5 G.—1.

In furtherance of this object, and for the purpose of providing the necessary funds, Governor Hobson was instructed, under date the 28th February, 1841, as follows: "As often as any sale shall hereafter be effected in the colony, of lands acquired by purchase from the aborigines there must be carried to the credit of the Protector of Aborigines a sum amounting to no less than 15 nor more than 20 per cent. of the purchase-money, which sum will constitute a fund for defraying the charge of the Protector's establishment, and for defraying all other charges, on the recommendation of the Protector, the Governor and the Executive Council may have authorised for promoting the health, civilisation, education, and spiritual care of the Natives."

It may possibly be urged that these instructions could not have been given effect to in the Middle Island after the acquisition of the land in 1848, in consequence of the existing arrangements with the New Zealand Company, as detailed in the 10th and 11th Vict., c. 112, which placed the control of the land fund in the hands of the company. Practically, however, the matter was not very largely affected by this position of affairs, as the company did not exercise any right of ownership over the bulk of the territory comprised in Kemp's Block, its operations being confined to the disposal to the Canterbury Association of a block of land comprising 2,500,000 acres, extend-

ing from Double Corner to the mouth of the River Ashburton.

Under the original agreement with the company of 1840 the Government had the power to make reservations of lands within the company's settlements for the benefit of the Natives, in pursuance with the company's engagements to that effect—i.e., to reserve for the purpose one-tenth of all lands to be granted to the company under the terms of the aforesaid agreement, the Government reserving to themselves, in respect of all other lands, to make such arrangements as to them shall seem just and expedient for the benefit of the Natives.

It is very questionable, however, whether this power remained in the Crown in regard to lands vested in the company after the passing of the 10th and 11th Vict., as that Act vested all the demesne land of the Crown in the Province of New Munster, and all the estate and right of Her Majesty therein, or power and authority over the same or any part thereof, absolutely and entirely in the New Zealand Company, subject, of course, to any existing rights of the Natives at the time the land became the property of the Crown; but the Government could not claim, on behalf of the Natives, to set apart a tenth of the land without there was an express stipulation to that effect in the deed of cession.

In the despatch of the 14th August, 1839, the Marquis of Normanby, after pointing out to Governor Hobson the course that would have to be adopted to determine the land claims that then existed, gives the following instructions regarding the acquisition of land from the Natives: "It will be your duty to obtain, by fair and equal contracts with the Natives, the cession to the Crown of such waste land as may be progressively required for the occupation of settlers resorting to New Zealand. All such contracts should be made by yourself through the intervention of an officer expressly appointed to watch over the interests of the aborigines as their protector. The re-sales of the first purchase that may be made will provide the funds necessary for future acquisitions, and beyond the original investment of a comparatively small sum of money no other resource will be necessary for this purpose. I thus assume that the price to be paid to the Natives by the local Government will bear an exceedingly small proportion to the price for which the same land will be resold by the Government to the settlers. Nor is there any real injustice in this inequality. To the Natives or their chiefs much of the land of the country is of no actual use, and in their hands it possesses scarcely any exchangeable value. Much of it must long remain useless, even in the hands of the British Government also; but its value in exchange will be first created and then progressively increased by the introduction of capital and of settlers from this country. In the benefit of that increase the Natives themselves will gradually participate."

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Earl Grey, in his letter to the Wesleyan Missionary Committee, dated the 13th April, 1848, also expresses the same views regarding the acquisition of wilderness land for a nominal consideration. His Lordship observes: "Nor would there have been any injustice in taking advantage of the exclusive right of purchase vested in the Crown to obtain land on such terms from the Natives. The object of the Crown in acquiring the land being to turn it to the best account for the whole community, the price to be paid for it to the Natives would properly have been measured not by the value the lands they sold were capable of acquiring in the hands of civilised men, but by the amount of benefit they had themselves previously derived from that which they surrendered. It is hardly necessary to observe that, so estimated, the value of unoccupied lands would have been next

to nothing."

The most important consideration that arises in the colonisation of a country inhabited by an aboriginal race like the Maoris is how to give them an equivalent for the lands they surrender, as a payment in perishable articles cannot be considered a fair equivalent for a possession so valuable as the soil. The most equitable mode of payment, and one that could have been easily effected at the time when the purchases were made from the Natives in the southern provinces of the Middle Island, would have been to have appropriated a certain proportion of the land ceded by them as a provision for their advancement in the scale of social and political existence. This system would have been the means of securing to them a property continually increasing in value, as well as practically conferring on them the advantages it was anticipated they would receive through the occupation of their former territory by the European community.

It was to guard the Natives against the common failing of all aboriginal races—want of fore-thought, and to secure them from the dangers to which colonisation exposed them if denuded of all landed property, that the New Zealand Company invented their plan of Native reserves, as these were possessions that could not be squandered away, but as time glided on their value would progressively increase, and, in place of a barren possession which they parted with, the Natives would receive in return a property of considerable worth. By way of recompense for the moment, as well as in deference to public opinion, the company paid the Natives what was deemed, accord-