by the Government of the blocks of land known as Aorangi, Tuwhakatupua, and Horowhenua; also to a statement made to yourself by Mr. Donald Fraser, of Rangitikei, that, should the Government seek to acquire through the agency of their officer, Mr. Booth, these blocks of land, he would obstruct and thwart him, and acquire them himself.

In reply I am instructed to inform you that the Government notice with regret the threatened

opposition to the purchase of these blocks of land.

In a letter addressed to you by Mr. A. McDonald, an officer of your company, copy of which was forwarded to the Government, Mr. McDonald considers that the Tuwhakatupua and Horowhenua Blocks can now be purchased without much difficulty. You are aware that hitherto all attempts to complete the purchase of these lands have failed owing to the want of agreement among the grantees.

Instructions will be at once given to Mr. Booth to again meet the Native owners of these two

blocks of land and endeavour to come to some arrangement by which they can be acquired.

I have, &c.,

RICH. JOHN GILL, Under-Secretary.

The Secretary, Wellington and Manawatu Railway Company (Limited), to Alexander McDonald, Esq.

Dear Sir,— 5th January, 1883.

We are informed by Mr. Gill that the only difficulty in the way of the Government securing Tuwhakatupua and Horowhenua is in the subdivision of the claims of the Native owners, and that he has authorised Mr. Booth to ask them to make application for a sitting of the Land Court that such might be done.

In the case of the former, he says Mr. Booth informed him that ten of the owners are willing to sell their claims to the Government, and suggests they should be asked to do so, either together or any one of them. In the latter he says, why not ask Kemp to make a similar application, or any of the other claimants to the Horowhenua? If these applications were made, and made soon, Mr. Gill says that the whole might be purchased and settled at an early date.

What do you think of it? If you think it can be done, apply to the Natives at the first

opportunity. In whatever way you decide advise me at once.

I have, &c.,

Alexander McDonald, Esq., Awahuri.

JAS. WALLACE, Secretary.

Mr. Fox to the Chairman, Wellington and Manawatu Railway Company (Limited).

Government Offices, Wellington, 21st February, 1883.

I have been directed by Major Atkinson to inform you that, in accordance with his promise to a recent deputation of directors of the Wellington and Manawatu Railway Company (Limited), he has communicated with the Native Minister respecting the appointment of a fresh Land-purchase Agent for the Manawatu District, and that he finds it to be Mr. Bryce's intention to make such an appointment as soon as some necessary arrangements can be completed.

I have, &c., E. Fox.

J. Nathan, Esq., Chairman, &c.

REPORT of a Deputation, consisting of Messrs. Nathan, Levin, Shannon, and Johnston, who waited on the Minister of Native Affairs on Wednesday, the 2nd December, 1885, to represent the Claims of the Company to have the Deficiency of Allocated Land made up to it by the Government buying certain Native Blocks over which it held a Proclamation.

Mr. Nathan introduced the subject by explaining to the Minister that, under the 11th clause of the contract entered into with the Government to construct the Wellington-Manawatu Railway, the company had a claim for £29,805 of land to be selected out of any Native blocks which the Government might purchase within the area between the sea and the western side of the Forest Reserve during the period of five years from the date of the contract. That, although frequent application had been made to the previous Government to use diligence in acquiring Native lands for that purpose, no land had been purchased; but in some instances the Proclamation over the blocks had been revoked, and private individuals allowed to take them up.

Mr. Nathan then urged the Minister, as the time referred to in the clause was fast closing, to see whether steps should not be immediately taken to buy such lands within the allocative area as was still under proclamation, so that the company might be dealt with as it was fairly entitled to. He claimed also that this was due to the company for the faithful and honourable way in which they had so far fulfilled their part of the contract by the rapid construction of the railway, and contribut-

ing to the prosperity and happiness of the people by a large expenditure in the district.

Mr. Nathan also claimed that the Government should assist in making good the full endowment of lands, because the company, in seeking to raise the capital they had expended, had held out to buyers of the debentures in London the value, amongst other securities, of this claim under the 11th clause. He said that inferentially the Government were in honour bound to assist the company to maintain their representations, as these were made in good faith that their claim would be recognised in due time.

Mr. Ballance, in reply, said that, as he read the 11th clause of the contract, there was no obligation on the part of the Government to use diligence in acquiring Native lands within the time named. To his mind it seemed that, if in regular course any lands should be bought within the time, the company should have the power to claim the right of selection. Nor did he think it was the present duty of the Government to acquire and allow what lands were under proclamation in the district to fall into the hands of the company, the more especially as his policy in dealing with the lands for the people was very different from that of the company.