

300 acres down at £3 per acre. It was probably less valuable per acre than the original reserve, and more valuable per acre than the substituted reserve. We then have this result :—

625 acres of original reserve taken	...	...	£	3,470
Less—705 acres (less 75 acres still in original reserve) of substitute reserve = 630 acres at £2	...	...	£	
per acre	...	...		1,260
300 acres compensatory reserve at £3 per acre	...	...	900	2,160
				£1,310

To this extent, then, it appears to us, the settlement was not just to the Natives; and this, to our minds, represents the loss the Natives made at the time by having the position of the reserve changed against their will. Probably at that date they would have taken less, and been satisfied, as the future values were then unknown. If our figures are correct they are, in addition, entitled to simple interest at the rate of £5 per cent., which since 1876, when the land was taken, totals forty-four years. The Native owners of the original reserve are therefore entitled, for their forced deprivation, to the following compensation: Loss sustained by Natives, £1,310; forty-four years' interest at £5 per cent., £2,882: total, £4,192.

In addition to their actual loss, the Natives also have been put to considerable expense in endeavouring to have the wrong righted. It is not possible to allow all such expense, but we think that they are entitled to some allowance, which we fix at 10 per cent. on the principal they were entitled to, or a sum of £131. This, then, makes the total compensation payable £4,323, and we therefore recommend Your Excellency accordingly.

As some of the original grantees are dead, and there may be disputes as to the present persons entitled should any compensation become payable in respect of the matter, the Native Land Court should be authorized to settle the list of beneficiaries and their respective interests.

WHAKATOHEA CONFISCATION.

This is a complaint from the Whakatohea Native Tribe, who belonged to Opotiki. They say that when their lands were confiscated in 1866, for the murder of the Rev. Mr. Volkner on the 2nd March, 1865, they were unduly punished by the deprivation of so much of their lands.

The facts which led up to the confiscation were shortly as follows: The people of the place had sympathized with the Natives engaged in the Waikato War, and some of them had taken part in that war. When the wave of Hauhau fanaticism passed over the Native race it is said that no spot was more prepared to receive it than Opotiki. "Their cultivations," it was said, "had been neglected, and a low fever caused by lack of food had carried off more than one hundred and fifty persons." It was in these circumstances that Rev. Mr. Volkner, who was not altogether in favour among the Natives, and despite warnings, resolved to leave Auckland and to revisit them, carrying with him wine and quinine, though he considered it doubtful whether they would take such things from his hands. Meantime, towards the end of February, 1865, the Hauhau apostles under Kereopa and Patara arrived from Taranaki and Taupo, carrying with them the head of Captain Lloyd. At Whakatane they expressed their intention of giving Mr. Volkner orders to leave, and if he refused he would be killed. The Hauhaus arrived at Opotiki about the 28th February, 1865, and Mr. Volkner about the 1st March; and on the 2nd March he was, after what may be termed a mock trial, murdered under most revolting circumstances. The actual murder was committed, it is said, by Kereopa, but there is no doubt others, partially influenced by the frenzy of their new religion, were concerned in it. Three of the perpetrators were sentenced to death in March, 1866, and another suffered imprisonment; and Kereopa himself was tried, convicted, and hanged in 1871, and died acknowledging the justice of his sentence.