

of reserving the "tenths" for the Natives having devolved on the Crown, such duty ought to have been performed.

It has been previously pointed out in my report of the 5th May, 1887, the minimum quantity the Natives were entitled to on account of the "tenths" was 14,600 acres, and I beg to recommend that not less than this quantity be reserved.

What appears to be a most singular circumstance associated with the omission to set apart the "tenths" for the Natives in the Otakou Block is that Governor Fitzroy was fully alive to the importance of making such reserves, and in both of his Proclamations dated respectively the 26th March, 1844, and the 10th October, 1844, waiving the Crown's right of pre-emption, it was stipulated that one-tenth of the land, of fair average value as to position and quality, was to be conveyed by the purchaser to Her Majesty for public purposes, *especially the future benefit of the Natives*; and in a memorandum on the sale of land in New Zealand by the aboriginals, about the same date, the importance of setting apart reserves for the Natives is alluded to as follows: "*With respect to the interest of their descendants they are indifferent, and require the provision of at least a tenth of all lands sold, besides extensive reserves in addition.*"

In the despatch dated 10th December, 1844, covering the correspondence relative to the purchase of the Otakou Block, Governor Fitzroy points out the desirability of purchasing the remainder of the tract of country there known as New Munster, and securing *ample reserves* for the Natives.

At the date the Otakou Block was sold the Native residents numbered about two hundred, but no action was taken by the authorities to see that a suitable provision was made for them in land, either in the shape of tenths or within the meaning of either of the aforesaid terms, "extensive reserves in addition to the tenths" as indicated in the Governor's memorandum, or ample reserves alluded to in his despatch,

A further proof of the importance the Imperial authorities attached to the reserves for Native purposes originally formulated by the New Zealand Company will be found in the following extract from a despatch addressed by the Right Hon. W. E. Gladstone to Lieut.-Governor Grey under date the 31st January, 1846, relative to the establishment of a system of local self-government for New Zealand.

"There is, however, one important limitation which Her Majesty's Government, as at present advised, think it necessary to impose upon the principle of local self-government in its application to New Zealand. . . . I advert to the necessity for a due caution in the regulation of the relations of the colony with the aborigines, and of a due vigilance in the maintenance of their just rights. I conceive it to be an undoubted maxim that the Crown should stand in all matters between the colonists and the Natives; and the reasons which recommend to my mind any arrangements for securing to the former the control of the concerns and of the members of their own community by no means carry the same presumptive weight if it be attempted to extend them to the support of the proposition that the authority so conceded to them should cover the whole territory of New Zealand, and all persons alike who inhabit it. . . . How this course may be kept free from practical difficulties by assigning local limits to the exercise of municipal or other representative authority; how to prevent the very injurious consequences which might arise from a separation too sharply defined, in perpetuating jealousy between the races, and in discouraging the incorporation of the less with the more advanced; *how to preserve a full scope for the operation of the plan of Native reserves, which, if it can and shall be executed according to its spirit, well deserves, in my judgment, the commendation it has received from a parliamentary Committee*: these are among the problems for the solution of which I expect to derive the most material aid from the free communication of your views."

In reply to the fourth question, "What land is at once available and suitable for the purpose?"

The only land available adjacent to the Otago Block is situated along the seaboard and consists of the unsold Crown lands between Catlin's River and the Waikawa River.

According to the reports furnished by Mr. Strauchan in 1885-86, and published in the parliamentary papers C.-1A, 1885 and 1886, the land in the Taupuku and Tautuku Valleys appears to be of fair quality, especially in the Taupuku Valley. This locality is also known to the elder Natives, who also describe it as containing fair land.

The accompanying map indicates the land at present available in the localities alluded to.

In addition to the schedules already referred to, I have also the honour to forward herewith for you Excellency's information, the minutes of evidence taken at the inquiry.

All these particulars are humbly submitted for your Excellency's consideration.

Signed and sealed at Wellington, this ninth day of July, 1891.

(L.S.) A. MACKAY.