

EXTRACT FROM THE BIENNIAL REPORT OF THE MINISTER OF FINANCE.

Below will be found the Auditor-General's report on the subject of Internal Taxes showing the increased value of property since 1876, and a few discreet remarks concerning assessors, the duty to be performed by them, and the time required in which to perform those duties.

AUDITOR-GENERAL'S OFFICE, January 21, 1884.

His Excellency Jno. M. Kapena, Minister of Finance; Etc.

SIR:—As the matter of Internal Taxes form a large item in the revenue of the country it is therefore worthy of examination and consideration. I have given this matter some attention and take the liberty to lay before Your Excellency some figures, beginning with 1876, to show the increased value of property yearly made by assessment:

| YEAR. | TAXES COLLECTED. | INCREASE. |
|-------|------------------|-----------|
| 1876 | \$ 162,880 | |
| 1877 | 219,628 | \$ 56,748 |
| 1878 | 245,387 | 25,759 |
| 1879 | 290,380 | 44,993 |
| 1880 | 317,872 | 27,492 |
| 1881 | 367,004 | 49,132 |
| 1882 | 379,071 | 12,067 |

The foregoing shows the yearly increase of the whole. As Honolulu shows a very large proportion, I herewith add the assessed value as made by our Assessors, beginning with 1876 for this district.

| YEAR. | ASSESSED VALUE. | INCREASE. |
|-------|-----------------|------------------|
| 1876 | \$ 52,321 | |
| 1877 | 85,956 | \$ 33,635 |
| 1878 | 85,105 | Decrease, 851 |
| 1879 | 103,094 | Increase, 17,989 |
| 1880 | 108,532 | 5,438 |
| 1881 | 143,422 | 34,890 |
| 1882 | 135,127 | Decrease, 8,295 |
| 1883 | 151,506 | 16,379 |

From the above you will observe our assessments have not been made with that care and intelligence that our revenue system demand. We have every reason to believe that property has steadily advanced in value since 1876, our exports show a steady gain; the variation in the assessment must I think be attributed to the inefficiency of the Assessors.

Your Excellency will observe the year 1881 shows the largest increase which was mainly due to the assessment of the Honolulu District. Through the energy and intelligence of the Assessor, a large amount of property was brought in, not heretofore assessed. The following year the Assessor was a stranger to the district and therefore unfit for the position; instead of an increase there was a decrease of \$8,295 in the district.

The new tax law of 1882 which went into effect the past year for the first time, makes it the duty of the Assessor to assess all property when found without regard to debts. The debts heretofore outside of the Honolulu District owing to the people in said district, were by law made part of the assessment property of this district those who had given the matter some consideration were of the opinion that the Honolulu District would show a decrease in personal property of at least twenty per cent, while the outer districts and islands would show a corresponding advance without regard to the general advance in property. This unfortunately has not proved to be the case.

While Honolulu District under an Assessor who had a knowledge and experience as to his duties, exercising discretion and energy brought the assessment up to within \$3,621 of the former year, I feel quite certain that if the Assessor had the time necessary which our present law does not give, he would have shown still better results, that is, in hunting up property not heretofore assessed; in the short time given him, he added largely in this respect.

On the other hand, the Assessors outside of Honolulu, with a few exceptions, were men entirely deficient of a knowledge of their duties; they were not skilled as valuers of property on a large scale, and therefore wanting in knowledge and force of character to make them efficient public officers, and thereby not only was there no increase in personal property heretofore deducted, but the general increase falls short of former years.

My object in bringing this to the notice of Your Excellency is two-fold: First: The law does not seem to me to afford sufficient time for the Asses-

sors to perform the work; they require at least for the District of Honolulu four months. I see no reason why the law should not be amended to enable a public officer to perform his duties in a satisfactory manner, both to the government and public; everyone expects to pay his equal share towards the maintenance of the government, no one is willing to do more; while one pays his equal share he expects his neighbor to do the same. It is very important that the Assessor has time to perform his duties.

Second: The importance of selecting men qualified to fill the office of Assessor is one of more than ordinary importance; nothing will irritate the public more than unequal taxation, which is certain to be the case with incompetent persons in office. A competent man should be retained in the same district if possible, it is for the best interest of the public generally, as well as that of the Government, that efficient Assessors should be retained. It is a place that but few men can fill in a satisfactory manner and it is likewise a duty to be learned as well as performed; and the education in this respect has been at the cost of the Government. There are not a few, it is true, that are benefitted by the acts of an incompetent man; those who take advantage of such, and the tendency of such acts, are not in favor of good government.

JOHN S. WALKER, Auditor-General.

THE ORDER OF AROSSI.

When Mr. A. S. Webster, the Consul-General for this Kingdom in Australia, was lately visiting Honolulu he received from His Majesty the decoration of Knight Companion of the Order of Kamehameha. At the time he mentioned to friends here that he already held what he understood to be a Hawaiian Order, the Grand Cross of the Order of Arossi. No one here appeared to know anything of this order and with the view of eliciting further information about it Mr. Webster was asked to send to a friend here such particulars as he could collect. This he has done and we are permitted to publish the following interesting memorandum as to the circumstances under which Mr. Webster and his brother (who is the relator of the story) received their crosses of the Order of Arossi.

Memoranda re the Order of Arossi.—“This order of merit was founded for the reward of those who have materially aided the social and political advancement of any Polynesian Government or people. A copy of the Constitution of the Order as furnished to me along with the Gold Cross of Order I enclose with this.”

“The circumstances that led to my being a recipient of the Cross I will relate as far as my memory serves.”

“When the late Benjamin Boyd and myself started an expedition to the South Pacific in the yacht ‘Wanderer’ (of the royal yacht squadron) in the year 1851 for the purpose of forming a Republic in the South Seas, or as the adventure might determine, we visited many groups of islands and finally selected a group of five islands in Lat. 8.43 S. and Lon. 163 E. named Ihikaeana, Teparenor, Taore, Matua Iwi and Matua Iroka, to the north of the Solomon Islands as our first acquisition. These islands were of coral formation, densely covered with cocoa nuts, the land rich, and contained fresh water. The natives were few in number, spoke a dialect of the Maori or Hawaiian (for these two languages are almost identical although so far apart geographically) and I had little difficulty in making them comprehend our wishes. After a good deal of talk they finally ceded to us the Maua or sovereignty of the group and we left to acquire further territory, sailing for the Solomon Islands. At San Christoval after negotiation we had ceded to us the large island of Marau and the adjacent territory on the main land having Makira as its principal port or harbor. The head chief was called Isitido. His signature and those of his subordinate chiefs was appended to the deed of cession.”

“From San Christoval we sailed to Gaudaleanor where we anchored in a beautiful bay. Next day Mr. Boyd and one of our crew were treacherously murdered and the vessel attacked by the natives, whom we beat off after a desperate battle. After Boyd's death

I did not feel myself in a position to carry out the adventure further and returned to the Australian Colonies where our vessel was wrecked on the coast.”

“Sometime after the event related I met Mr. St. Julian the Hawaiian Commissioner and the result of many conversations was that I agreed to cede my acquired rights (after B. Boyd's death the joint rights of our acquisitions reverted to myself individually) to the Hawaiian Government.”

At that time the rapidly increasing importance and influence of the Hawaiian Government had the usual effect of prosperity in somewhat diminishing what may be termed its progressive energies. More attention was being paid than formerly to trifling questions about which old cabinets squabble and less attention to the vitally important question having reference to its position and future prospects as a really influential power. Both Mr. St. Julian and myself, regarding with great interest the advancement of the Hawaiian Kingdom, considered that Hawaii should not only take the initiative in the political elevation of Polynesia but should gradually secure to herself a dominant influence in the affairs of the principal groups of Central Polynesia, an influence to be exercised for their political elevation and union, individually independent, but under the actual guidance of Hawaii. With the above objects in view and with my approval Mr. Com. St. Julian opened a correspondence with the Hawaiian Government, who in reply assured him that the plan and measures prepared by him had the full approval of the King, and his Government, but the terms of these approvals were too general, and something more definite was required to effect anything tangible. The consent of the Hawaiian Government was also indefinitely delayed as to the acceptance of the cession. Correspondence continued for a length of time. Mr. St. Julian and myself offered our services to go to the Islands to initiate the rule of Hawaii, plans were to a certain extent matured and measures taken by us, but the want of active co-operation of the Hawaiian Government itself prevented results which might otherwise have resulted in the acquisition to the Hawaiian Sovereign of a second crown. Correspondence continued and the Hawaiian Government finally accepted the cession of the Islands but sent no instructions although we were waiting patiently and were considering about hoisting the Hawaiian flag on San Christoval and declaring a Hawaiian dependency. Not to us is to be ascribed the failure.”

“Changes took place in Hawaii—necessity took me to New Zealand and Mr. St. Julian to Fiji. I alone of the movers in this matter am alive. All that remains of our efforts to enlarge the dominions of his Hawaiian Majesty are packets of correspondence, and to myself the Gold Cross of the Order of Arossi. I must mention the names of Mr. E. Reeve and yourself as zealous coadjutors in the movements narrated.”

“The deeds of cession of the Islands must be either in the Archives of Hawaii or with Mr. St. Julian's representatives.”

JOHN WEBSTER.

The date of the original cession of Stewart's Islands to the King of Hawaii was 10th February, 1855, which is within the reign of Kamehameha IV, although it is nearly certain that the authority under which Mr. St. Julian was acting when he accepted the cession must have emanated from the previous sovereign, whose death occurred on the 15th December, 1854. The ultimate ratification of the cession, however, was certainly the work of Kamehameha IV, and his Ministers. The Constitution of the Order of Arossi, of which Mr. Webster sends a copy, declares the King of Hawaii the Sovereign of the Order and creates two Grand Commanders, one for these Islands and the other for Southern Polynesia. Mr. St. Julian held the latter post, but he could not grant a decoration to any one except with the approval of the King of Hawaii. It is therefore probable that there are some records and relics of the Order still existent in Honolulu. Anyone who remembers anything about the matter will confer a favor on a good many curious people if he will furnish the information to us for publication.

THE STORY-TELLER.

HOW DID SHE KNOW.

By Marie Louise Pool.

I was living on Grace street, in Richmond Virginia. The quaint old town sitting by its river seemed to me so comfortable that it had tempted me to suspend my travels southward, and linger there for awhile. I used to sit many hours in my sunny room and idly look out upon the street and upon the houses opposite. There were three-story dwellings, with a verandah on the first floor; cosy places with homelike appearance.

Particularly was my attention taken by the occupants of the corner house—the house of Judge Pace. I came to know just when that gentleman used to start down town to his office, and just when he went for his daily ride or drive. He had been an officer in the Confederate Army, and had been lamed at the Battle of Fair Oaks.

He was a typical Southerner in appearance, swarthy, with a high nose, a tall, narrow head, bushy moustache, and a pointed beard, his cheeks smooth shaven. He must have been past middle age when the war was raging, for now, notwithstanding his erect shoulders, his white hair and beard, and deeply-lined face, indicated that he was nearly seventy.

It was on a Wednesday, in the third week of my stay, that, as I sat sewing at my window, I became aware that some note of preparation had sounded over opposite. The aspect of the house seemed expectant. The curtains and inner blinds of the middle story front room were drawn; and those windows had been constantly darkened since I had been in Richmond.

Two or three times within half an hour the Judge had come to the door and looked down the street with anxious eagerness. He left the enter door open, and I could see him pacing back and forth in the hall.

At last a close carriage came quickly and drew up at the door. Judge Pace walked down the steps bareheaded, with a sudden calmness in his appearance.

He opened the carriage door, and an elderly, but actively-moving woman alighted first, and then drew back, allowing the Judge to lean into the carriage with both hands extended; I could see that his face was pale with some emotion.

Slowly another figure emerged from the carriage, a feminine figure dressed in a long velvet cloak and wearing a bonnet, from which streamed a veil which was thrown back from her face.

Judge Pace gave the lady his arm. As she turned from the carriage to the steps I saw her face, and was absolutely startled by its pallor and its beauty. It was a glimpse only of high-bred features deathly pale, and of abundant light hair. There seemed a depression, a melancholy in her manner, or was it my fancy that made me think so?

When the two reached the hall the Judge turned and drew his companion towards him, stooped and kissed her on one cheek and then on the other. She received his greeting in an entirely indifferent and passive manner.

What was she to him, his daughter or his wife? He evidently had the right to salute her thus.

At the dinner-table that night, when all had left but my hostess, Mrs. Burns, and myself, I asked her who had come to Judge Pace's that day. I had been so interested that I indulged myself in this question.

“His daughter has been brought home,” was the answer.

“What do you say ‘brought?’” I inquired. “Has she not ‘come’ home? Is there any history about her, and may I know it?”

“It is short and sad enough,” was the reply. She has been insane now for years. She was at one time so violently so that she was taken to an asylum, where she has remained until now. She has become quiet, and it is said that there is no danger of any more violence. Judge Pace decided to bring her home with the attendant that has been with her so long. Poor man! I was sorry for him to-day. In spite of his reason and judgment, he had hoped Sidonie would

manifest some pleasure at coming home. But no, she was like a statue that has life but no heart. She seemed to know that she was at home, to know her father, but not to be moved in the least by the knowledge.”

After a moment's silence I asked: “Did you say it was trouble that disturbed her mind? Can you tell me about it?”

“Yes, it was trouble, I can give you an outline of the story; it is not a long one. Sidonie—she was named from her French grandmother—was to marry a distant cousin, Everard Adams. They had been engaged from children almost, and were thoroughly attached to each other. She was in the flush of early womanhood but a girl, still possessing a remarkable power of will and feeling. Her betrothed was Northern in birth and sentiment. He belonged to Massachusetts, and was there when the first enlistment began. He joined the 12th Massachusetts, Col. Fletcher Webster's regiment, and he wrote to Sidonie of what he had done. What the letter was I don't know, but I know the note she sent in reply, and it will give you an idea of what she used to be—a woman for a man to love and die for.”

“I regret unspeakably,” she wrote “what you have done, but I love you, and would be your wife even though, instead of living up to principles I deplored, you were a traitor to all the world. Having once given my love, I cannot take it back.”

“With the same mail went to Everard from Sidonie's father a scathing letter. To that the young man did not reply, but he wrote to Sidonie and fervently assured her of his love and faithfulness. After that there was silence, while war raged over the land. Between Sidonie and her father was a painful coolness.

“After the battle of Antietam there reached Judge Pace's house late one night a colored man who had once been Everard's servant. He bore the news that young Adams had been killed on the field of Antietam. He told this abruptly to Sidonie, who with an old colored woman, was in the house, Judge Pace being away with his regiment.

“Sidonie stared at the black a moment, then, with a hard laugh, she declared the news was a lie. Everard was not dead—he could not die without coming to her first. She could find him on any battle-field.

“There was no one there who had any authority over her. She succeeded in leaving the house—she actually made her way to the horrible field. The dead had been buried, the wounded cared for, but the place was dreadful still. It was there some kind officer, seeing how insane she was, took charge of her. Judge Pace came home soon enough to arrange for his daughter's safety. Sometimes she had had an excess of fury, but that was long ago. Her mania never has varied on the principal point—that her lover is not dead; that he could not die without seeing her again. On other topics she does not seem insane, only entirely indifferent, without interest in anything. She still maintains that cold attitude toward her father, whose heart seems broken. He lost his wife at the birth of Sidonie, and his child has taken all his love and care.”

When I went to my room after hearing this story the blinds of the second floor were not closed, and I saw a figure walking about slowly, every moment passing into the glare of the gas-lights—a tall, slender figure, which at this distance seemed to have all the grace and suppleness of youth. Fair was the face, proud and sweet as it came into the light. Surely she could not have been so beautiful in youth as now. Perhaps the insanity which had come upon her had in some mysterious way preserved her from the wear which comes with years.

Several weeks later, as I was returning from a walk, I noticed some one leaving Judge Pace's steps and coming towards me with evident intention to address me. In a moment I knew it was Miss Pace's maid, and now I discerned that there was a tinge of coloured blood in her. She spoke with that gentleness and respect which are never seen at their best in any but a coloured servant.

“I beg your pardon,” she said “but my mistress wishes me to speak to you.”