Sunday, 2)th .- Returned to Waitangi, and reported myself to the master of the "Lady Grey" as ready for sea, to prevent Her Majesty's Government being charged demurrage according to

Charter Party.

Monday, 21st.—Sailed for Wellington, the vessel having to call at a Port on the Coast, to deliver cargo, which from stress of weather she was unable to perform; returned to Whangaroa on the 25th; landed the cargo and sailed same day for Wellington, where we arrived on Sunday 3rd February, 1856.

Besides appointing three Preventive Officers, at a salary of fifty pounds per annum each, and renting a Custom House at thirty pounds per annum, I authorised Mr. Shand to purchase a good whaleboat, at an expense of forty pounds sterling; the expense of a temporary crew, I estimate at

one hundred pounds per annum.

The salary voted for the Collector is three hundred pounds per annum, and the expenses of this expedition, including subsistence money for the Native Interpreters, Native chiefs, and their followers, together with Mr. Buller's pay while employed, amounts to one hundred and forty-four pounds eighteen shillings sterling, making a total of seven hundred and sixty-four pounds eighteen shillings sterling, which I trust the revenue of the first year will more than cover.

I enclose herewith a copy of my correspondence with Mr. Shand, which will explain any

details I may have omitted in this report.

I did not peruse any of Mr. Shand's letters previous to my departure from the Island, because I had determined not to be biassed in any way by his prejudices, and he was quite unable from his position, to render me the slightest assistance; moreover, I did not wish my attention to be diverted from the objects I had in view, namely, the arranging everything satisfactorily with the

I state this, because I found on opening his letter of the 17th January, at sea, in the third paragraph, that he conceives I had given him authority to do certain things that I had not even

thought of.

I cannot account for such a style of writing except as a sort of excuse for not having done anything previous to my arrival on the Island. It would naturally have suggested itself to the mind of any officer, if he had been authorised to do anything unusual that the authority should be put in writing; but the affair is too absurd to reason upon, and I do not anticipate the slightest inconvenience from it, as there is no immediate probability of any arms or ammunition being landed at the Chathams; and I have written to Mr. Shand to correct his misapprehension, which letter he will shortly receive, as the "Lady Grey" returns almost immediately. Copy of my letter herewith enclosed.

I beg to assure his Excellency that both Mr. Buller, the Native chiefs, and myself, were obliged to undergo a considerable amount of bodily-and I may add for Mr. Buller and myself mental-fatigue, to accomplish the object of our mission within the limited number of lay days,

so as to cause no extra expense to Her Majesty's Government for demurrage.

I also beg to assure the Governor that I have not authorised or incurred any expense that I did not consider absolutely necessary, and I trust that you will obtain and forward to me his Excellency's approval of the same at your earliest convenience, that I may instruct Mr. Shand as to his future proceedings; also, that the appointments of the Native Preventive Officers, and the notification of the Port of Waitangi as the Port of Entry for the Chatham Islands, may be published in the Government Gazette, as soon as possible after their confirmation by his Excellency the Governor.

I herewith return the copy of Mr. Shand's letter of the 25th October 1855, referred to me for

my Report, and which I have to request you will be good enough to consider this letter.

I have, &c,

(Signed) S. CARKEEK,

Collector.

The Honourable the Colonial Secretary, Auckland. &c., &c. &c.,

I Stephen Carkeek, Collector of Costoms and a Magistrate of New Zealand, appointed by the Governor to establish the Customs in the Chatham Islands; also to arrange for the establishment of a Resident Magistrates Court in this place-do make the following solemn promise.

Should the Governor receive a petition containing complaints of improper conduct towards the Maories on the part of Archibald Watson Shand, Esquire, Collector of Customs and Resident Magis-And should the Petition be signed by a number of the Natives, Mr. trate at the Chatham Islands.

Shand will be superseded in his present appointments. Whenever the Revenue of these Islands will afford it, the Governor will And this moreover. send a Doctor who understands the Maori language to the Chatham Islands, to attend to the wants of the Natives, and if (at that time) they are dissatisfied with Mr. Shand as Resident Megistrate, the Doctor shall be appointed to that office, and Mr. Shand shall retain the office of Collector.

Native Assessors shall also be appointed, to stand in Native cases.

^{1,} having now consented to these things, it is for the Natives to accept Mr. Shand.