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to vast tracts, the larger portion of which had probably never even been seen, and certainly never been made use of by them; and that he repeatedly and distinctly enunciated to you that it was only the rights or titles of the Natives to the extent these might be found to exist in the tract of country referred to which were to be purchased; and yet in the translation of the deed of sale you have, His Excellency observes, apparently recognised Native rights over "the whole of the lands situated on the line of coast commencing at Kaiapoi recently sold by the Ngatitoas and the boundary of the Nelson Block, continuing from thence until it reaches the range of mountains called 'Kaihiku,' and from thence in a straight line until it terminates in a point on the West Coast called 'Whakatipu Waitai,' or Milford Haven. The boundaries and size of the land sold are more particularly described in the map which has been made of the same," without explaining why you have been led to make so important a deviation from your instructions.

In the next place, I am directed to observe that your instructions informed you that "it would be your duty to reserve to the Natives ample portions of land for their present and prospective wants, and then, after the boundaries of these reserves have been marked, to purchase from the Natives their right to the whole of the remainder of their claims to land in the Middle Island;" and yet, in referring to the map, or to the deed of sale, His Excellency cannot see a single Native reserve indicated or defined, but instead is inserted a clause specifying that all their "places of residence and plantations are to be left for their own use, and for the use of their children, and for those who follow after them," besides certain other additional reserves which are to be made by the Government when the land shall be properly surveyed hereafter; an arrangement, His Excellency observes, as indefinite and unsatisfactory as could well have been proposed, being, in fact, the very one which for so many years precluded the New Zealand Company from accepting a Crown grant for any one of their purchases, and which was during that time a source of the greatest anxiety, difficulty, and expense to the Government. It was, the Lieutenant-Governor directs me to state, your duty, in compliance with your instructions, to have had all the necessary reserves plainly marked on the ground and indicated to the Natives before any purchase was effected. It was for this purpose that the New Zealand Company placed one of their surveyors at your disposal to make

the requisite surveys.

I am directed to add, further, that in the latter part of your instructions you were distinctly told that, although through the kindness of the commander of H.M.S. "Fly" that vessel would be detained any reasonable time to enable you to return in her after fulfilling you mission, yet that "should you find it would require a longer time than she could thus wait to complete the marking of the Native reserves the Lieutenant-Governor would, upon being informed to that effect, take other means for sending for you about the time you might consider your labours likely to terminate.' Another clause of your instructions directed that, in the event of any arrangement being concluded, the payment to be made to the Natives must be an annual one, and be spread over a period of four or five years as the only means of removing the possibility of the occurrence of any further disputes or difficulties regarding Native claims to land in that part of the Middle Island; and yet, although one-fourth of the whole sum agreed upon as purchase-money in the bargain made by yourself with the Natives has been paid as a first instalment, no mention is made, either in the deed of sale or in your report, of the periods when the other instalments are to become due. You inform the Lieutenant-Governor that you will report further to him on this subject, yet His Excellency directs me to observe that he cannot do other than regard it as both unusual and unsatisfactory that the whole of the conditions of the sale have not been fully and clearly embodied in the deed itself. A further still more extraordinary and not unimportant error into which His Excellency observes you have been led in preparing the deed of sale for the Natives to execute is that you have made the deed of bargain and sale to run as between the Natives and the New Zealand Company, or their agent, instead of as between the Natives and the Crown, in which latter necessarily vest all lands alienated from the Natives, and under which alone any title can be derived. These are facts so well known, and have so often in New Zealand been forced upon the public attention, that His Excellency could not suppose you ignorant of them, and certainly did not conceive it necessary to give you particular instructions on the points. Moreover, you were sent as the Commissioner of the Crown, and to act solely on its behalf; and His Excellency further adds that you had also but a short time previous to your departure been engaged in assisting at a similar purchase of land at Taranaki, in which the New Zealand Company were equally interested, but in which the only parties to the deed were the Crown and the Natives; in addition to all which you were instructed prior to your departure to see the Crown Solicitor, and to obtain from him the proper form of conveyance to be used in any purchase which might be effected, and, in consequence of your not having done so, the mistake, His Excellency observes, may probably entail upon the Government the necessity of sending down a Commissioner to have another deed of sale executed in a proper form. In the present instance, also, upon looking over the deed of sale, His Excellency finds no mention made of, or no reservation specified for, the French district at Akaroa as being excepted from the block now purchased, although you must be aware that the British Government have recognised the claims of that company as just and valid. It is true that on the map accompanying the deed a certain indefinite portion of country is coloured green, and referred to by a note on the map itself as being that "acknowledged by the Natives as having been sold to the French," but His Excellency thinks it was due to the national character to have alluded to the circumstances in the body of the deed, that no apprehensions might arise in the minds of the Natives as to the object or character of the new transaction. There were also other lands situate within the limits of the purchase in regard to which claims by individuals have been recognised as valid, but which are equally unmentioned in the present deed.

His Excellency goes on to add that as you have not defined the extents, so neither have you