G.—7.

The purchase of the Aroha Block was progressing most favourably, and a very large majority of the owners had executed the deed of conveyance to the Crown, when unfortunately Mr. Broomhall arrived at Ohinemuri, to inspect the lands in that neighbourhood. I very foolishly gave him every facility to visit Te Aroha Block, and, to prevent him having to ask questions from Natives there about the land, despatched my own Interpreter (Mr. Guilding) with him. On his return, he expressed himself pleased with the country, and said he would like to acquire it for his special settlement. I then drew his attention to a few points: Firstly, that the Native title was not extinguished, but believed it soon Secondly, that the Natives who were living there would require some reserves. that the public would not be satisfied at the hill lands being granted to him, unless the right to mine for gold was reserved by the Crown. Fourthly, that there were several persons at the Thames who had been promised land for settlement there. Fifthly, if he wished to apply for the block he had better not make his application public or it might very materially interfere with the cession of the block. Mr. Broomhall thanked me for the information, and promised to be very careful not to make his application public. He proceeded to Auckland, and forthwith made an application to the Waste Lands Board for 47,000 acres of Te Aroha Block. The Waste Lands Board illegally dealt with him, and agreed to his proposals; overlooking the fact that they had no right to deal with lands over which the Native title had not been extinguished, and which were not under their control until declared by the Governor, by Gazette notice, to be waste lands of the Crown. Reports of the proceedings of the Waste Lands Board were duly published in the Auckland newspapers. The Maoris were informed by interested Europeans that the Government had sold 47,000 acres to Mr. Broomhall at 20s. per acre, and I was not paying them 5s. for it. Some twenty-five Natives of Ngatirahiri refused to sign the deed, and the purchase remains incomplete to this day. A very serious quarrel then took place between the Natives who had sold and conveyed their interest in the block, and the obstructive party; the latter returned to Te Aroha, and erected a fighting pa; and the Ngatitamatera portion of the former placing booms across the Waihou at Ohinemuri, to prevent the return of Ngatirahiri to Hauraki, and building a pa to protect the booms. The Ngatipaoa and Ngatiwhanaunga tribes wished me to allow them to proceed to Te Aroha and drive off or kill this handful of Ngatirahiri, in consequence of curses they had uttered against them. Had I encouraged this step, it would have been taken. I visited the Aroha on three occasions, and was threatened with violence, and had several bullets fired over my head. After a considerable time had elapsed, a better state of feeling was brought about between the contending parties; and I must here mention the valuable aid given to me by Mr. Puckey, the Agent for Native Affairs in this district, and Wirope Hoterene Taipari, Native Assessor, which principally enabled me to renew negotiations for the outstanding claims.

Considerable progress has been made with the Waihou West, Waitoa, and Piako Blocks, which are adjacent, and cannot well be separately dealt with. The Waihou West Nos. 1, 3, and 4 Blocks have passed the Native Land Court, and the deeds of conveyance are in course of execution by the grantees. The Waihou West No. 2 Block, was withdrawn from the Court on account of a very serious dispute as to a boundary, which arose between the Ngatihako (aided by Ngatipaoa) on the one side, and Ngatitamatera on the other. The survey was stopped by an armed party of Ngatihako. It has been arranged for certain men, who have been specially selected by both sides, to investigate and settle this question. This has for a time delayed the survey of the portion of the large Piako Block which here marches with the lands of Ngatihako and Ngatitamatera. There is also a dispute between the Ngatipaoa and Ngatimaru, as to the position of the north-west boundary of the Orua block, owned by the Ngatimaru. This has been left to arbitration by men specially selected by both tribes. The non-fulfilment of the arrangement for the exchange of the lands comprised in Webster's old land claim at Maukoro on the western side of the Piako (now owned by Mr. Whitaker) for lands elsewhere, as arranged between the Government, the chief Tarapipipi te Kopara, and Mr. Whitaker, has been a fruitful source of discontent, and has caused much interference with the surveyors. I am, however, happy to say this obstruction is now removed, and the surveys are progressing as fast as the season of

the year will permit in low-lying country.

The friendly Ngatiraukawa claiming the Patatere Blocks are very anxious to arrive at a final arrangement about their country; in several instances they are willing to dispose of the freehold, instead of leasing the lands as formerly arranged. The Hauhau portion of the owners have so far been able to delay the negotiations; but the firm stand taken by the loyal portion of the tribe, and the pressure they are bringing to bear on them, is beginning to be felt, and will probably in a short time induce the withdrawal of the opposition.

The other blocks under negotiation require but little comment from me. The surveys and preliminary agreements have been made, and on the title being investigated by the Court there will be but little difficulty in procuring the conveyances, as the lands are situated where there is no European

competition, and no Natives with Hauhau proclivities.

The blocks which present the greatest obstacles to their acquisition are those situated at Ohinemuri, Waihou East and West, Te Aroha, Waitoa, and Piako. This partly arises from the peculiar state of the title in that portion of the district, owing to the claims of the conquering Marutuahu tribes being intermixed with those of the semi-conquered remnant of the original owners of the land. So troublesome are there to determine, that Judge Munro, at the recent sitting of the Court at Ohinemuri, in a case of this character, about a block of four acres, observed from the bench that "There was more trouble in deciding the title to it than there would be in the case of a block of ten thousand acres to the north of Auckland, where vassal tribes are unknown."

Another matter which in that portion of the district tends to retard the completion of Government purchases is that very high prices have been paid during the last two years to the European holders of land at Waikato, Upper Piako, and Waitoa, by purchasers from the South Island and elsewhere, which is well known to the Natives. Land agents and interpreters now find it greatly to their interest to outbid the Government purchaser, and thus induce the Natives to repudiate agreements which have previously been undisputed. As a rule, the private purchaser offers at least twice the sum agreed to between the Native and the Government Agent, and in cases of very eligible blocks sometimes five or ten times the amount.