

Though we do not insist upon this being carried out in detail, we have a right to ask that the main roads through the property be roughly formed at the expense of the Road Board, and the same should be done at once; but this is a matter on which we will request our agent's assistance with the Road Board, and we assume a satisfactory arrangement can be made with that body.

We beg to say that since our return to England we have done our utmost to promote the interests of the colony. On all possible occasions we have contradicted the untruthful statements that have been very freely circulated respecting the very gloomy prospects of New Zealand, and have already been the means of inducing several to leave their native land and make their future home in the colony; and, if the terms of agreement for the Te Aroha are altered as suggested by us in this letter, we shall endeavour to place upon the land sound practical farmers, men of the highest type. We have already given letters of introduction to some forty or fifty, and we must ask you to consider any we may introduce to the colony as settlers, though they may not all proceed from this county.

We beg also to ask that Mr. E. F. Roche, of Auckland, who came out with us in the first instance, may be allowed to have 1,000 acres of our land, as we consider him amongst our personal friends, and he is wishful to have a farm adjacent to us. We have the honor to submit these alterations for your consideration, and, if they meet with your approval, shall be glad to have a telegram to that effect, when we will at once proceed to place settlers upon the land, and one of us will endeavour, if possible, to proceed to the colony and see that the arrangements are properly carried out.

Trusting that these suggestions will meet with your approval, and also that of the colony at large,

We have, &c.,

SAML. GRANT.

JOHN S. FOSTER.

The Hon. the Premier, Wellington.

There are other estates in the Thames District, the settlement of which will very much depend upon our coming to terms for Te Aroha.—S. G. AND J. S. F.

### No. 35.

Captain W. STEELE to the Hon. the MINISTER for LANDS.

SIR,—

Hamilton, 27th January, 1881.

I have the honor to acknowledge the receipt of a copy of a letter received by the Government from Messrs. Grant and Foster, dated the 1st December, 1880, in which they complain that certain terms and conditions have not been fulfilled, which they were led to believe would be in the settlement of the Te Aroha Block. In the letter referred to they state that it was understood by them that a certain amount of draining was in contemplation, and would be carried out in and through the property, the lines of the proposed drains being pointed out to them on the land in my presence by Mr. Cousins, the District Surveyor; that no restrictions as regards gold or other minerals were mentioned; also that a certain length of road to enable settlers to get upon their land would be made. It now appears that in respect to these matters the Government object to grant these concessions, and Messrs. Grant and Foster state that they decline to carry out their scheme of settlement in consequence. I have now to state that, with a view to settle the difficulty, I am willing, on their behalf, to conclude the arrangement for the sale of the land in a formal and binding manner, on the following conditions: 1. That the Crown grants be issued without reservation of any kind. 2. That the Native reserve of 615 acres within their boundary be included at the price agreed upon for the other portion of the block. 3. That the drains on the west side be made in accordance with the plan shown them by Mr. Cousins during their inspection. At a rough estimate there is about 650 chains, which would cost about £1 per chain.

I may remark that, but for the unfortunate non-receipt by me of Messrs. Grant and Foster's letter of instructions at the proper time, this misunderstanding would not have occurred. Through this unfortunate circumstance the Government gain 4s. per acre, amounting upon the block to between £3,000 and £4,000, as the price fixed upon by Government valuer is its full value without taking into consideration any conditions such as those agreed to be fulfilled by my principals. I trust, therefore, you will grant the small concessions I ask on their behalf. I know they have done and are at present doing good service to the whole colony.

I have, &c.,

W. STEELE,

The Hon. the Minister of Lands, Wellington.

Agent for Messrs. Grant and Foster.

### No. 36.

The AGENT-GENERAL to the Hon. the MINISTER for IMMIGRATION.

SIR,—

7, Westminster Chambers, London, S.W., 26th January, 1881.

Referring to your letter No. 228, of the 4th December, forwarding a copy of the Order in Council containing the terms and conditions of the Te Aroha Special Settlement, I have the honor to inform you that Messrs. Grant and Foster called upon me this day, and in reference to the above mentioned terms, &c., I understood them to make the following representations:—

1. They consider that the terms of payment of the purchase-money of the land are not satisfactory, inasmuch as they propose to sell the land at cost price on deferred payments. They represent that they went to New Zealand as representatives of certain farmers in England, to whom they wish to sell the land on such terms as will induce them to settle in the colony. But the terms of payment, as mentioned in the Order in Council, involve, in addition to an immediate cash payment of £3,000, full payment for each acre as they sell it, which would prevent them carrying out their intention (to which they attach much importance) of selling it on deferred payment.

2. They state that several persons, induced by their representations, have already started for the colony, with a view to purchasing land and settling on the Te Aroha Special Settlement, and that several