

Parliament declines to vote it. Please reply. Urgent. Mail closes to-morrow." Press for a reply to foregoing.

The Commissioner of Crown Lands, Auckland.

W. ROLLESTON.

No. 42.

Captain STEELE to the Hon. the MINISTER of LANDS.

(Telegram.)

Auckland, 26th February, 1881.

GRANT and Foster. I accept conditions on the understanding that Government pledge themselves to give effect to concessions in the spirit in which it is understood they are granted.

The Hon. the Minister of Lands, Wellington.

W. STEELE.

No. 43.

The Hon. the MINISTER of LANDS to Messrs. GRANT and FOSTER.

General Crown Lands and Immigration Offices,
Wellington, 25th February, 1881.

GENTLEMEN,—

I have the honor to acknowledge the receipt of your letter of the 1st December last, addressed to the Hon. the Premier, in which you state that you have received, through Captain Steele, a copy of the terms and conditions upon which the Te Aroha Block is offered to you for settlement; and, in reply thereto, I forward for your information copies of the correspondence noted in the schedule annexed,* which will inform you of the concessions the Government is prepared to make to you. These are as follow: (1.) It is agreed that the Crown grant for the Te Aroha Block shall be issued without any reservation as to minerals. (2.) The Native reserve of 616 acres will be included in the land to be dealt with; but it will be necessary that it should be valued separately, in order to comply with the provisions of "The Land Act 1877 Amendment Act, 1879," relating to special settlements. (3.) The Government will propose to Parliament a vote for a sum sufficient to make a drain to the extent of 650 chains, at a price not exceeding 35s. per chain.

You will clearly understand from the correspondence that the Government is unable without the consent of Parliament to make concessions in respect of drainage, and that their being able to comply with this portion of your requests will entirely depend upon the will of Parliament.

With reference to the statements contained in Mr. Whitaker's memorandum (17th February, 1881), I wish to recall to your recollection the fact that, when I had the honor of meeting you in Auckland, I distinctly pointed out to you that the Government would be unable to treat with you for a special settlement except under the clauses of "The Land Act 1877 Amendment Act, 1879," relating to special settlements; and I directed the Commissioner of Crown Lands to supply you with a copy of the Order in Council relating to Mr. G. V. Stewart's settlement at Te Puke, as showing in detail the conditions under which the Government would be able to treat with you.

The terms therefore of the agreement which has been entered into by Captain Steele on your behalf are strictly in conformity with what it was understood they would be if the Government came to an agreement under the clauses of the Act relating to special settlement; and I may point out particularly, with reference to the question of price, that, in accordance with the Act, this was not a matter which the Government could determine, as the law expressly provides that the price should be fixed by a competent valuer, and, of course, any improvements which might be made would increase that valuation.

I regret that any misunderstanding should have arisen on your part as to the terms of the agreement, which appears to have been fully understood by your agent. And I need scarcely say that the Government has been placed in a somewhat embarrassing position by your appointing an agent, and then objecting to the terms to which he has agreed.

With regard to your request that Mr. Roche, who is at present in Auckland, may be permitted to acquire land in the block set apart for you, it must be understood that in carrying out any arrangement that is made the Government can only deal with you as the principals in the matter, or with your duly authorized agent, strictly in terms of the arrangement as laid down in the Order in Council authorizing the formation of the settlement, copy of which has been furnished to you. Mr. Roche will therefore be referred to Captain Steele.

I have, &c.,

W. ROLLESTON,

Minister of Lands.

Messrs. Grant and Foster, Healing, Ulceby, Lincolnshire.

P.S.—I enclose copy of a telegraphic message which has this day been addressed to you by the Premier, informing you of the acceptance of the terms by Captain Steele on your behalf.—W.R.

No. 44.

The Hon. the MINISTER of LANDS to Captain STEELE.

SIR,—

General Crown Lands Office, Wellington, 26th February, 1881.

In order that you may be aware of the correspondence that has passed between the Government and Messrs. Grant and Foster with reference to the concessions asked for in the terms of the special settlement at Te Aroha, I forward to you, through the Commissioner of Crown Lands at Auckland, copies of a letter and its enclosures which I have addressed to Messrs. Grant and Foster by the outgoing mail for England.

I have, &c.,

W. ROLLESTON,

Minister of Lands.

Captain Steele, care of the Commissioner of Crown Lands, Auckland.

* The correspondence enclosed were copies of Nos. 40, 41, 42, and 43.