

the proprietors of the southern part of the block to be distributed at Otago—a place more central to the whole than Akaroa.

The schooner "Harlequin" arriving on the 13th January rendered it unnecessary to carry out the first part of the above arrangement, as I learned from the master that the money was to have been brought by him. On the 17th I had the honour to receive your letters announcing the issue of £500 to the Sub-Treasurer at Akaroa, and I was informed by him of its safe arrival.

I immediately sent off an express to summon the Natives, and on the 20th sufficient were assembled to discuss and settle sundry disputed claims to land in the southern portion of the block. Having fixed Monday the 22nd for hearing what the Kaiapoi Natives might wish to say, and the evening of the same day for the payments, I early on that day reopened the business. The Ngaituhauriri (Kaiapoi), headed by John Tikao, behaved with their usual insolence. At this I was not surprised, having always found it the case with Natives among whom there is any considerable proportion of returned slaves. I took an early opportunity of informing them that, in justice to the other claimants, and in obedience to my instructions to make what I might deem a fair and just division of the money, I could not allot to them so disproportionately large a share as they, taking advantage of the Commissioner's ignorance of the comparative extent of their claims, had secured at the last distribution. On their requesting the information, I told them I had fixed the amount for them at £70, and that for Te Taumutu at £60. On this they indulged in a series of most excited speeches, urged on by their ringleader, John Tikao, aided by a war speech from Taiaroa, in which he called on them not to mind Queen or Governor, but, like the northern Natives, to fight for the land. Immediately after he came to me in private and begged me to attach no importance to what he had said, and offered, if I would add £40 to the £60 for Taumutu, to make the whole affair run smoothly.

I should state here that I had, immediately on my arrival, secured the cordial assistance of the Resident Magistrate to prevent the sale of intoxicating liquor to the Natives. I have been credibly informed that after the last distribution there were at one publichouse two men constantly employed from morning till night in serving the Natives with spirits. Had the Natives now had the free use of ardent liquor the consequences might have been deplorable.

Finding that the Kaiapoi Natives insisted on claiming the same amount as they had received from Mr. Kemp (£250) I proposed to distribute the payment to the representatives of other places, but was immediately told by Tikao, Te Uki, Kaokao, and the rest, that if I did so they would attack the southern Natives. The next day the latter, one after another, came forward and requested me to give them the amount due to them; but, as the turbulent part remained in the same resolve as the day before, and it was very clear that a disturbance must ensue if I persisted in making a partial payment, I abandoned the idea, and in the afternoon arranged with the well-disposed men that they should remain at Akaroa until the Lieutenant-Governor's decision on the question should be known, while I, taking with me John Topi of the southern, and Matiaha Tiramorehu of the northern Natives, would at once set out for Wellington.

Before leaving I requested the Resident Magistrate to supply provisions to the Natives who had accompanied me from Otago, pointing out the necessity of a second supply should an unexpected long interval occur before the receipt of His Excellency's decision.

The next morning (24th January) I left Akaroa and reached Pigeon Bay. Here a north-east gale detained us the rest of the day, as my intention was, if possible, to overtake the cutter "Fly," which I could not hope to do by land. A southerly gale having sprung up in the night, we embarked next morning in a whale-boat, and, after a rapid though dangerous run, came up with the "Fly" at the heads of Port Cooper, under weigh for Wellington. Mr. Fox, the principal agent of the New Zealand Company, having politely consented to receive us on board, we embarked, and reached Wellington on Saturday morning, the 27th January ultimo, when I had the honour, through the Private Secretary, of reporting my return. Had I awaited at Akaroa the opportunity of returning I might have been detained more than two months.

I enclose for more easy reference a tabular arrangement of the population, reserves, and payments, which I hope will be found sufficiently clear.

I must, in accordance with my promise to the Natives, prefer their request that the June and December instalments be paid together in December next. According to the present arrangement, the sum for division is so small that no individual can hope by fair means to obtain sufficient to invest in any way likely to be of permanent use to him. I would also strongly recommend that Mr. Commissioner Kemp's proposition to pay part of each instalment in Otago and part in Akaroa be carried out, from Timaru northward at the latter, and from the same place southward at the former.

My confidence in the justice of my proposed partition of the instalments is unshaken by the dishonest clamour of Tikao and the Ngaituhauriri, and I cannot conscientiously recommend any deviation from it; nay more, I am convinced that such deviation would tend to render inevitable those disturbances which, should my decision appear just to His Excellency the Lieutenant-Governor, a firm support of it would render impossible.

I transmit herewith certain letters intrusted to me, and belonging to the department of the Private Secretary. I would request you to do me the honour of returning them to the proper office.

My mission is now ended; but, in submitting to the Lieutenant-Governor this account of my fulfilment of the duty intrusted to me, I would beg you to express to His Excellency my thanks for this honour conferred upon me by the appointment, and my high sense of the confidence reposed in me; and I cannot conclude without adverting to the untiring zeal and unwearied energy of the surveyor who accompanied the expedition, my late fellow-traveller Mr. Wills; and I would beg to be permitted to record here my thanks to that gentleman for the cordial support and valuable assistance which I have invariably received from him through all the difficulties and privations which we encountered.

I have, &c.,

The Hon. the Colonial Secretary.

WALTER MANTELL,
Commissioner for Extinguishing Native Claims.