

*Charges and Complaints.*—We think it best to begin with the particular complaints and charges which have been made against the management of the settlement. These comprise direct charges against individual persons, as well as charges affecting the general plan and management of the settlement. The principal part of these have been made in Parliament, and we shall accordingly consider these first.

*Statements in Parliament.*—In the House of Representatives, on the 29th of August, 1878, Mr. Barff moved for an inquiry into the working of the Jackson's Bay Special Settlement, and on that occasion both he and Mr. Reeves made some very strong assertions, into the correctness of which we have spent much time and taken much trouble in inquiring. Some severe remarks on the management of the settlement were also made by the Hon. Captain Fraser in the Legislative Council on the same day; but on a subsequent occasion Captain Fraser modified his statement of a specific instance which he had adduced, in which the conduct of the Resident Agent appeared open to censure.

With these speeches before us we made it our first business to apply to the gentlemen who had delivered them for any proofs or evidence that might be in their possession, and for any assistance and guidance they might be able to give us in prosecuting our inquiries. The telegrams and letters which we addressed to the Hon. Captain Fraser, Mr. Barff, and Mr. Reeves, and their replies, will be found amongst the documents accompanying this report.

*Mr. Reeves.*—From Mr. Reeves we received a reply by telegram, in which he states that the only witness, so far as he knew, who could prove the sale of certain potatoes, referred to in Mr. Barff's speech, was dead; that, if there were any other witnesses, Mr. Barff ought to be able to furnish their names; and that such facts as the ownership of the steamer "Waipara," and the purchase of all the stores for the settlement in Hokitika instead of in cheaper markets, could easily be proved. To this communication we replied by letter, calling the attention of Mr. Reeves to the very strong and distinct statements made by him in the House, and to his assertion that he could himself show the truth of those statements. Mr. Reeves sent us a reply by telegram, the purport of which was that his statements in the House were contingent upon the truth of the petition presented by Mr. Barff, and of the current reports on the subject, and that for the truth of the charges he must refer us to Mr. Barff. Nevertheless, although the terms "gross jobbery and speculation" may have been used by Mr. Reeves contingently upon the truth of statements which he had heard, yet he repeated the charge of "gross jobbery" in a manner which showed that he adopted it, and he further asserted that he could himself show "that certain shady transactions, which would make the hair of honorable members stand on end, had taken place, such as it is difficult to believe had occurred in New Zealand." We may safely assume from his previous communication that the "shady transactions" to which Mr. Reeves here refers were connected with the interest in the steamer "Waipara" held by the Hon. J. A. Bonar, and to the limitation of the purchase of supplies for the settlement to the Hokitika market. But the limitation of invitations for tenders to the province in which the supplies were required, whether a good practice or a bad one, is surely not so rare and extraordinary a thing that any one should be sceptical as to its ever having occurred in New Zealand; neither does Mr. Bonar's interest in the "Waipara" seem to be a thing calculated to make the hair of members of Parliament stand on end, unless it were shown that the interests of the settlement were systematically subordinated to those of the steamer. But of anything so specific as this Mr. Reeves has no evidence to give, and for the proof of all "shady transactions, jobbery, and speculation," he refers us to Mr. Barff. It is not necessary, therefore, for us to dwell any longer on the statements of Mr. Reeves, further than to say that, whilst we fully admit the serious nature of the assertions upon which he based his remarks, it is to be regretted that he so readily assumed their truth, and that his language in relation to them was not more measured and restrained.

*Mr. Barff.*—Thus thrown back upon Mr. Barff for proof of the principal assertions that had been made, it became all the more necessary for us to obtain all the assistance he could furnish; and, though Mr. Barff was unfortunately prevented by illness from attending the early sittings of the Commission, yet, during the whole of the sittings which we held at Hokitika, after our return from Jackson's Bay, we had the advantage of his presence, of his evidence, and of his active assistance in the examination of witnesses, and in the suggestion of different lines of inquiry.

The specific allegations put forth by Mr. Barff in Parliament (*Hansard*, 1878, vol. xxviii., p. 558) are for the most part contained in a petition which he read to the House, and in a statement which he made, apparently of his own knowledge, respecting certain potatoes supplied to the settlement. We shall deal with these first, and any general remarks made by Mr. Barff which may require notice will be considered when we are treating of the general management. For the contents of the petition Mr. Barff does not make himself responsible, but he says that with some of those who signed it he was personally acquainted, and could take their word as true. Mr. Barff, however, did not pretend to be in a position to give us any proof of the statements made in this document, and in fact the whole matter of the petition had been fully inquired into and finally disposed of before Mr. Barff attended any of the sittings of our Commission. But, since it was through him that this petition became public, it will be convenient to say at this stage of the report all that has to be said upon the subject.

*Petition.*—The petition contains four main allegations, which we shall now consider in order, and afterwards we shall state what the evidence has disclosed respecting the origin and history of this document.

*1st Clause.*—The first allegation is that there is "reason to believe that the money granted for the settlement has not been expended judiciously, nor to the advantage of the settlers." There would be little fault to find with this memorial had it contained nothing more objectionable than this temperate statement of opinion. It would be very remarkable if the money spent on the settlement had been so laid out that all persons should agree that it could not have been more judiciously expended. We are certainly not of that opinion, and, when we are treating generally of the causes which have hindered the prosperity of the settlement, we shall point out what share in conducting to that result may be set down to the injudicious expenditure of the money. But as the matter has been put before us by the persons who signed the petition, the instances adduced in support of the first allegation are for the most part