soon as the survey of the district shall take place. By a reference to the map accompanying the deed of sale His Excellency will perceive that, while there are several Native settlements upon the line of coast between Akaroa and Otago, the inhabitants are but small in number, and, as they are widely scattered, I saw there would be great difficulty in inducing them to concentrate into one or even two blocks. In the event, therefore, of its being decided upon by the Government that they should have blocks reserved adjoining each of the settlements, I think there would be then but little obstacle, and little or no interference with the interests of the Company, in the division and survey of the district. At each of the Native settlements marked on the map the number of the inhabitants is also given, which may serve hereafter for a guide as to the quantity of land it may be thought desirable to set apart for their use, a matter which I believe may be easily and finally settled as the surveys of the coast-line progress."

There can be little doubt that Mr. Kemp was dealing with the Natives, as he supposed, on behalf of the Company, and that any title the Company could actually get would only be through the Crown; and the reference to the Government and the Company, in our opinion, shows that he must have believed, and led the Natives to believe, that the Governor, who was looked upon as the protector of the Natives, before issuing any title would see that those reserves were laid out. Governor Sir George Grey himself had laid down the policy of the Government, protecting the Natives, in a despatch to the Home Office two years before: "It will be found necessary in all instances to secure to the Natives, in addition to any reserves made for them by the New Zealand Company, their cultivations, as well as convenient blocks of land for the purpose of such future cultivation, in such localities as they may select for themselves" (14th September, 1846). Lieutenant-Governor Eyre's instructions to Mr. Mantell say: "It is our duty to see that proper and adequate reserves are set apart for them out of all lands sold."

1888, I.-8, p. 15.

Although the question of reserves was left uncertain with the best of intentions, it is out of this uncertainty that subsequent trouble arose.

1888, I.-8, p. 10. On the 21st June, 1848, Lieutenant-Governor Eyre (through Mr. Gisborne) acknowledges Mr. Kemp's report of the 19th June, 1848, and expresses strong disapproval of what he considers Mr. Kemp's departure from his written and verbal instructions, viz:—

(1.) He had included more than the residential portions, and had thereby acknowledged the Natives' title to large tracts of unoccupied country.

(2.) That he was told to lay out reserves before the deed was signed. Not a single reserve was defined on the map or deed, 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 other additional reserves which are to be made by the Governor, 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 Govern-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. for this purpose the New Zealand Company placed one of their surveyors at your disposal to make the requisite surveys."

(3.) The deed was executed to the Company, or their agent, instead of to the Crown. He is reminded that in the Taranaki purchase, where the New Zealand Company was similarly interested, the

parties were the Natives and the Crown.