

Although the block in question is in the heart of the district in which our operations are being carried on, and is surrounded by blocks upon which we have already paid deposits, yet it does not possess such importance, either from size or position, as to render it compulsory on Government to insist on its being acquired on public account. It has no special advantage of position: it is of first-rate quality.

It must be taken into account that Mr. Jones is a man who would be both willing and able to place serious obstacles in the way of Government operations, if his own transactions are interfered with, through his partner, Mr. S. Yates, who has been storekeeping over thirty years amongst the Maoris of the North. It is easy for a good business man with money to embarrass the Government in their dealings with the Natives, raising the prices, making misrepresentations, &c. For these reasons the Government may well consider whether it might not be advantageous to allow Mr. Jones to secure this block.

But again, the following considerations should be duly weighed before coming to any conclusion on the question. In the first place, Mr. Jones is only one of a number of persons, all men of means and position, who are now engaged in competing with the Government for the purchase of Native lands north of Auckland. Should the Government extend the privilege to Mr. Jones, these men will demand the same consideration, and would be equally troublesome to deal with.

Indeed, I infer from the telegrams that one of the number, Mr. William Earl, has addressed the Government on a similar subject. I would draw the attention of the Hon. the Native Minister to the number of cases identical with this south of Auckland. The action of the Government is being eagerly and anxiously watched by these people, and any favourable consideration shown to one would be regarded as a precedent by the other.

Secondly, the Natives are on the *qui vive*: they are not quite reconciled to the restrictions imposed by the Native Lands Act, as interpreted by interested parties, and will grumble if they hear of one or two of their people being allowed to sell to private parties at higher rates than the Government have been giving. Serious complications may arise in this way while matters are at this early stage of Government negotiations.

I would venture to suggest that if the Government come to the conclusion that, taking all the circumstances into consideration, Messrs. Jones and Earl should be allowed to secure their blocks, the matter should be dealt with very guardedly—for instance, the Government completing the purchase, and then handing them over to these gentlemen.

I will be glad to have your instructions at as early a date as possible, for it will be the first thing I shall be called upon to deal with, and should like to be in a position to carry out your wishes in their integrity.

I learn by telegram from Colonel St. John that Mr. Jones has made a claim on Government for £450, money paid to the Native owners for the lease of the Pakiri Block. The matter stands thus: Jones paid the Natives £300, and claimed £150 for expenses. The owners of the two-thirds of the block purchased by Government admitted the claim, and paid £300 to Mr. Jones's authorized agent, being their portion of the liability. Mr. Jones has now to receive £150 from the owners of the unpurchased portion (one-third) when it becomes Government property.

I would advise, as the Natives have admitted the claim, that the Government should pay over to Jones the £150: this would put them in possession of thirty-one years' lease of the portion of the block not yet secured.

I am glad to be able to report that my advices from the North were satisfactory on my return from Wellington.

I have sent Mr. Nelson moneys to advance on several blocks I wish to secure, and started Colonel McDonnell forward, north of Hokianga, to pay on other blocks on which I fear competition; and have remained myself to learn what I can of the movements of land speculators.

On Monday, the 7th, I proceed North to start the surveys.

The Hon. the Native Minister will pardon me for again referring to the subject of the commission to be allowed me on purchase. I submitted my proposals in writing for his consideration before leaving Wellington, and I shall feel thankful to ascertain how far they met with his approval. It will give me confidence to proceed vigorously in a work in which I feel assured I shall be able to give the fullest satisfaction to the Native Minister, and justify the confidence which he has hitherto kindly reposed in me.

Auckland, 4th September, 1874.

E. T. BRISSENDEN.

No. 47.

MEMORANDUM—*Re* PAKIRI.

I saw Mr. Brissenden yesterday. He informed me that he had gone carefully into the case, and that he was persuaded Mr. S. Jones should have the amount he recommended, as he believed the lease to have been a fair and legal transaction. Further, he said he was so persuaded of it that, as he had recommended that Mr. Jones should have the £150, if the Government now disapproved of it he would not object to its being charged to his commission.

2nd March, 1875.

J. H. H. St. JOHN.

No. 48.

Lieut.-Colonel St. JOHN to Mr. STANNUS JONES.

SIR,—

Auckland, 1st March, 1875.

In reference to your claims on the Pakiri Block, I am directed to inform you that the recommendation of the Land Purchase Agent in the North, Mr. Brissenden, has been approved, and that, on your surrendering to the Crown the interests you hold in the block, you will receive the sum of £150.

I have, &c.,

Stannus Jones, Esq., Auckland.

J. H. H. St. JOHN.