nished free house room, fuel, medical attendance for the whole family. Notwithstanding their greater expense to the Planters as laborers than the Japanese or Chinese, they were, on the whole, a more desirable class of employés than any other class of labor, and I hope that, if we are annexed to the United States of America, our circumstances will be so much better, financially, that we can again encourage the immigration of that class of labor to this country. There may be some trouble in getting them here, if the contract-labor system is abolished, for they have not the funds wherewith to defray the expense of bringing their families out here, let alone themselves. The Planters, therefore, would have to advance them that much, and the binding of the laborer to serve for a certain time is the only security the employer can obtain for the refunding the amount of the advance, which is deducted from his wages in monthly installments, and as the new settler can spare but a very small portion of his earnings each month, he is as a rule two years working out the debt.

Much has been said against the contract-labor system by people who do not understand it; much more can be said in its favor by those who do. As a rule the contract laborer is better off in every respect than the noncontract man. A contract man is free to do as he pleases when his ten hours of work are over. It is true he is compelled to work when physically able, and if a man claims to the contrary, he reports to the physician, and if, after an examination, the physician finds the least thing ails the laborer, he is excused from work, and if, on the contrary, he is sound in health, is lazy, and feigns illness for an excuse to get a day or two to idle or gamble, he is ordered to work, which order should he disregard, he is taken before a magistrate, and, if he fails to prove that he is physically unable to work, he is ordered by the court to go to work, and, should he still refuse, he is sent to jail, there to remain until he agrees to do as ordered.

It is a common rule on all plantations to occasionally grant a leave of absence for several days to a man who has proved himself worthy of it. A good man is seldom, if ever, denied that privilege.

The fact of the laborer being compelled to work when able, enables him to earn more wages than the noncontract men. He, therefore, always has money laid by for a rainy day; whereas the day laborer or noncontract man does not work more than 80 per cent of his time, and spends that time, when not at work, in idleness and gambling, and in running from one part of the country to another.

I maintain that where there is a large number of the lower class, as there is in this country, and also where the rate paid to the laborer is so far in excess of what it costs them to live, that some such system is necessary in order to discourage idleness and its consequent evils. In fact, it is as necessary as compulsory education is in this country. Every Government school has a truant officer and he is kept busy bringing in truants and recruits. That will explain my reason for the statement made you that “if the contract-labor system is abolished we will require 25 per cent more laborers in the country to supply the demand as well as it is supplied at present.”

Since my return from Honolulu I have been from one end of this district to the other (50 miles) to ascertain as near as possible what the sentiment is among the natives in regard to Annexation. The Royalist politicians have sent several agents down here from Honolulu to influence the natives against it by every means possible. A certain Capt. Ross, a noted character, of whom, no doubt, you have heard much, was one of them. The misleading statements that he has made to these