H.—8.

other sheepowners. There were considerable numbers of other sheep at the same yards. When I saw the sheep first at Wakapuaka signs of infection were very slight. It is possible that they may have broken out on the road after leaving Havelock. The punts would cause rapid infection. Two days subsequent to their being in saleyards they had broken very badly, showing that disease was spreading fast. When I inspected sheep at Wakapuaka I was only with them about twenty minutes. I have during the last three years seen several lots of sheep from Harvey's, in the Pelorus, where these sheep now in question came from. I have always found them clean, and never suspected them. I have had some of them in hand four or five days at a time. The last

mob came about two months since. They were perfectly clean.

Edward Price, Inspector of Sheep in charge of Nelson District, states: On the 19th March last I went into the Richmond saleyards and examined Peter Archer's sheep. I detected infected sheep amongst them, and after close examination found live scab upon them. I called Mr. Hunt into the yard, and he acknowledged the sheep to be scabby. On the 20th I further examined these sheep with Peter Archer and found about forty sheep with the appearance of being infected. There were only five or six sheep that appeared longer infected than the others, and these at worst would not, in my opinion, have been infected more than three weeks at the outside. There was no spot bigger than a two-shilling piece, no wool stripped, and no hard scab. Before I went into the yard Inspector Hunt stated Archer's sheep looked suspicious. This drew my attention particularly to them. He did not inform me that he had suspected the sheep prior to their being yarded at saleyards. I am aware the sheep viâ Rai Valley are brought into Nelson District, and amongst other flocks, before being inspected. I think this manner of proceeding is attended with danger to this district, and should in future be avoided. In my opinion, when these sheep were inspected at Havelock—especially coming out of punts—I think the infection must have been so slight as to be very difficult of detection. About thirteen of Archer's infected sheep have been found in two of the clean flocks in Happy Valley. Three flocks have become infected through these sheep. I am now proceeding against Archer in the above matter.

Mr. B. P. BAYLY to Sheep Inspector Blundell, Blenheim.

(Memorandum.)

Blenheim, 15th April, 1884.

Inspector Blundell will at once furnish me with an explanatory report, showing how, and under what circumstances, he permitted certain infected sheep to leave Havelock, and be travelled to Nelson, under permit granted by him, to the effect that these sheep were free from disease.

Benj. P. Bayly, Superintendent Inspector.

Mr. A. K. Blundell to Mr. B. P. Bayly, Superintendent Inspector, Blenheim.

(Memorandum.)

Blenheim, 15th April, 1884.

In answer to your memorandum of this day's date, asking for an explanation as to how it was I passed certain sheep at Havelock for one Peter Archer, which sheep, on arrival at Nelson, were found to be infected, and were pronounced so by the Nelson Inspectors, I beg to furnish the follow-

ing report :-

Some time towards the latter end of February last I received a letter from Archer, from Havelock, to say he was on his way down the Sounds to purchase sheep, and expected to be in Havelock with them in about a fortnight's time. On the 11th March I had occasion to go into the Kenepuru Sound to pass some sheep for Haycock, and then heard that Archer would be in Havelock with his sheep on Thursday night, the 13th; so I made through there on that evening, but the sheep did not arrive until about 7.30 on the following morning. They were then in six barges; three of the barges contained the sheep from Gould's; and, as the sheep had only been put in them the previous evening, they were not much soiled; but the sheep in the other three barges which came from Haryey's, Bourke's, and John Mills's were in a filthy state, owing to their having been in them for two days and two nights; consequently I took more time and was more careful over my inspection than I should have done otherwise, but could not detect anything that would arouse my suspicion that the sheep were infected. From the time that the sheep first went ashore until they were all landed I should say was three hours. The greater part of the time I remained on the barges, but towards the latter end I went ashore and stood with Mills, who was holding the sheep on the beach. During the whole of this time there was nothing to indicate that the sheep were in any way infected. I did not get a very careful count of the sheep, but as Archer informed me that 661 had been counted on to the barges, and this tallied with the numbers purchased from the different owners, I gave a certificate for 660, one having been sold to Fear.

gave a certificate for 660, one having been sold to Fear.

To my surprise, on the 21st I received a wire from Inspector Price, from Nelson, to say, "Sheep brought by Peter Archer with your certificate are infected." I immediately wired to know whose flock they came out of, and on the 24th received an answer saying, "Most of infected sheep bear Harvey's mark." I immediately started with Inspector Hull, and on the morning of the 25th mustered Harvey's sheep, which I found had been dipped a week previously for ticks, I was informed. On making a careful examination I found a lamb and a two-tooth which looked rather suspicious, but I could not find an insect; so I marked these sheep and let them go with the flock, telling Harvey that he was not to touch them, as I intended to come down and make a further examination later on. I again visited the place on the 3rd instant, and with difficulty found the insect on the two marked sheep, but could not get it on any of the other sheep. Harvey declared to me that he had no idea the flock was scabby, and that he had only dipped the sheep to destroy the ticks; and all the evidence I could gather tended to corroborate his statement. Mr. Thomas Cawte informed me that he had been at Harvey's a week before Archer arrived, and that Harvey then told him he should dip the sheep as soon as he had shorn the lambs. Cawte saw Archer draft his sheep, but saw nothing in the flock to arouse his suspicions that the sheep were scabby. A week after Archer's leaving, the lambs were shorn and the flock dipped. I am also informed that Mr. John Mills was with Archer, and after drafting the sheep assisted to drive them to his place, which took