was to sell at Westport prices. This, on comparing his tariff with the Westport prices, he appears to have done, with the exception of flour, which is 1s. per 100 lbs. dearer than at Westport; in many other instances the prices are under. Flour had only been raised in price since the 19th July last, and that was in consequence of the stock running short. Mr. Dolphin offered every facility to examine his books, and was most desirous that it should be done, as insinuations had been made that his price-list differed from the items charged in the settlers' accounts, an assertion that proved utterly fallacious on examination of his books. A comparative list of prices charged at Karamea, Westport, and Moki-hinui is appended, by which it will be noted that there is little difference between Karamea and Westport, and any difference that exists is in favour of Karamea. It will have to be borne in mind, also, that Mr. Dolphin's is a retail business, on the credit system, in a district where the probability of being paid is very uncertain, and if further evidence is wanted to contradict the assertion "that provisions have been sold at exorbitant prices" since the store came into private hands, the fact that a small cargo of provisions brought to Karamea by a Westport merchant last month was disposed of wholesale for cash at prices slightly under the cost of the same articles sold at the Karamea store on credit, may be accepted as a sufficient refutation. Subjoined is a list of the goods sold wholesale for cash: