

The Act is undoubtedly a great bar to the acquisition of native lands, even to the bona fide purchaser, and, consequently, is by no means popular. It has, however, put a stop to improper and unfair dealings in native lands, and has removed entirely the ground of complaint on the part of the Natives, that they were inveigled into transactions they did not understand.

I cannot close my letter without expressing my opinion that Mr. Turton has carried out a very difficult and delicate duty with great discretion and firmness, and knowing as I do all the difficulties he has had to contend with, and the pressure he has had to resist, I think he deserves much credit.

I have, &c.,

The Hon. the Native Minister, Wellington.

J. D. ORMOND.

Enclosure 1 in No. 1.

Mr. TURTON to Mr. ORMOND.

Office of Trust Commissioner,

Napier, 5th June, 1871.

SIR,—

I have the honor to enclose for your information a copy of the minutes of my proceedings for the three months ending 31st ultimo, excepting of my proceedings with reference to the conflicting applications, by Mr. Edward Towgood and Mr. John McKinnon respectively, for certificates in respect of two several leases obtained by them respectively from the Native owners of the Arapawanui Block. As soon as I have completed my enquiries touching the applications mentioned, and have arrived at a decision, I will report to you thereon.

With reference to the transactions between Pari Te Puna and Mr. Newton, particulars whereof are contained in the enclosure, I should observe that I examined Te Puna very carefully with respect to the giving back of the cheque for £20, and I came to the conclusion from the replies he made to questions cautiously put by me to him, and without his appearing to know the bearing of them, that he never considered he had any right of property in or dominion over the cheque in question. The conclusion to which I came was further strengthened by an admission made to me by Mr. Newton, to the effect that when the cheque for £20 (with the other moneys) was given to Te Puna, it was accompanied with an intimation that it ought or should be given back. I was satisfied, therefore, that Te Puna considered that he had no right to keep the cheque, but thought that it was his duty to return it to Mr. Newton, the intimation made to Te Puna at the time he received it operating on his mind as an obligation to give it back.

As the giving back of the cheque, voluntarily or not, was thus tested by me, and found not to have been given back by Te Puna with the full knowledge and belief that he had a right to keep it, I considered that the whole of the purchase money of £60 was not paid within the meaning of the Native Land Frauds Prevention Act, and so I withheld any certificate.

I have, &c.,

HANSON TURTON,

Trust Commissioner.

The Hon. Mr Ormond, Napier.

Sub-Enclosures to Enclosure 1 in No. 1.

MINUTES OF PROCEEDINGS, *Re* TE HAPUKU.

12th April, 1871.

MR. WILSON, solicitor, conferred with me with reference to a deed of conveyance and assignment by Te Hapuku of all his estate and effects unto Henry Robert Russell, of Mount Herbert, near Waipukurau, Province of Hawke's Bay, and Thomas Purvis Russell, of Woburn, near Waipukurau, Esquires, for the benefit of his creditors.

This deed, dated 17th March, 1871, and made between Te Hapuku of the first part, the Messrs. H. R. and T. P. Russell of the second part, and the several persons whose names and seals were thereto subscribed and affixed, creditors of Te Hapuku, of the third part. After reciting the indebtedness of Te Hapuku unto the parties of the second and third parts in the sums of money set opposite their names in the schedule expressed to be thereunder written, the deed purported to convey and assign all the estate and effects of Te Hapuku unto the Messrs Russell upon trust to sell the same. The usual power of sale, followed. The proceeds of all sales were to be applied (1) in payment of costs of preparing the deed, and (2) in paying and satisfying rateably and proportionately, and without any preference or priority, the debts and sums of money due by Te Hapuku. The residue (if any) should be paid to Te Hapuku. There was in the deed a proviso that the trustees (Messrs. Russell) may return to Te Hapuku part of his household furniture and effects, as they may deem expedient. and make him an allowance not exceeding £1 per week for such period as the trustees might think proper. Then followed the following other provisos:—(1.) That the trustees might, at the expense of the trust estate, require the amount of any debts to be verified by statutory declaration, or in such other manner as to the trustees might seem expedient. 2. That the trustees might charge the ordinary and proper commission for winding up the estate, and (3) enabling the trustees to investigate accounts and transactions between Te Hapuku and other persons, and to commence and prosecute any actions and to prosecute suits for the purpose of investigating accounts, and that the cost of such suits should be paid out of the estate. The usual release by creditors was next and at the end expressed. The deed purported to have been executed by Te Hapuku on the 17th March, 1871, in the presence of J. N. Wilson, solicitor, and James Grindell, licensed interpreter, and to have been signed by the Messrs. Russell on the same day. The usual statutory declaration by Mr. Grindell, that Hapuku understood the nature and effect of the deed, was endorsed thereon. No creditors (other than the trustees), however, had signed the deed, and there was no list of lands owned by Te Hapuku, or in which he held interests, appended to the deed.

Te Hapuku is one of the largest landholders in this Province.