Southern District—commencing at the river Waingongoro on the north, and terminating at the River Waitotara on the south.

The lands comprised within the above-mentioned districts were all included in the Proclamations issued in accordance with the provisions of the New Zealand Settlements Acts, and were thereby confiscated to the Crown, excepting only those portions which had been previously acquired by purchase from the Natives.

I will now proceed briefly to describe the condition of each division or district; and will subsequently endeavour to show the causes of the discontent and disaffection which at present exist among the majority of the Maori population of the Provincial District of Taranaki.

The northern district is the portion of the Province of Taranaki which was first occupied by European settlers. The lands included within its limits are of two classes—those purchased from the Natives before the war, and the pieces subsequently acquired by confiscation. The Native holdings are—reserves made at the time of sale to the Crown; lands awarded to loyal Natives by the Compensation Court; lands set aside for surrendered or returned rebels, or which they have been allowed to settle on.

The central district is composed of lands acquired by confiscation only. The Native holdings are the Stoney River and the Opunake Blocks, which have been surrendered to them by the Crown, and the Parihaka Block, which they have occupied without the consent of the Government.

The southern district was acquired by confiscation. The lands occupied by Natives are either awards of the Compensation Court or blocks reserved for the use of surrendered rebels. The land question here is on the whole in a more satisfactory and defined condition than that which obtains in the northern and central districts.

I find the Natives throughout the Provincial District of Taranaki to be (with a very few exceptions) highly discontented and disaffected towards the Government. In travelling through the district I have carefully and patiently inquired as to the causes of their estrangement, and have arrived at the conclusion that the following are the principal reasons:-

1. That the chief and prophet, Te Whiti, has obtained sufficient ascendency over their minds to induce them to firmly believe that their lands will be wrested from the Europeans by supernatural agency.

2. That Natives who had been loyal throughout the war and received awards of land from the Compensation Court, have not yet been able to receive the full benefit of such awards in consequence, in some instances, of not being able to select land in accordance with the Court certificate which they hold, and in others, where the land has been taken up and occupied by them

they have not received the Crown grants in respect thereof, and which they were duly entitled to.

3. That the reserves made for surrendered or returned rebels have not been subdivided, and

no guarantee has been given as to the future issue of titles to the occupants.

4. That where lands have been surrendered by the Crown the abandonment has not been legally effected in accordance with the provisions of the New Zealand Settlements Acts, which require a formal relinquishment by Proclamation. My attention was particularly directed to the cases of the Stoney River and Opunake Blocks, in the central district, the Natives stating that they cannot obtain any title from the Crown, and their applications to have their claims investigated and determined by the Native Lands Court have been ignored or refused.

5. That Natives in the southern district have been placed on lands specially reserved for them; and when they desired to lease portions of such reserves, they were informed by a Government officer there that the holdings in question were the property of the Crown, and they

were only in occupation on sufferance.

- 6. That a large portion of the lands in the northern and central districts have been purchased from the Natives claiming the same, notwithstanding that the bulk of them were included within the Proclamation made under the provisions of the New Zealand Settlements Acts. That various offers have from time to time been made by officers of the Government to Natives claiming lands at and adjacent to the Waimate Plains, to pay them a gratuity or bonus (takoha) for all lands taken and retained by the Government. This action, coupled with negotiations entered into with Te Whiti and others respecting to the test of the proposed lighthouse at Cape Egmont, has led them to assume that the Government have waived their claims to the land through confiscation.
- 7. The Natives are perfectly acquainted with the fact that Mr. Parris received instructions to pay them a sum not exceeding 5s. per acre for lands taken or retained by the Government. They also lay considerable stress on the fact that he offered them the whole of the lands between the Waingongoro and Inaha Streams. This land has now been surveyed, with the remainder of the Waimate Plains. It may be true that, because this offer was not accepted, it from a European point of view lapsed. That rule, however, is not easy to apply to Natives, who do not understand the meaning of "an offer without prejudice," and who look on any tender made to them as an admission of their right—at any rate to the extent of such offer, and consider they can at any time demand the fulfilment of it.
- 8. That, although the term "takoha" (gratuity or bonus) is well understood by the Maoris, it is absurd to think for a moment that they do not look on any takoha payment made to them as being consideration for their lands, especially when the giving it has been accompanied by the formality of executing a deed of cession to the Crown.