In lieu, however of these reservations so much demanded by the Natives, and which would materially interfere with the laying off a town, I proposed to Tareha that he, as the principal Chief, on relinquishing all claims to such spots, should have a town section granted to him in any place he might select on the North Spit of the Harbour, which he has agreed to accept, and I hope that His Excellency will approve of this arrangement: I also informed the Chiefs that His Excellency had instructed public reservations to be made, which would most probably include a site for a church, hospital, market-ground, and landing place for their canoes, and that every facility would be afforded them of re-purchasing land from the Government.

The various questions of boundaries, Native reserves, price of land, and other details, had been so frequently and fully discussed, and all other arrangements and conditions inserted in the deeds of sale were easily understood, and their importance as binding treaties fully comprehended and readily subscribed to by the great majority of the claimants, whose conduct at the several meetings was marked with the utmost regularity and propriety.

Copies of the original deeds, with plans attached are being prepared to forward to Te Hapuku and other principal Chiefs of the Ahuriri district; and it will be observed that a clause has been inserted in both Te Hapuku's and the Ahuriri deeds, securing to the Governor of New Zealand, a right, at any time he wishes to exercise it, of forming public roads through all the lands that have been reserved for the Natives.

I need not allude to the various advantages of these purchases further than to state that they secure to the Government and the colonists a permanent interest in the most valuable and extensive grazing and agricultural districts in the North Island of New Zealand; the best—indeed I may say the only comparatively safe Harbour from the Port of Wellington to the 37th degree of latitude on the North-East Coast of the Island; the best position for forming a township, from having, in contra-distinction to other settlements, a large extent of back country to support it; the most eligible situation to occupy for preventing smuggling, overlooking the sperm fisheries on the East Coast, and for controlling the reckless characters and runaways who have been in the habit of sheltering themselves at Hawke's Bay, and who with the Natives, sometimes influenced by their example, are beginning to feel the salutary effect of having English law administered at these distant places.

Before I left Ahuriri, settlers were arriving with their flocks and herds on the interior plains, which are covered with peculiarly fine grasses for sheep grazing. Mr. Park has made considerable progress in laying off a town at the Ahuriri Harbour; and subject to His Excellency the Governor-in-Chief's approval, I have made preliminary arrangements, which I shall submit in a few days, for the purchase of additional tracts of country, extending from Hawke's Bay to Wairarapa.

I have, &c.,

DONALD McLean, Land Commissioner.

The Hon. the Colonial Secretary, Wellington.

51. The following points from the correspondence are worthy of note:—

In Park's letter of 7th June, 1851, he refers to "the harbour, consisting of a large sheet of water . . ."

In Mr. McLean's letter of the 9th July, 1851, he savs—

The Ahuriri Block of $300,\!000$ acres, including the harbour, was valued by Mr. Park and myself . . .

Both these letters were written before the deed was signed and represent at the most what was hoped for under a tentative arrangement in course of being made between the parties.

52. In Mr. McLean's letter of the 19th November, 1851, written two days after arrangements were completed and the deed was actually signed, he reported that—

On the 17th instant, the deed of sale was signed and the first instalment of £1000 for the district and harbour of Ahuriri was handed over to the claimants.