

regarded as a set-off. After some considerable discussion, this was allowed, but great opposition was raised to the payment, in 1872, of £100 to Te Hei, who was not, they stated, authorized to receive it. This chief woman was at Hawke's Bay, and no one appeared to speak for her. With a great deal of difficulty I induced the Natives to agree to the sum of £45 out of the £100, the decision as to the remainder to stand over until they can have Te Hei face to face with them. There is a sum of £39 0s. 10½d., recently accrued on "Koha," that I have yet in hand, and I propose that it should be detained until the matter is satisfactorily settled.

Manawatu Block.

Up to 30th June, 1869, the accumulations of 5 per cents. were £88 19s. 4d.; the money paid on account, £54 4s. 11d. Mr. Kemp paid £100, leaving the Natives in debt to the Government in the sum of £65 5s. 7d. The Crown Lands Department had omitted to send in returns of the land sold by the Province to the General Government for Scandinavian settlers, hence the sum of £142 10s. had not been carried, in the Treasury, to the credit of the fund. Finding this out while on the ground, I was enabled to represent the circumstance, and eventually to obtain the money. £79 7s. 2d. was now available for the Natives, who, however, demanded £100, urging the large amount—£3,000 for 4,000 acres—that had been received since last payment of "Koha," and the impropriety of their being charged with the sum of £54 4s. 11d. paid to Ngatuere, by Hon. W. Mantell's directions, so far back as 1863, and respecting which they ought to have received accounts before last payment, in 1870, instead of now. This was the most difficult matter of all to settle. Ngatuere's name does not appear amongst the sellers of Manawatu, and it was alleged that he had received the money for private purposes, and not for distribution amongst the sellers. Ngatuere did not appear able to satisfy the meeting; and although the money was eventually taken, and in good temper, yet some of the recipients expressed an intention of inquiring further into the matter.

The excitement caused by the disturbance near Otaki, and, subsequently, the death of Manihera's sister, very much delayed the proceedings. In pursuance of the expressed wish of the Natives of the Upper Valley, I paid the 5 per cents. for that locality at Masterton. I am happy to say that, when the system of accounts was understood, and copies of the accounts current, in Maori, given, in respect to each distinct block, all obstructiveness and opposition ceased, and Hikawera, the advocate, or spokesman, of the "Committee," aided me in completing the work, and assisted Mr. Maunsell and myself in obtaining the confirmation of the free gift. With the exception of the outstanding matter of £55, which could not be settled owing to Te Hei's absence at Hawke's Bay, there is now an undisputed and balanced account for each block to the 30th September, 1873, being the day to which each is worked up. The uncertain boundaries of the free gift land and the Northern Moroa are defined on the sectional plans. The vexatious mill debts at Papawai and the Lower Valley are cleared off, £666 17s. being established and carried to the (Government) credit side of the account. The sum of £60, not in previous accounts, lent by Sir George Grey's direction to the late Wereta Tainui, has been recovered from his people, and £77 10s., proceeds of the sale of machinery to Hon. H. Russell, in 1870, obtained from that gentleman's agent, and paid to the Natives, whose property it was.

I have to express my sense of the very valuable services of Mr. T. E. Young, who was with me as interpreter, and by whose aid many difficulties that beset the whole subject were cleared away. Mr. Carroll, who succeeded Mr. Young, was very useful, and is, I think, an excellent interpreter.

I have, &c.,

CHARLES HEAPHY,

Commissioner, Native Reserves.

The Hon. the Native Minister.

WAIRARAPA FIVE PER CENTS.

C. HEAPHY *in account with* COLONIAL TREASURER.

DR.								£	s.	d.
Dec. 31, 1873.	To cash	...	...	...	...	...	...	596	3	9
	Ditto	...	...	...	...	...	...	140	0	0
	Ditto	...	...	...	...	...	...	142	10	0
	Ditto	...	...	...	...	...	...	348	2	0
	J. Russell	...	...	...	...	...	...	77	10	0
								£1,304	5	9

CR.								£	s.	d.
Dec. 31, 1873.	By paid Turanganui and Turakirae Natives	...	...	...	...	...	...	28	16	7½
	Tuhitarata Natives	...	...	...	...	...	...	65	4	2½
	Wharekaka, &c., Natives	...	...	...	...	...	...	311	12	3
	Morua, &c., Natives	...	...	...	...	...	...	111	5	0
	Morua free gift land	...	...	...	...	...	...	118	15	0
	Morua, between rivers	...	...	...	...	...	...	348	2	0
	Whareama No. 1	...	...	...	...	...	...	27	1	3
	Whareama No. 2	...	...	...	...	...	...	11	11	1
	Pahaua	...	...	...	...	...	...	90	9	11½
	Morua balance	...	...	...	...	...	...	11	1	½
	Manawatu	...	...	...	...	...	...	79	7	2
	Balance	...	...	...	...	...	...	111	10	1
								£1,304	5	9