

CLAIMS

OF THE

PROVINCE OF WELLINGTON AGAINST THE COLONY.

MANAWATU PURCHASE.

PRESENTED TO BOTH HOUSES OF THE GENERAL ASSEMBLY, BY COMMAND OF
HIS EXCELLENCY.

WELLINGTON.

—
1872.

CLAIMS OF THE PROVINCE OF WELLINGTON AGAINST THE COLONY.

No. 1.

Mr. W. W. TAYLOR to the Hon. the COLONIAL SECRETARY.

SIR,—

Superintendent's Office, Wellington, 26th September, 1870.

I have the honor to bring under your notice the present financial position of the Province of Wellington, consequent, amongst other reasons, on the failure of its land revenue, caused by the continued interruptions from the Natives to the survey and occupation of the block.

On the 30th of this month upwards of £4,000, being four months' arrears of salaries to the Provincial Staff—including police, surveyors, gaol wardens, hospital attendants, &c.—will be due and unpaid, as also a charge of £3,900 incurred for contingent expenditure for Departments which it was absolutely indispensable to maintain, in addition to which amounts, the Province is liable to the Bank of New Zealand for the payment of £10,800, on the 18th November next, on account of overdraft and interest, making a total liability for which immediate provision should be made of about £18,700, and still leaving many works of almost absolute necessity unprovided for.

It is not my intention to enter upon a discussion of the question of injury sustained by the Province, by the delay in obtaining peaceable possession of its Manawatu lands, beyond stating that, although legally entitled to an estate of nearly half a million of acres, a very large portion of which is some of the finest land in the Northern Island, the amount raised from sales within that block, up to the present time, has not much more than covered the loss sustained to the survey work from Native interruptions; and that the Province has been entirely prevented from carrying out those large works of road-making, immigration, and settlement upon which its progress and prosperity so much depend.

Under these circumstances, and pending the settlement of the disputes raised by Native claimants, I have felt it my duty to request that you would direct an advance of not less than £20,000 to be made to the Provincial Government, to enable it to liquidate its outstanding liabilities, and meet the more pressing demands upon it. Such advance to be repaid to the General Government out of the first proceeds of land sales within the Manawatu Block, after deducting any charges to which such sales may be legally liable.

I have, &c.,

W. WARING TAYLOR,

Deputy Superintendent.

The Hon. the Colonial Secretary, Wellington.

No. 2.

The Hon. W. GISBORNE to Mr. W. W. TAYLOR.

(No. 211.)

Colonial Secretary's Office,

Wellington, 30th September, 1870.

SIR,—

I have the honor to acknowledge the receipt of your Honor's letter of the 26th instant, representing the present financial embarrassment of the Province of Wellington, and requesting, on the grounds stated by you, an advance of £20,000, repayable out of future land sales in the Manawatu Block, to enable the Provincial Government to liquidate its outstanding liabilities, and to meet the more pressing demands upon it.

The Government will take the subject of your Honor's letter into their careful consideration, and I will, as soon as practicable, communicate to you their decision thereon.

I have, &c.,

W. GISBORNE.

His Honor the Deputy Superintendent, Wellington.

No. 3.

The Hon. W. GISBORNE to Mr. W. W. TAYLOR.

(No. 238.)

Colonial Secretary's Office,

Wellington, 19th October, 1870.

SIR,—

Adverting to my letter, No. 211, of the 30th ultimo, stating that your letter of the 26th of that month, applying for pecuniary aid in the present financial position of the Province of Wellington, was under the consideration of the General Government, I have the honor to intimate to you the conclusion at which they have arrived on that subject. I must, in the first place, express the regret of the Government that your letter was not written before the recent prorogation, so that an opportunity might have been given to the General Assembly to take into consideration and pass such legislative measures as it might deem necessary to remedy the serious state of affairs disclosed in your letter. Without the express authority of the Legislature, the Executive is almost powerless in this matter.

It appears from your letter that immediate provision is required to meet the liabilities of about £18,700; and that these liabilities consist of £4,000 for arrears of salaries of the Provincial Staff, including police, surveyors, gaol wardens, hospital attendants, &c.; of £3,900 for contingent departmental expenditure; and of £10,800, due to the Bank of New Zealand, on the 18th of November next, on account of overdraft and interest.

The proposal in your letter is, that, on account of the delay in the peaceable possession by the Province of the Manawatu Block, the General Government should advance a sum of £20,000 to enable the Provincial Government to liquidate its outstanding liabilities, such advance to be repaid out of the first proceeds of land sales within that block, after the deduction of any charges to which such sales may be legally liable.

The Government have anxiously and carefully considered this application and the circumstances out of which it has arisen, but they are unable to authorize such an advance. They do not consider that they would be justified in taking upon themselves the responsibility of making any advance merely for the purpose of generally covering the liabilities of a Province, without any provision for the future maintenance of those of its Departments essential to the peace and order of the community, and without any guarantee against the recurrence at any future period of similar liabilities, and a similar appeal to the Colony; but more especially do they consider they would not be justified in advancing money for such a purpose on the security of the proceeds of a block of land the possession of parts of which is at present disputed by Native claimants. The adoption of such a course, involving as it would do not only pecuniary liability but grave political considerations, could alone be properly sanctioned by the Legislature.

It remains, then, for the Government to indicate the responsibility which, in the present embarrassed state of the finances of the Province of Wellington, they would be prepared in the public interests to undertake, pending the action of the General Assembly, or, as they trust may be the case, the earlier restoration of those finances.

The Government will temporarily advance sufficient funds to meet the expenses shown to their satisfaction to be indispensable, and to have been sanctioned by Provincial Appropriation for the Departments of Gaol, Police, Hospital (including Lunatic Asylum), and of Harbour and Land, together with arrears in respect of those Departments; such advances to be made on the following further conditions:—

First, Money to be paid from the Colonial Treasury to respective claimants under the above-named heads, on warrants and vouchers duly certified and signed by the Deputy Superintendent and Provincial Auditor.

Secondly, That it be shown to the satisfaction of the Paymaster-General that all Provincial Revenue which does not pass through the Colonial Treasury has been first applied towards payment of these necessary expenses.

I have, &c.,
W. GISBORNE.

His Honor the Deputy Superintendent, Wellington.

No. 4.

Mr. W. W. TAYLOR to the Hon. the COLONIAL SECRETARY.

SIR,— Superintendent's Office, Wellington, 26th October, 1870.

I have the honor to acknowledge receipt of your letter of the 10th instant, No. 238, informing me of the conclusion at which Ministers had arrived in reference to my application of the 26th ultimo, and in reply to express my sense of the consideration with which it has been met, and my appreciation of the difficulties under which they find themselves placed in assenting to give pecuniary aid to the Province without the sanction of the Legislature having been first obtained.

To point out the objections to that sanction having been sought at an earlier period, would be to raise the question of responsibility for the non-settlement of the Manawatu land dispute, and would neither tend to a furtherance of that settlement nor promote an agreement upon the present application. The Provincial Government are anxious to throw no impediment in the way of an early adjustment of that dispute, and have already given ample proof of such desire by the manner in which at a ruinous cost to the Province, they have, in deference to the wishes of Ministers, desisted from pushing on the surveys in those portions of the block where interruptions from the Natives have occurred.

The proposals contained in your letter are such as I could not accept; but, subject to my being able to make satisfactory arrangements with the Bank of New Zealand as to the existing overdraft, I should be prepared to agree to them in the following modified form:—

1st. That the amount of advances under the present arrangement should not exceed £9,024 17s. 8d., consisting of

	£	s.	d.
Arrears of salaries owing on the 30th September last	6,179	7	8
Estimated amount required to defray the necessary charges for the same Departments during the month of October	2,045	10	0
And interest on overdraft due the Bank of New Zealand November next	800	0	0
	£9,024	17	8

The November receipts will be required to meet payments for November.
2nd. That provision be also made for the contingency of the withdrawal of deposits from the Wellington Savings Bank, possibly to the amount of from £200 to £300.
3rd. That payments shall be made through and by the Provincial Treasurer, duplicates of the needful vouchers being furnished by him to the General Government.
It is not in the power of the Superintendent to deal with the Provincial revenue, beyond the limit of existing appropriations, but the advances proposed above should, in my opinion, continue to be a first charge on the Provincial revenue, and the Provincial Government will use every effort to insure its being made such.

I enclose for your guidance schedules of items included in above statement, the whole of which are in my opinion equally and absolutely necessary for the government of the Province; and in conclusion, in confirmation of the hope that the arrangement proposed may only be of a temporary nature, I may mention that in portions of the Manawatu Block in which there has been no persistent interruption from Native claimants, the survey of about 30,000 acres of land is in a forward state, and will probably be shortly completed, so as to allow of the sale of the land by the end of the year.

I have, &c.,

W. WARING TAYLOR,
Deputy Superintendent.

The Hon. the Colonial Secretary, Wellington.

Enclosures in No. 4.

SCHEDULE of Amounts due by the Provincial Government to the following Departments (referred to in the Colonial Secretary's letter of the 10th instant, No. 238) to 30th September, 1870.

	£	s.	d.
Gaol, Wellington—Salaries, £330 9s.; Contingencies, £204 3s. 9d.	534	12	9
Gaol, Wanganui—Contingencies	25	0	0
Police Department—Salaries, £512 3s. 6d.; Contingencies, £134 17s. 7d.	647	1	1
Wellington Hospital—Salaries, £102 18s. 4d.; Contingencies, £328 2s. 9d.	431	1	1
Wanganui Hospital—Salaries, £44 3s. 4d.; Contingencies, £25	69	3	4
Lunatic Asylum—Salaries, £121; Contingencies, £89 15s. 5d.	210	15	5
Charitable Aid	98	11	6
Harbour, Wellington—Salaries, £282 17s. 2d.; Contingencies, £10 18s. 3d.	293	15	5
Harbour, Wanganui—Salaries, £50 11s. 6d.; Contingencies, £5	55	11	6
Manawatu Pilot	25	0	0
Lighthouse—Salaries, £41 16s.; Contingencies, £2 12s. 7d.	44	8	7
Signal Stations—Salaries, £50; Contingencies, 17s.	50	17	0
Land Department—Salaries, £262 10s.; Contingencies, £1	263	10	0
Survey Department—Salaries and Allowances, £817 14s. 4d.; Labour, £284 7s.; Contingencies, £75 10s. 6d.	1,177	11	10
Total	£3,926	19	6

Provincial Treasury, Wellington,
26th October, 1870.

SCHEDULE of Amounts due by the Provincial Government in the under-mentioned Departments to 30th September, 1870.

	£	s.	d.
Executive, £200; Salaries of Clerks, £126; Contingencies, £2 18s. 6d.	328	18	6
Inspectors of Sheep, Salaries	247	8	4
Weights and Measures, Salaries	25	0	0
Dog Nuisance Act, Salaries	16	5	0
Messengers, Salaries	32	4	0
Fuel for Government Offices	10	2	6
Printing	12	16	6
Miscellaneous Contingencies	26	12	0
Land Purchase Department	9	0	0
Engineer's Department, Salary	25	6	0
Grants in Aid, Schools	150	0	0
Ferries	41	1	8
Rent of Offices	67	10	0
Repairs of Roads	1,039	1	10
Masterton to Castle Point	26	7	0
Repairs of Bridges	80	11	7
Contingencies for Public Works	70	8	3
Repairs to Gaol			
Legislative, Salaries	43	15	0
Total	£2,252	8	2

Provincial Treasury, Wellington, 26th October, 1872.

SCHEDULE of Amounts (estimated) that will be due by the Provincial Government in the following Departments, referred to in the Colonial Secretary's letter of the 10th inst., No. 238, for the month of October, 1870.

	£	s.	d.
Gaol, Wellington—Salaries £111 9s. 10d; Contingencies, £55	166	9	10
Gaol, Wanganui—Contingencies	25	0	0
Police Department—Salaries, £266 18s. 10d.; Contingencies, £25	291	18	10
Wellington Hospital—Salaries, £37 1s. 8d.; Contingencies, £70	107	1	8
Wanganui Hospital—Salaries, £19 3s. 4d.; Contingencies, £25	44	3	4
Carried forward	634	13	8

	£	s.	d.
Brought forward	634	13	8
Lunatic Asylum—Salaries, £40 10s; Contingencies, £25	65	10	0
Charitable aid	45	0	0
Harbour, Wellington—Salaries, £99 17 10; Contingencies, £5	104	17	10
Harbour, Wanganui—Salaries, £50 11s. 6d.; Contingencies, £2	52	11	6
Manawatu Pilot			
Lighthouse—Salaries, £21 0s. 6d.; Contingencies, £2	23	0	6
Signal Stations—Salaries, £16 13s. 4d.; Contingencies, £1 10s.	18	3	4
Land Department—Salaries, £87 10s.; Contingencies, £2	89	10	0
Survey Department—Salaries and allowances, £265 1s. 4d; Labour, £150; Contingencies, £25	440	1	4
Provincial Treasury, Wellington, 26th October, 1870.	£1,473	8	2

SCHEDULE of Amounts (estimated) that will be due by the Provincial Government in the under-mentioned Departments for the month of October, 1870.

	£	s.	d.
Executive, £66 13s. 4d.; Salaries of Clerks, £42 3s. 4d.; Contingencies, £1	109	16	8
Inspectors of Sheep, Salaries	113	5	10
Weights and Measures, Salary	8	6	8
Dog Nuisance Act, Salary	2	1	8
Messenger, Salary	10	17	0
Printing	5	0	0
Miscellaneous Contingencies	15	0	0
Land Purchase Department	9	6	0
Engineer's Salary	8	16	4
Ferries			
Rent of Offices			
Repairs of Roads	250	0	0
Contingencies for Public Works	25	0	0
Legislative, Salaries... ..	14	11	8
Total	£572	1	10

Provincial Treasury, Wellington, 26th October, 1870.

No. 5.

The Hon. Mr. GISBORNE to Mr. W. W. TAYLOR.

(No. 249.)

Colonial Secretary's Office,

SIR,—

Wellington, 31st October, 1870.

I have the honor to acknowledge the receipt of your letter of the 26th instant, in reply to mine of the 19th of the same month, on the subject of your application for pecuniary aid to the Province of Wellington.

The Government have carefully considered the representations made by your Honor, and are prepared to sanction the following modifications to the proposed arrangement:—

The advances to be made from the Colonial Treasury may be paid from the Provincial Treasury, duplicate vouchers or other proof being furnished to the Paymaster-General to show that the payments are made in accordance with Provincial appropriation for the services stated in my letter.

The proceeds of tolls are to be devoted to the repair of the main roads, and any rates which by the Ordinance raising them are appropriated to a special service will be expended accordingly. The Government do not feel justified in further relaxing the condition that moneys received by the Provincial Treasury should, while the General Government are making these unauthorized advances, primarily be applied to the diminution of the cost of the Departments on account of which these advances are made. It will, of course, also be necessary during such time to retain in the Colonial Treasury the Capitation Allowance and Land Revenue payable to the Province.

Your Honor will perceive that the whole of this arrangement is contingent on the existence of a Provincial Appropriation Act. The present Act, I understand, expires at the end of next month, and therefore after that date the arrangements will be open to reconsideration, contingent on the action of the Provincial Legislature.

I have, &c.,

His Honor the Deputy Superintendent, Wellington.

W. GISBORNE.

No. 6.

Mr. W. W. TAYLOR to the Hon. the COLONIAL SECRETARY.

SIR,—

Superintendent's Office, Wellington, 17th November, 1870.

I have the honor to acknowledge the receipt of your letter No. 249, 31st October, 1870, referring to my application for a temporary advance to the Province of Wellington, and informing me that the Government are prepared to sanction certain modifications in the arrangements proposed in your letter of the 19th ultimo.

In reply, I have the honor to inform you that, after careful consideration, the Provincial Government has decided to accept the proffered assistance of the General Government, on the terms stated in your letter of the 31st October.

I have, &c.,

W. WARING TAYLOR,

Deputy Superintendent.

The Hon. the Colonial Secretary, Wellington.

No. 7.

The Hon. W. GISBORNE to Mr. W. W. TAYLOR.

(No. 272.)

Colonial Secretary's Office,

Wellington, 19th November, 1870.

SIR,—

I have the honor to acknowledge the receipt of your letter of the 17th instant, on the subject of the proposed temporary advance on account of the Province of Wellington, and to state that directions will be given in accordance with the arrangement made.

I have, &c.,

W. GISBORNE.

His Honor the Deputy Superintendent, Wellington.

No. 8.

Mr. H. BUNNY to the Hon. the COLONIAL SECRETARY.

SIR,—

Provincial Council Chamber, Tuesday, 29th November, 1870.

I have the honor to enclose a copy of a resolution passed by the Provincial Council of Wellington yesterday afternoon, and to request you to appoint a time at which it will be convenient for the Executive Government to meet the Committee.

I have, &c.,

HENRY BUNNY,
Chairman.

The Hon. the Colonial Secretary, Wellington.

Enclosure in No. 8.

ORDER OF REFERENCE.

(*Extract from the Journal of Proceedings of the Wellington Provincial Council, Sess. XIX., 1870.*)

MONDAY, 28TH NOVEMBER, 1870.

"Ordered, That a Committee be appointed for the purpose of seeing the General Government with the view of raising the necessary funds to pay off the liabilities of the Province up to the 30th November, 1870. Such Committee to consist of Mr. Borlase, Mr. Johnston, Mr. Pearce, Mr. Pharazyn, Mr. Ludlam, Mr. Halcombe, and the Mover; three to be a quorum; with power to call for persons and papers; to report on Thursday next."—(*Mr. Bunny.*)

A true extract.

G. W. JORDAN,
Clerk of Council.

No. 9.

The Hon. W. GISBORNE to Mr. H. BUNNY.

(No. 669.)

Colonial Secretary's Office,

Wellington, 30th November, 1870.

SIR,—

Referring to the subject of my interview to-day with the Committee of the Provincial Council, I have the honor to inform you that the Government, after careful consideration of the representations made by you and the other members of that Committee, do not feel justified in departing from the terms of the arrangement stated in my letter of the 1st instant to His Honor the Deputy Superintendent of Wellington, for temporarily maintaining certain Departments of the Provincial Government.

Those Departments are essential to the peace and good order of the community, and the Government have accordingly taken the responsibility of making advances out of the Colonial Funds on their account; but they cannot consent, without the previous authority of the Colonial Legislature, to make such advances to cover Provincial liabilities on account of public works and other services.

Moreover, it has not been shown that the Provincial Government are unable, or would not shortly be able, to defray the liabilities for which the General Government has not provided. The amount of those liabilities up to this day (30th November) is estimated at £4,822 3s., "and the amount of funds available for the payment of amounts due by the Provincial Government at 30th November, 1870," is estimated at £4,733 18s. 2d. It is true that part, namely £2,750, of these assets consists in mortgages handed over to the Provincial Government by the Sinking Fund Commissioners, but the General Government have not been distinctly informed of the causes which prevent the realization of those debentures, or at least the borrowing of money on their security.

I have, &c.,

W. GISBORNE.

H. Bunny, Esq., M.G.A.,
Chairman of Committee of Wellington Provincial Council.

No. 10.

Dr. FEATHERSTON to the Hon. the COLONIAL SECRETARY.

SIR,—

Superintendent's Office, Wellington, 6th March, 1871.

I have the honor to address you on the subject of an arrangement made by the Deputy Superintendent of this Province during my absence, by which the General Government undertook, under certain conditions, to make temporary advances for the maintenance of some of the Departments of the Provincial Government.

I find that at the end of the month of February last the actual indebtedness of the Province to the General Government amounted to about £11,000, the exact amount not being ascertainable until the accounts of the Colonial Treasury shall have been made up for that month.

By the terms of the arrangement under which these advances have been made, the General Government impounds the whole of the Provincial revenue, from whatever source derived, until the whole of its claims shall be met; and as the prospective receipts will not be sufficient immediately to discharge this liability, it is evident that the Province must continue to draw upon the Colonial Treasury, if Ministers insist on a rigid adherence to the agreement referred to. I have therefore the honor to request that the present liability of the Province to the General Government may be allowed to remain for future adjustment, and that the revenue of the Province may be released from the 1st ultimo for expenditure by the Provincial Government. By acceding to this request, Ministers will not increase the present Provincial indebtedness to the Colonial Treasury, as the current revenue is sufficient to meet the current expenditure.

I have, &c.,

I. E. FEATHERSTON,
Superintendent.

The Hon. the Colonial Secretary, Wellington.

No. 11.

The Hon. W. FOX to Dr. FEATHERSTON.

(No. 67.)
SIR,—Colonial Secretary's Office,
Wellington, 13th March, 1871.

In reply to your Honor's letter of the 6th instant, I have the honor to transmit to you a statement of the account between the General Government and the Province of Wellington to the latest period of the accounts being made up, from which it will appear that the amount due from the Province is £18,437 16s. 7d.

Before replying to your Honor's letter, I am desirous of being informed of the general financial position of the Province, and, in particular, as to the extent to which it is desired that assistance should be rendered to the Province, between the present time and the next meeting of the General Assembly; and the manner in which it is proposed that such advances shall be repaid.

I have, &c.,

WILLIAM FOX,
(in the absence of Mr. Gisborne).

His Honor the Superintendent, Wellington.

Enclosure in No. 11.

PROVINCE OF WELLINGTON *Dr.**Memorandum of Account to 31st January, 1871.*

		£	s.	d.	£	s.	d.
Consolidated Fund Account—							
Balance at debit 31st January	...	...	523	4	2		
Less Land Fund transferable	...	...	18	13	5		
						504	10 9
Separate Account—							
Balance at debit, 31st January	...	...	...			4,446	0 2
Advances in Aid—							
Balance at debit 31st January	...	...	...			*3,544	11 2
Consolidated Loan Act Account (1st, 2nd, and 3rd Conversions)—							
Accrued Interest paid on Debentures converted			2,747	2	1		
Proportion of Expenses attending Consolidation of Provincial Loans	...	...	1,030	19	7		
Fourth Conversion—							
Accrued Interest paid on Debentures converted			240	13	4		
Proportion of Expenses attending Consolidation of Provincial Loans not yet ascertained, but estimated at	...	...	141	10	0		
						4,160	5 0
Manawatu Rent Account—							
Balance of Advances to Superintendent to pay Manawatu Rents	...	...	...			2,662	8 2
						£15,317	15 3

C. T. BATKIN,

Paymaster-General and Accountant.

Treasury, Wellington, 13th March, 1871.

* A further sum of £3,120 1s. 4d. was advanced on this Account on 1st February.

No. 12.

His Honor I. E. FEATHERSTON to the Hon. W. GISBORNE.

SIR,—

Superintendent's Office, Wellington, 14th March, 1871.

I have the honor to acknowledge the receipt of your letter of the 13th instant, enclosing a statement of the account between the General Government and the Province to the latest period of the account being made up, from which it would appear that the amount due from the Province is £18,437 16s. 7d.; but in this statement the claims of the Province against the General Government are omitted. I append a statement showing that these claims amount to £15,300.

I must also demur to the charge of £2,662 8s. 2d. made against the Province on account of the Manawatu rents. A large portion of this amount would have been recovered had it not been for the action of the Hon. the Native Minister in giving away to the Natives the homesteads of the settlers in the Rangitikei-Manawatu Block.

As I purpose sending in to-day the resignation of my office of Superintendent, I would suggest that the adjustment of the accounts should be deferred till after the election of my successor, who, I have no doubt, will be prepared at once to state the extent of the assistance which the Province will require between the present time and the next meeting of the General Assembly.

I beg, however, to repeat my request (urged in my letter of the 6th instant) that the whole revenue of the Province may be released from the 1st ultimo, and that the General Government should, in accordance with the arrangement entered into with the Deputy Superintendent during my absence, advance an amount sufficient to pay the expenses of the Departments Judicial, Charitable, Land and Survey for the month of January. If this is done, then the revenue of the Province will be quite adequate to meet not only its current expenditure up to the 30th of June, but to repair the heavy damages recently done to public works by rain and floods.

I append a copy of my Address to the Provincial Council, with the portion relating to the financial position of the Province marked.

I have, &c.,

I. E. FEATHERSTON,

uperintendent.

The Hon. the Colonial Secretary.

Enclosure in No. 12.

STATEMENT of Amounts claimed by the Province of Wellington from the General Government of New Zealand.

	£	s.	d.
Totara Reserve, sold to the General Government	1,000	0	0
Payment for additional reserves in Manawatu Block, made by the Hon. the Native Minister, 14,300 acres, at £1 per acre	14,300	0	0
	<u>£15,300</u>	<u>0</u>	<u>0</u>

No. 13.

The Hon. W. GISBORNE to Mr. W. W. TAYLOR.

SIR,—

Colonial Secretary's Office, Wellington, 15th April, 1871.

I have the honor to acknowledge the receipt of Dr. Featherston's letter of the 14th ultimo, upon the subject of the financial arrangement between the Government of the Colony and that of the Province of Wellington.

The questions of account raised by the letter under reply have had the careful consideration of the Cabinet; and the Government regret that they are unable to deviate from the decision already arrived at, and cannot, therefore, admit His Honor's claim of a set-off.

As regards the request that the General Government will allow the Province to retain the sums paid into the Provincial Treasury from the Land Fund, that it will release the accruing revenue of the Province, and will also make advances for the Judicial, Charitable, Land, and Survey Departments of the Province for the month of January, I have to express the regret of the Government that they are unable to depart from the principles laid down in the arrangement now existing between the Colonial and Provincial Governments.

I have, &c.,

W. GISBORNE.

His Honor the Deputy Superintendent, Wellington.

No. 14.

Mr. WOODWARD to His Honor W. FITZHERBERT.

SIR,—

Treasury, Wellington, 23rd March, 1872.

I am instructed by the Colonial Treasurer to acknowledge your letter of yesterday on the subject of a notice given to the Receiver of Land Revenue to pay to the Public Account the sum of £3,830 17s. 4d.

In reply I have to state that Mr. Gisborne is aware that some part of the amount of £25,568 7s. 4d., shown in the Wellington Debts Act as due to the Colony, is in dispute, and that certain counter claims are urged on the part of the Province. He however thinks that these are questions that should be considered by themselves apart from the amount for which repayment is required from the Land Fund of the Province, which repayment must therefore be made according to law, in terms of the notice already given to the Receiver.

But I have further to state that Mr. Gisborne will address himself at the earliest period possible to the consideration of the various matters of account in dispute, and in the meantime will order that sums be released from and out of the aforesaid sum of £25,568 7s. 4d., and paid over to the Province from time to time in amounts equal to those stopped from the Land Fund, to an amount not exceeding in the whole £3,500, or until the Government has decided the various questions that are raised upon the accounts—it being understood that in respect of any claim made by the Province which may be disallowed in the settlement, the Government shall have the power to recoup any advances it may have made out of other moneys raised under the Wellington Debts Act.

I have, &c.,

J. WOODWARD,

Assistant Treasurer.

His Honor the Superintendent, Wellington.

No. 15.

The Hon. W. GISBORNE to Dr. FEATHERSTON.

(No. 130.)

SIR,—

Colonial Secretary's Office, Wellington, 4th April, 1872.

Adverting to the accounts referred to in Mr. Woodward's letter of the 23rd ultimo, between the Province of Wellington and the Colony, I have the honor to state that, after careful consideration, I have arrived at the following conclusions on the subject.

The Government are prepared to eliminate out of the accounts all cash expenses incurred by them since the date (16th October, 1869) of the notice of the extinction of the Native title in the Rangitikei-Manawatu Block, in the settlement of disputes arising out of that purchase, and to charge these expenses to the loan for the purchase of lands in the North Island, under the Public Works and Immigration Act, the interest and sinking fund of the cost to be chargeable, as in the case of other land purchases in the Province of Wellington, to that Province.

Some arrears on account of Native rents have not lately been recoverable, as the homesteads occupied by the tenants owing such arrears had been given up to the Natives; but, as I understand that these homesteads have now been repurchased by the Crown, that recovery will proceed as formerly, and the amounts recovered paid to the Treasury. In the meantime, the Province will be relieved from the charge, and any balance which may ultimately not be recovered is to be chargeable to the Province, either as a charge on the Land Purchase Loan or otherwise, in such manner as may hereafter be adjusted. In order to show your Honor fully what has taken place in respect of the reserves made from the Natives and homesteads repurchased, I will request Mr. Morgan Carkeek, the surveyor engaged, to make me a detailed report thereon, and I will, when I receive it, transmit to you a copy of it.

* * * * *

His Honor the Superintendent, Wellington.

I have, &c.,

W. GISBORNE.

No. 16.

Mr. HALSE to Mr. CARKEEK.

(No. 1314-1.)

SIR,—

Native Office, Wellington, 5th April, 1872.

I have the honor, by direction of Mr. Gisborne, to request you to forward to this office, for his information, a full report as to the reserves set aside, lands purchased or otherwise detained, and any other arrangement made, under the direction of Hon. Mr. McLean, relative to the Rangitikei-Manawatu Block.

Mr. Gisborne wishes you to be particular in distinguishing homesteads repurchased in the above-named block, and to furnish the names of the occupiers of each.

An early reply is requested.

I have, &c.,

H. HALSE,

Assistant Native Secretary.

M. Carkeek, Esq., Foxton.

No. 17.

Dr. FEATHERSTON to the Hon. D. McLEAN.

(Telegram.)

Wellington, 9th February, 1871.

I FIND that you have given away to sellers, non-sellers, and parties excluded by the Native Land Court, some 12,000 acres of the Manawatu. Kemp, by whose authority nobody knows, has since given away another 4,000 acres. Part of the land thus given away is swamp, sandy, and not of much value, but by far the greatest portion is the choicest and most valuable land in the whole block. I deny the right of the Government thus to deal with the Provincial estate. I have claimed on behalf of the Province, payment for the whole of this land at the upset price of £1 per acre, and that the expense of the survey of these 16,000 acres, and of yours and Kemp's mission, should not be charged Provincially. The Cabinet, consisting of Fox, Gisborne, and Sewell, yesterday refused to admit this claim, or any claim whatever. I do not know whether they have consulted you and Bell, but it is a matter of deep regret to me that I shall be obliged, under these circumstances, to record my protest, as Superintendent, against the Manawatu arrangement.

I have, &c.,

I. E. FEATHERSTON,

Superintendent.

The Hon. D. McLean, Auckland.

No. 18.

The Hon. D. McLEAN to Dr. FEATHERSTON.

(Telegram.)

Auckland, 15th February, 1871.

To effect any arrangement of the Manawatu question, which would lead to the peaceable occupation of this district by Europeans, it was absolutely necessary that additional reserves should be made for the Natives. With the exception of 1,800 acres adjoining the award of the Native Land Court at Oraua, the greater portion of the reserve made by me is composed of sand hills, swamp, and broken bush. I have written to Mr. Kemp for an explanation of his reasons for increasing the extent of land which was deemed sufficient for the tribes living opposite to Mr. Fox's, and I hope soon to get his report. His absence at the Bay of Islands occasions some delay. I had no conception when I undertook the duty that the question was surrounded by so many difficulties—not the least among them being an attempt on the part of a considerable section of the sellers to repudiate the sale altogether. The non-sellers whose claims were reconsidered by the Court, computed the area to which they were entitled at 19,000 acres, besides which, they sought compensation for losses and for expenditure of time in vindicating their titles. These claims were all reduced to the lowest extent which the Natives would accept. Under these and many other adverse circumstances, and taking into consideration how troublesome and expensive the delay in settling these disputes had been to the interests of Wellington, I did my utmost on behalf of the Province and Colony to bring about as reasonable an adjustment of these interminable questions as could possibly be effected, consistently with a peaceable occupation of the district by European settlers. The question might have been left in abeyance, but then it would have proved a source of lingering irritation and annoyance, which at any moment might eventuate in a rupture with the Natives. I feel certain that were you on the spot, and cognizant of the increasing obstacles in the way of a settlement, you would support the only adjustment by which the evil consequences mentioned above could have been averted. I therefore feel surprised and disappointed that you propose to protest against the action taken in the matter, as interfering with the Provincial estates, especially as the Government did not move till subjected to considerable pressure from the people of the Province. It was quite obvious that the Provincial interest in the Manawatu-Rangitikei Block was valueless until the Native difficulty was removed. Previous expenses connected with this duty were defrayed by the Province, and I do not now see the justice of charging differently the surveys and subsequent expenditure connected with the settlement of the question.

I have, &c.,

His Honor Dr. Featherston, Wellington.

DONALD McLEAN.

No. 19.

His Honor W. FITZHERBERT to Mr. HALCOMBE.

MY DEAR SIR,—

Superintendent's Office, Wellington, 13th May, 1871.

Will you oblige me by furnishing me with a written statement, setting forth the various steps taken by yourself and your late colleagues with reference to the interference of the General Government in the Manawatu, particularly in elucidation of the point how far you authorized the General Government to settle the dispute by granting away Provincial Lands.

I have, &c.,

A. F. Halcombe, Esq.,
Provincial Treasurer, Wellington.WILLIAM FITZHERBERT,
Superintendent.

No. 20.

Mr. A. F. HALCOMBE to the SUPERINTENDENT, Wellington.

SIR,—

Provincial Treasury, Wellington, May 15, 1871.

In reply to your letter of the 13th instant, requesting me to state the various steps taken by the Provincial Government during the absence of Dr. Featherston, "in reference to the interference of the General Government in the Manawatu, particularly in elucidation of the point how far they authorized the General Government to settle the dispute by granting away Provincial lands," I have the honor to inform you that the mode of settlement of the Manawatu difficulty adopted by the Hon. Mr. McLean was never contemplated by the Provincial Government, and that therefore they cannot be held to have authorized the action of Mr. McLean as far as the granting away the lands of the Province is concerned.

I may also state that we object to the term "settlement of the dispute" when referring to the obstructions offered by the Natives to the Surveyors on this block, and the removal of those obstructions. The interference of the General Government was asked, not to decide any dispute as to the ownership of the land in the Manawatu (as Mr. McLean's action would imply), but to place the Provincial Government in peaceable possession of the land formally declared, after reference to the highest tribunals, to be the property of the Province. The Provincial Government always recognized that, after the proclamation by His Excellency's Government of the extinguishment of the Native title, all interference with the survey parties could only be held as being entirely illegal, provocative of a breach of the peace, and punishable with fine or imprisonment.

This being the case, the Provincial Government, in the month of December, 1869, when opposition to the survey was renewed by the Natives (being aware of the serious consequences which would result to the Colony from any open rupture, and aware of their inability as a Government to put down any determined opposition involving a resort to force), had repeated personal interviews with members of the General Government upon the subject, which resulted in the placing of the whole of their survey staff under the general directions of Mr. Buller, who, in his turn, acted under instructions from the

Hon. the Premier. A distinct promise was also made to the Provincial Government that Mr. McLean would, at the earliest possible period, use his personal influence to persuade the Natives to allow the surveys to proceed.

From that time the whole survey work of the block was left under the direction of Mr. Buller, who, acting, we presume, under the directions of the General Government, simply withdrew the survey parties from all those parts of the block where opposition had been offered, was threatened, or was by him supposed likely to arise; and to all the remonstrances of the Provincial authorities against this inaction, the sole reply was that it would be unwise to provoke a breach of the peace, and that Mr. McLean would shortly visit the district.

As time passed on, the Natives, finding that they could obstruct the survey with impunity, opposed the progress of the work in every direction, in one instance destroyed the work which had occupied our party some months, and altogether caused a direct loss of several thousands of pounds to the Province. The Provincial Government, finding that the General Government would take no action to punish the offenders until Mr. McLean should have visited the district, became more and more importunate that Mr. McLean's visit should be made.

At length Mr. McLean visited the district, in the month of November, 1870, at least ten months after the promise of his intervention had been given, but, up to the date of his departure from Wellington, the Provincial Government were not consulted as to the measures to be taken by him, nor were they made aware of the intention to make large gifts of lands, not only to those opposing the survey, but to others who had made no claim upon the Province until after those gifts had been irrevocably made.

The late Provincial Government wish it to be distinctly understood, in reference to this matter, that they recognised that in a question affecting the peaceable relations between the two races, the General Government had a right to control action, for the result of which the Colony would become responsible in case of a rupture. They also felt that the case was one to be dealt with by a strong hand. As a Government they had no power to enforce their legal position, and therefore it was absolutely necessary to secure the aid of the Colonial Government. They believed that this was the view of the case taken up by the General Government, and they recognised that Mr. McLean, as Defence Minister responsible for the peace of the Colony, and as Native Minister responsible for the relations between the two races, was *ex officio* the proper person on whom to place the responsibility of a resort to force, if—as the Provincial Government believed—forcible measures, as in the case of Miritana, were necessary to enable the Province to obtain possession of its property. But no action taken by them can, in their opinion, be interpreted into the appointment of Mr. McLean as an arbitrator between themselves and the Manawatu Natives as to the claims of the latter upon a block of land, the ownership of which had been decided after most careful investigation by the highest tribunal to which the question of title could have been referred.

I have, &c.,

A. FOLLETT HALCOMBE,
Provincial Treasurer.

His Honor the Superintendent, Wellington.

I have submitted this letter to the late Deputy Superintendent, and my late colleagues in the Provincial Executive, and it meets with their approval.

A. F. H.

No. 21.

Mr. C. B. BORLASE to Mr. H. BUNNY.

SIR,—

Wellington, 23rd May, 1871.

With reference to the question of Mr. McLean's right to alienate the lands in the Manawatu, as submitted to me by your minute, I am at a loss to know by what possible title it could be done by any person or body (excepting the General Legislature and the Superintendent and Provincial Council). "The Wellington Land Purchase Act, 1866," defines the boundaries of the block. The money for the land was paid on the security of the Acts of the General Assembly, and of the land in question. The deed of conveyance was signed and properly completed. The Legislature permitted certain disputants to have their claims tried by special Court. Those claims were tried, and finally adjudicated upon by a competent tribunal. The Governor's sanction to that decision was indicated in the Government *Gazette*, and thenceforth it seems to me that the lands became waste lands of the Crown, subject to be dealt with by the Superintendent and Council under the Acts passed by the General Assembly. Although the powers of the General Assembly are great, they would scarcely venture to lessen the security for the loan and rob the Province at the same time. I cannot think that any Government or member of a Government has that right.

I have, &c.,

C. B. BORLASE.

Henry Bunny, Esq., Provincial Secretary.

No. 22.

The Hon. D. McLEAN to Dr. FEATHERSTON.

(No. 450-1.)

SIR,—

Native Office, Wellington, 25th November, 1871.

I herewith enclose, for your Honor's information, the copy of a letter which I addressed to Mr. Carkeek, and of his reply of the 11th instant, reporting on the progress of the survey of Native reserves in the Rangitikei-Manawatu district, and stating that the services of the remainder of the staff would greatly facilitate the definition of the reserve boundaries.

I quite concur in Mr. Carkeek's view, and would be glad if your Honor would authorize the

employment of the rest of the surveyors to mark off, in concert with Mr. Carkeek, the various boundaries of reserves that have to be surveyed.

The expenses of survey will, in the first instance, be paid by the General Government, and charged provincially.

I shall be glad to hear that the survey parties are at work at once.

His Honor the Superintendent, Wellington.

I have, &c.,

DONALD McLEAN.

Enclosure 1 in No. 22.

The Hon. D. McLEAN to Mr. M. CARKEEK.

SIR,—

Native Office, Wellington, 3rd November, 1871.

I have the honor to inform you that I shall be glad to receive from you a written report of the progress made by you in laying off the Native reserves in the Manawatu District.

If the services of the remainder of the survey staff would facilitate the final definition of the boundaries, His Honor the Superintendent informs me that they could be available for this purpose.

With your knowledge of the Natives, you might arrange with them as to the boundaries in accordance with the memorandum you submitted to me, and the details of the survey might be carried on by the other surveyors.

I have, &c.,

DONALD McLEAN.

M. Carkeek, Esq., Marton.

Enclosure 2 in No. 22.

Mr. M. CARKEEK to the Hon. D. McLEAN.

SIR,—

Manawatu, 11th November, 1871.

I have the honor to acknowledge the receipt of your letter of November 4th, and, in reply, beg to inform you that I am now surveying the 500 acre reserve at the "Rakihou" for the non-sellers of the Ngatikauwhata. This I will finish by the end of the week.

The Kawakawa reserve of 1,000 acres will also be finished in about another week.

The services of the remainder of the survey staff would greatly facilitate the final definition of the reserve boundaries, and their employment on this work would, in a short time, remove all objection on the part of the Natives to their returning to their former work.

I have, &c.,

MORGAN CARKEEK,

Assistant Surveyor.

The Hon. the Native Minister, Wellington.

No. 23.

The Hon. D. McLEAN to His Honor W. FITZHERBERT.

(Telegram.)

Marton, 1872.

I WANT to get inland boundary Rangitikei-Manawatu Block between Waitapu and Oroua River decided beyond starting point at Waitapu, and name of place only known to few Maoris in the Ruahine Ranges. Nothing is fixed, and neither party can deal with the land definitely until this is done. The deed sale is not clear in its description. Mr. Jackson might be able to send some maps to elucidate matter, such as Stewart's survey of Ahuaturanga, tracing of Oroua, or other maps that would give assistance. A line from Watapu to some point on Oroua all inland boundary necessary, as Natives will soon be prepared to sell land beyond boundary, but cannot do so till boundary question settled.

Hon. W. Fitzherbert.

DONALD McLEAN.

No. 24.

MEMORANDUM for His Honor the SUPERINTENDENT, Wellington.

(No. 1302-1.)

A JUDGMENT of the Native Lands Court, delivered on the 27th April, 1868, in Parakaia's claim, decided that Parakaia and his seven co-claimants were entitled to a certificate in their favour for one-half, less two 27ths of the Himatangi Block, conditionally on these parties causing a proper survey of the award to be made within six months.

It appears that this proviso has not been carried out; but I should feel inclined, with your Honor's concurrence, to the opinion that it would be hardly judicious to take advantage on technical grounds of the non-completion of the survey within the prescribed time, as the Natives, though acquainted with the decision, were not aware of its stringency, and did not anticipate that any penalty would be enforced in consequence of their neglect.

I further have to point out to your Honor that the half allotted to Parakaia, contained the best portion of the block, and that that part of it which reverts to the Government is of almost a valueless character. I am certain that your Honor will agree with me that in these matters it is better to exercise a liberal policy, which will set at rest difficulties incident to them, than to keep open a disputed question for the sake of some land of but little value.

In this case I should feel disposed, if your Honor's views coincide with mine, to allow the claimants to have the whole of the block.

Wellington, 30th March, 1872.

DONALD McLEAN.

No. 25.

STATEMENT by Mr. YOUNG.

MR. CLARKE,—

At the direction of the Hon. Native Minister, I beg to make the following statement regarding the reserves in the Rangitikei-Manawatu Block:—

The reserves made by Dr. Featherston were decided upon, so far as I can ascertain, in 1866 or 1867, and the whole of the block (no reserves being mentioned in the deed) was ceded to the Crown on the 13th December, 1866.

Subsequently the Native Land Court sat, and made awards to the non-sellers.

In consequence of various circumstances, which it is unnecessary to go into here, Mr. McLean went to the Rangitikei-Manawatu district in 1870, and made further awards, at the same time promising the persons to whom he gave the lands that they should be secured by proper titles.

With regard to the awards made by the Native Land Purchase Commissioner (Dr. Featherston), it appears to me that Crown grants might be issued under the provisions of the Crown Grants Act (No. 2) of 1862, clause 3. The lands reserved were ceded to Her Majesty, as I before stated, before the reserves were actually made, and I think it may be taken for granted that in setting apart these reserves a guarantee of a sufficient title was made. I think that in most land-purchasing operations the reserves, if any were required by the Natives, were specially excepted in the deed of cession; in this case no such exception exists, so that the lands passed into the hands of the Crown, and had to be returned.

The awards of the Native Land Court are in a different position. I presume that the grants for those will issue under the Native Lands Act.

Mr. McLean's awards might probably be secured to the Natives by grants under "The Crown Grants Act (No. 2), 1862."

In writing the above suggestions, I have not taken into consideration the point as to whether the General Government have the power of granting any portion of the Provincial estate unless subject to the existing land laws of the Province, the Native title over the Rangitikei-Manawatu Block having been extinguished by notice in the *New Zealand Gazette*, No. 60, of 1869, the awards of the Court being specially in that notice excluded.

Wellington, 3rd September, 1872.

T. E. YOUNG.

REFERRED to the Attorney-General for his opinion and advice as to how the grants are to be made out, so as to give the Natives interested a legal title.

DONALD McLEAN.

THE HON. THE MINISTER FOR NATIVE AFFAIRS,—

There is no mode of doing this without the authority of an Act of the General Assembly authorizing the grants. So far as I can see, there is no authority in law for the grant.

6th September, 1872.

J. PRENDERGAST.

No. 26.

The Hon. D. McLEAN to His Honor W. FITZHERBERT.

SIR,—

Whanganui, 6th February, 1872.

I have the honor to acknowledge the receipt of your Honor's letter of the 31st ultimo, covering a tracing, for which I return you my thanks.

The settlement of the inland boundary of the Rangitikei-Manawatu Block appeared to me to be of such imminent importance to the peaceable occupation of the district that I have spared no exertion or trouble in deciding on a boundary which would protect the interests of the Province and at the same time satisfy the Native claimants. After repeated and lengthy discussions with the Natives, most of whom were not parties to the original sale of the land, I proposed that a line should be drawn half-way between Umutoi and Pariroa, and thence to the Waitapu, which is the inland boundary of the purchase on the Rangitikei River.

There appears to be a misapprehension with regard to the position of Pariroa. On Mr. Stewart's map it is placed some miles lower down the Oroua than its actual site, and this error leads to the impression that the line as proposed would absorb some 67,000 acres of the public estate. I find, however, after carefully examining the Natives and Messrs. Carkeek and Campion, that the boundary as indicated by me will scarcely interfere with that shown on the Government maps, and will not to any appreciable extent diminish the area of the purchase; an adjustment of this line is moreover calculated to lead to the almost immediate acquisition of territory inland of it.

I have already intimated to you privately and by telegram the nature of the arrangements which have been concluded with the Natives, for whom Mr. A. McDonald was acting as agent; and I believe that whenever the survey of the reserves has been completed, no difficulty will arise respecting that portion of the purchase, which includes the homestead of Mr. Swainson, 500 acres, that of Mr. L. Daniel (now being laid off), and a disputed boundary enclosing 1,150 acres. One of the chief difficulties respecting boundaries has been the definition of the back boundary of the Reureu Reserve; this, after very lengthened and tiresome interviews, has also been settled, and the surveys are in progress under Mr. Carkeek.

The extent of land claimed by the occupants of this reserve, amounting to about 200, was confined by me, on a former occasion, within certain limits, which were supposed to contain about 3,400 acres; but after my departure the Natives claimed upwards of 10,000 acres. In addition to my award, Mr. Kemp conceded 3,000 more acres, but I have now been able to narrow the reserve to 4,400 acres, by giving compensation in money and agricultural implements to the amount of about £500.

After the obstinate manner in which Ngatimaniapoto, a section of the tribe who occupy this land, resisted the passage of roads and railways, I was glad to find that, before my negotiation terminated, the chief Rawiri withdrew all opposition, and promised to offer no further obstacle to the progress of surveys, roads, and railways through the lands set apart for him.

I am satisfied that, when the surveys are fully completed by Mr. Carkeek, who is most diligent and efficient, no further obstacles of any importance will be presented in the way of the permanent settlement of the district.

His Honor the Superintendent, Wellington.

I have, &c.,

DONALD McLEAN.

No. 27.

MEMORANDUM of Data connected with the Rangitikei-Manawatu Purchase.

ON the 16th of December, 1866, a sum of £25,000 was paid over by the Province, through the Land Purchase Commissioner, to the Ngatiapa and Ngatiraukawa Tribes, as the purchase money of the Rangitikei-Manawatu Block.

Shortly afterwards, a certain number of the Ngatiraukawa Tribe, who had refused to sign the deed of cession, disputed the validity of the sale, and the Colonial Government was therefore, for the time, unable to declare the Native title over the block as having been extinguished.

In the beginning of 1868, the General Government referred the whole question to the Native Land Court, and after a lengthened investigation at the sittings then held at Otaki, the validity of the purchase was affirmed, and an award of 5,000 acres made to Parakaia and his section of unsatisfied claimants.

In July, 1869, the case was again heard at Wellington, before certain Judges of the Native Land Court, specially nominated by the Natives. The judgment of the Court amounted to a vindication of the validity of the purchase, the great bulk of the Ngatiraukawa claimants being declared to have no interest whatsoever in the block, and specific awards, amounting in all to 6,200 acres, were made by the Court to the claimants (sixty in number) who had been admitted as part owners.

On 16th October, 1869, the General Government published a notice in the *Gazette*, declaring that the Native title over the block had been extinguished, with the exception of certain specified awards made by the Native Land Court in favour of the dissentient Natives.

The survey of the reserves was at once undertaken, but within a few weeks the surveyors were obstructed by the Natives. This obstruction continued for a considerable time.

The Hon. the Native Minister and Mr. Kemp visited the district on more than one occasion, and had several interviews with the Natives on the question, as the result of which they made large additional gifts of land to both sellers and non-sellers, amounting to 14,389 acres. This land was for the most part the best in the block.

On 26th January, 1871, the Superintendent of the Province (Dr. Featherston) wrote to the Colonial Secretary protesting against the awards made by the Hon. the Native Minister and Mr. Kemp, and on behalf of the Province claiming payment from the General Government of £1 per acre for the whole of the land so given away.

On 10th February, 1871, the Colonial Secretary replies at length, contending that the case was one surrounded by exceptional difficulties, which justified the action of the General Government in effecting a compromise.

It has to be observed, with reference to this claim made by Dr. Featherston on behalf of the Province, that the data on which it was based were to some extent imperfect. It has since been definitely ascertained that the actual quantity of land given away by the Hon. the Native Minister, and afterwards surveyed, amounted to 14,389 acres, while some other claims yet remain unsettled.

Reverting to the further action taken by Dr. Featherston, it is found that on 11th February, 1871, he telegraphed to the Hon. the Native Minister, then at Auckland, protesting against his action in having awarded those reserves to the Natives, denying the right of the Government thus to deal with the Provincial estate, and stating that he had claimed on behalf of the Province, not only payment for the land, but also that the expenses of the survey, and the mission of the Native Minister and Mr. Kemp should not be charged provincially.

On 15th February, 1871, the Hon. the Native Minister replies at length, to the effect that to secure the peaceful settlement of the Manawatu district by Europeans, and the setting at rest of all matters in dispute, it was absolutely necessary to give those additional reserves to the Natives.

On 15th May, 1871, A. F. Halcombe, Esq., (Provincial Treasurer,) reports to His Honor the Superintendent, clearly pointing out that the mode of settling the Manawatu dispute adopted by the Hon. the Native Minister had never been contemplated either by the previous Superintendent, Dr. Featherston, or his Executive, and that they did not authorize him to give away the lands of the Province. He further entirely concurs in the views expressed by Dr. Featherston, and points out that the interference of the General Government was asked, not to decide any dispute as to ownership of the land—as Mr. McLean's action would imply—but to place the Province in peaceable possession of land which had been declared by the highest legal tribunal to be the property of the Province.

In August, 1871, the services of Mr. Morgan Carkeek were placed at the disposal of the General Government for the purpose of surveying the Native reserves; and on 25th November, the Hon. the Native Minister requested that the whole of the Provincial survey staff should be employed to complete this work, the General Government undertaking, in the first instance, to pay the expense thereof.

On 6th February, 1872, the Hon. the Native Minister directed the survey of the altered inland boundary of the Rangitikei-Manawatu Block, which has since been executed. The selection of this new boundary line has resulted in a loss to the Province of about 27,000 acres.

On 28th March, 1872, Mr. Alexander Dundas, District Surveyor, reports generally on the progress made in the survey of the reserves, and states that several of the Native claims are still outstanding

and unsettled, at the same time pointing out that, owing to difficulties in arranging the acreage of reserves with the Natives, the surveys will take some further time to complete.

In May, 1872, the Commissioner of Crown Lands, at the request of His Honor the Superintendent, visited the district, and made arrangements for the completion of the survey of the reserves, to the satisfaction of the Natives.

The question, however, was again brought up with respect to the Himatangi Block by the Hon. the Native Minister, who, on 30th March, 1872, recommended, in a memorandum to His Honor the Superintendent, that though the Native Land Court had only awarded one-half of the block to Parakaia and his co-claimants, yet, on general grounds, it would be advisable that the whole block should be given up to them.

On 3rd September, 1872, His Honor the Superintendent forwards to the Hon. the Native Minister detailed schedules and tracings of all the Native reserves surveyed up to date. The reserve at Koputara, of 60 acres, is to be surveyed by Mr. Carkeek at once.

Subjoined will be found an estimate of the loss which has resulted to the Provincial estate owing to the reserves given and the altered inland boundary line decided by the Hon. the Native Minister; also, of the pecuniary loss arising from the obstruction of the surveys.

Crown Lands Office, Wellington, September, 1872.						Jos. G. HOLDSWORTH, Commissioner of Crown Lands.
Alteration of inland boundary	...	...	...	...	...	27,000 acres.
Himatangi...	...	...	...	...	...	6,500 "
Additional reserves—McLean, 14,389; less 514...	...	...	...	...	...	13,875 "
Total	...	...	...	...	...	47,375 "
Obstruction to the surveys	...	...	...	...	...	£1,500

No. 28.

His Honor I. E. FEATHERSTON to the Hon. W. GISBORNE.

SIR,—

Superintendent's Office, 26th January, 1871.

I beg to bring under the consideration of Ministers the following facts connected with the Rangitikei-Manawatu purchase :—

On 16th December, 1866, a sum of £25,000 was paid over by this Province to the Ngatiapa and Ngatiraukawa Tribes, as the purchase money of a block of land lying between the Rangitikei and Manawatu Rivers, and estimated to contain 240,000 acres. The deed of cession had, at that time, been executed by considerably over 1,000 Natives having or claiming an interest in the land.

Owing, however, to the opposition of a small number of Ngatiraukawa claimants who had refused to sign the deed, the Government were unable to extinguish the Native title, and for a period of more than a year the Province was kept out of possession of its purchase, while every effort was being made by the Provincial agents to effect a settlement with the dissentients.

The principal obstacle to any final adjustment of the matter arose from the fact of some 800 Ngatiraukawa, whom the Commissioner refused to recognize as owners, asserting claims to various parts of the ceded block.

At length the Government decided to refer the whole question to the Native Land Court; and after a forty days' investigation at Otaki (before three Judges of the Court), in the beginning of 1868, the validity of the purchase was affirmed, and an award of 5,000 acres made to Parakaia and his section of unsatisfied claimants. Thereupon the other claims then before the Court were withdrawn by the Agent for the Natives, and every effort on the part of the Government to get them reinstated at a subsequent sitting of the Court at Rangitikei proved abortive.

The question was then hung up till July, 1869, when, at the request of the Native Agent, the whole case was reheard before other Judges of the Court, specially nominated by the Natives concerned. This investigation took place at Wellington, and extended over a period of nearly five weeks.

The judgment of the Court was a complete vindication of the purchase, the great bulk of the Ngatiraukawa claimants were declared to have no interest whatsoever in the block, and specific awards (amounting in all to 6,200 acres) were made to the claimants (sixty in number) who had been admitted as part owners.

A few days after the publication of this judgment in the *Gazette*, the Native title was declared to be extinguished over the whole of the block, save the portions awarded by the Land Court, and from that time it became a part of the territorial estate of the Province. The accumulated back rents (amounting to nearly £3,000) were then handed over to the Natives; and a staff of Provincial surveyors proceeded at once to the block, to lay off reserves and to commence a trigonometrical survey.

A small party of dissatisfied Natives interfered to obstruct the survey, and under the direction of the Hon. the Premier (who happened fortunately to be in the district at the time) the ringleader, Miritana, was arrested and dealt with summarily for a "breach of the Trigonometrical Stations Act" of the General Assembly. This vigorous action had the effect of putting a stop to all opposition, and for a time the survey of the block was pushed forward without any hindrance. As a recognition of this, Miritana received a free pardon, when only half his sentence of imprisonment had expired.

A few weeks after Miritana's liberation, a further obstruction was offered to the survey by another party of Natives (whose claims had been ignored by the Court), and in another part of the block.

The Natives were threatened with punishment, but no steps were taken to bring the offenders to justice, and the survey was accordingly suspended. For a period of many months the whole work was at a standstill, and the Province was precluded from turning to profitable account a single acre of the land purchased nearly four years before, and for which it had paid so liberal a price. At length—more

than a year after the adjudication by the Land Court—the Hon. Mr. McLean visited the district, and, without the knowledge or consent of the Provincial Government, made large gifts of land to the Natives—both sellers and non-sellers—believing, as he states, that this was necessary in order to preserve the peace of the country. The return of reserves made by Mr. McLean (over and above the awards of the Court and the reserves made by the Commissioner) shows an area of 10,300 acres—it is probably as much more—and Mr. Carkeek has since reported that additional reserves have been made by Mr. Kemp amounting to 4,000 acres. Some of the land thus given away consists of sand-hill and swamp, but by far the greater portion of it is of first-class quality, and would, it may be safely presumed, realize more than the upset Government price.

Independently of this, Mr. McLean has granted to the Natives a block of land, comprising run-holder's improvement (*i.e.* Rakehou, 500 acres), on which the Provincial Government had relied for the recovery of £800 back rents paid over to the Natives.

I do not consider that it was necessary to make any further concessions to the Natives; nor do I believe that the peace of the district would have been endangered had the Government continued the vigorous action approved of and so successfully commenced by the Hon. the Premier.

Under all the circumstances, I feel bound, on behalf of the Province, to claim payment from the General Government, at the rate of £1 per acre (being the lowest upset price), for the whole of the land given or promised to be given by the Hon. Mr. McLean, in the carrying out of a General Government policy.

I further claim that the whole of the expenses connected with this reopening of the question, and of the surveys of the additional blocks given away by the Hon. Mr. McLean and Mr. Kemp, be defrayed by the General Government.

I have, &c.,

I. E. FEATHERSTON,

Superintendent.

The Hon. W. Gisborne.

No. 29.

The Hon. W. GISBORNE to His Honor I. E. FEATHERSTON.

SIR,—

Colonial Secretary's Office, Wellington, 10th February, 1871.

I have to acknowledge the receipt of your Honor's letter of the 26th ultimo, in which you request that the additional reserves (about 15,000 acres), which the Native Minister found it necessary to make for the Natives in the settlement of the disputed Rangitikei-Manawatu land purchase, may be paid for out of Colonial funds at the rate of £1 per acre.

The Government have carefully considered the representations made in your letter, but they do not feel themselves justified in agreeing to propose to the Assembly the admission of this claim.

The purchase from the Natives of the land in question has been specially intrusted by the Legislature to the General Government, and as you, who have acted for many years as Commissioner under the Government for the negotiation of that purchase, are well aware, exceptional difficulties of no ordinary magnitude embarrassed that negotiation. It should, however, be distinctly borne in mind that, while the responsibility of the purchase rested with the General Government, they acted in the matter in the interests of the Province of Wellington, which would deal with the lands purchased, and be exclusively entitled to the proceeds thereof. The only interest which the General Government, as representing the Colony, have in the purchase is, that the Province should at the earliest possible period have quiet possession of the block, with a view to its sale and settlement. The Government believed, in October, 1869, that your able and unwearied efforts in the completion of the purchase had been successful, and that the repeated decision of the Native Land Court would, so soon as the reserves specified by the Court should be marked out, remove every obstacle to the peaceable occupation of the land, and accordingly they issued a notice in the *Gazette* of the 16th of October, 1869, that the Native title to the block had been extinguished, subject to certain specified awards made by the Court in favour of the dissentient Natives. Unfortunately, this did not turn out to be the case. Certain of the Natives, acting on the instigation of European advisers, resisted not only the execution of the surveys of the blocks awarded to them by the Court, but also the trigonometrical and detailed surveys of the rest of the blocks. After repeated stoppages, the conviction of McDonald and Miritana, referred to by you, appeared to have resulted in their acquiescence, the surveys proceeded far towards their completion, and there seemed to be a fair prospect of their being completed without further obstruction. Unfortunately, in this stage the Natives were advised by Mr. Travers, the solicitor who had conducted their case in the Land Court, that they would be justified in turning off the surveyors, because they had not been fairly treated in the Land Court; and further suggestions of an inflammatory character were made to them by him, through their agent, Mr. McDonald (as will be seen in the enclosed copy of Mr. Buller's letter of September 16th, 1870). The result was the renewed and much more determined obstruction of the surveys, and the expressed resolution of all the dissentient Natives, particularly Miritana, to resist the occupation of the district by the Government as long as one of them should live. It became clear that the spirit of resistance evoked by this last interference of Messrs. McDonald and Travers was much more determined than that which previously existed, and such as bid fair, even if the surveys should be completed, effectually to prevent the peaceable settlement of the district.

Three courses were open to the Government; 1st, To suppress the resistance by force. This would probably have resulted in a serious disturbance, involving not only the disputed district but the adjacent settled district of Rangitikei. And even if such a result were escaped, it was certain that so long as such resistance continued, the peaceable occupation of the district by settlers would be impossible, and that the settlement of the other block on the Manawatu River would be greatly retarded, if not absolutely stopped.

2nd. To suspend the surveys, prohibit the occupation of the district by Europeans, and let time bring a cure. This clearly would have been a most losing game, leaving the Natives in possession of the whole district, and abandoning for years all hopes of its colonization.

3rdly. To effect some such compromise as has since been arrived at. The last was clearly the only course which could be wisely adopted.

Under these circumstances, the Native Minister, at the request of the Provincial authorities, personally undertook the negotiation of the question, and, after great trouble, succeeded in settling it, and removing all dissension. I have his authority for saying that if he had on that occasion failed, the result, in all human probability, would have been the indefinite postponement of quiet possession of the lands in dispute—a postponement disastrous to the interests of the Province of Wellington. Accordingly, the Native Minister, acting in good faith in the interests of the Province, availed himself of an opportunity which might not recur, and satisfactorily concluded the dispute, and in doing so he felt it necessary to make the additional reserves to which you refer, and much of which, as you admit, is land of a worthless character.

I venture to think that you have not sufficiently estimated the advantageous position in which, on a review of the whole question, the Province of Wellington is placed by the final solution of the long-pending difficulties attending this matter. The entire block purchased by you contains, by estimate of Mr. Stewart, the Sub-Provincial Surveyor, 240,000 acres. After deducting the awards made by the Court, the reserves for friendly Natives made by yourself, and those added by the Hon. Mr. McLean—say, 25,000 acres at the outside—the Province receives 215,000 out of 240,000, or about nine-tenths of the whole. As not three years ago the dissentient Ngatiraukawa claimed it all, subject only to some small deductions in behalf of the Ngatiapa, and afterwards offered, as a compromise, to take 80,000 or 90,000 acres, the result of the long-pending litigation and final adjustment cannot be regarded as disadvantageous to the Province, or as leaving the Government, and yourself its Commissioner, in other than a triumphant position in the matter; while the acquisition of the district with the friendly concurrence of the Natives, instead of at best their sulky acquiescence, is an advantage not to be lightly disregarded, and which is cheaply purchased at the price of from 10,000 to 15,000 acres of land, not all of the best quality.

Negotiations for the purchase by the Crown of Native lands, conducted as they are with persons of an uncivilized race, and attended by other exceptional difficulties, cannot be regulated by rigid rules of procedure, and if the purchases are to be made satisfactorily, or, in other words, if peaceable possession is to be secured, considerable latitude must necessarily be allowed in the conduct of those negotiations; and the Government cannot admit, so long as the purchased land is for the special benefit of a Province, that occasional additional expenses in supplementing a purchase, and securing, so to speak, the goodwill of the land, should be defrayed at the cost of the Colony, and not of the Province interested.

If, as I understand is the case, a reserve has been made by the Native Minister for the satisfaction of Native claims to land not in the block in question, but in the Seventy-Mile Bush Block, the purchase of which is under negotiation, the question connected therewith can be specially dealt with under the Fourth Part of "The Public Works and Immigration Act, 1870," relating to acquisition by the Crown of lands in the North Island.

His Honor the Superintendent, Wellington.

I have, &c.,
W. GISBORNE.