

accordance with Mr. Spain's awards for the Wellington and Nelson claims. The Company's agent declined, however, to take up the deeds until the matter could be referred to the Court of Directors in England.

The award of 60,000 acres made by Mr. Spain to the New Zealand Company, at New Plymouth, in 1844, was set aside by Governor Fitzroy, who declared his intention of so doing in August of the same year, and in the month of November following restricted the settlers to a block of 3,500 acres immediately around the town, giving up the rest to the Natives. In consequence of this arrangement the original scheme of the settlement was entirely upset.

In January a Crown Grant of the restricted quantity was offered to the principal agent of the New Zealand Company and refused.

The question was subsequently arranged by Governor Grey by the purchase of an additional block of land from the Natives sufficient to satisfy all the requirements of the settlement at the time.

The New Zealand Company on learning the terms of the Port Nicholson and Nelson deeds, took exception to them, and the matter was afterwards represented to the Secretary of State for the Colonies, who instructed Governor Grey to inquire into the subject of complaint and take such measures for the relief of the Company, if he found such representations correct, as was in his power to adopt.

The chief grounds of complaint made by the Company against these deeds were that the Wellington deed reserved "all the pāhs, burial places, and grounds actually in cultivation by the Natives. Also the Native reserves comprising forty-one country sections of one hundred acres each, and one hundred and ten town sections,—together with four portions of land granted to private claimants, the extent of which is not stated, except in one instance,—an acre and a half,—and all land set apart as Government reserves for public purposes."

The Company contended that the reservation of the spots in the town of Wellington claimed by private purchasers was directly at variance with the public pledge contained in the letter addressed to Colonel Wakefield by Governor Hobson on the 6th September, 1841. Although of comparatively small extent these reservations comprise some of the most valuable portions of the shore of Port Nicholson. The quantity of land comprised within the Native cultivations as defined in these instruments cannot be stated with accuracy, but are estimated to include at least one-sixth, and not improbably one-fourth of the whole of that part of the town of Wellington on which buildings have been erected.

In the Nelson deed the reservations for the Natives are of precisely the same character, and worded in the same manner, with the exception only that the Native reserves are defined to be one-tenth of the 151,000 acres granted, and that in lieu of specific grants to particular individuals, a clause is inserted "excepting any portions of land within any of the lands hereinbefore described to which private claimants, or any private claimants, hereafter prove that they, or he, or any of them had a valid claim prior to the purchase of the New Zealand Company."

"With regard to the pāhs and burial places, the amount of which is not known, the only remarks which the directors desire to offer, are that the extent of the Native reserves was fixed by the Company in the belief that the whole of the remainder was the Company's property, and that in excepting from the Nelson deed on account of such, one-tenth of the land granted, Governor Fitzroy appeared to have overlooked the fact that in the published prospectus for the settlement (dated 15th February, 1841), it was stated that the Native Reserves would be equal to one-tenth of the lands offered for sale, that is to one-eleventh of the quantity comprised in the entire scheme. The reservation also in the Nelson deed of all private claims which have been or may be hereafter proved without limitation of time, rendered the land altogether unavailable, and the deed therefore in the apprehension of the directors altogether of no effect."

On these grounds the directors earnestly hoped that the aforesaid deeds would not obtain the sanction of the Imperial Parliament, but that instructions would be given to Governor Grey for remedying the injury so far as a remedy is yet practicable, by the execution of new grants freed from the objectionable clauses complained of.

In pursuance with the instructions received Governor Grey took steps to relieve the Company from the difficulties arising from the loose exceptions made in the grants respecting Native pāhs and cultivations, &c., and a warrant was issued to the Attorney-General directing that proper means should be taken for applying to the local courts to annul the Grants.

In 1848, a fresh grant was issued to the Company for the Port Nicholson and Nelson districts.

The Port Nicholson deed is dated the 27th January, 1848, and conveys to the Company 209,247 acres, "excepting and always reserving out of the aforesaid grant the reserves and exceptions, all of which reserves and exceptions with their boundaries and abutments are particularly delineated and described in the said plan, and in the plan of the town of Wellington, and in the schedules of the said plans attached thereto."

A grant was also issued to the Company on the same date for 68,896 acres at Porirua, for which a sum of £2000 had been previously paid in satisfaction of the Native claims, subject to certain reservations described in the schedule to the deed. The fresh grant to the Company of the Nelson district is dated 1st August, 1848, and includes besides the land comprised within the limits of the award made by Mr. Spain, all the Wairau district with the adjacent country purchased from the Ngatitōa tribe in 1847. Besides the Native reserves in the town of Nelson and in Motueka set apart in accordance with the New Zealand Company's scheme, and a large block of land in the Wairau, the deed also excepted certain reserves for the Natives in Massacre Bay, which had been previously surveyed in 1847, by the direction of the Government, and which came under the category of pāhs and cultivations.

Prior to the issue of the fresh grant the Government, on behalf of the Native trust, had consented to relinquish 47 of the town reserves to the Company, under the arrangement entered into between that body and the original land owners, with regard to the terms of a re-selection agreed on by a Committee appointed by the latter. This arrangement reduced the Native reserve sections in the town of Nelson from 100, the original number, to 53, or to one-tenth of the land within the town then actually sold.

The large block of land in the Wairau district excepted from sale by the Natives in 1847, was