these reserves I have in several instances succeeded in letting to advantage to the neighbouring runholders; the Natives holding a right of occupation for agricultural pursuits of any portions they preferred. I have lately found that the rents being frequently monopolised by a few to the prejudice of the others, though the arrangement made was agreed to by all at the time, has been a fruitful source of trouble and dispute.

Nearly the whole of the lands still owned by the Maories are let to Europeans and produce a much larger rental per annum than they would if owned by the Government, these rents are generally

received by those who did not join in or receive any benefit from the land sales of 1853 and 1854.

The approximate area of the Wairarapa District within the boundaries shewn on the plan is 1,200,000 acres, of which 957,864 acres have been alienated by the Maories to the Crown. to the extent of 20,224 acres have been made out of the alienated lands for their use and benefit. 40,480 acres are still under negotiation, small advances on account having being made on them. 187,856 acres are still in their hands and at their absolute disposal.

The quantity of land the purchase of which is still incomplete is large, the delay in its completion may be explained by the demands on it being so exorbitant, by their being so disputed as regards ownership, by the monopoly in some instances of the lion's share by a few only of those interested, and by the difficulty I find in assembling together the different claimants; all these difficulties considered, I have thought it the most judicious course to adopt, to at least delay the completion until the pay-

ments required were more moderate and within the limit of my instructions.

A rather important question requiring consideration is the 5 per cents. due to the Maories on the lands sold by the Government in certain blocks only; there is much excitement among them on this subject, and they have repeatedly demanded that the money so due should be paid to them, it appears that the undertaking as expressed in the deeds of sale, is that 5 per cent. of the whole sum received by the Government on account of land, should be laid out either in building Churches, Schools, Mills, or in some other way for their advantage. I would, therefore, most respectfully recommend that steps should be taken to settle this question. In the lower part of the valley, the Natives interested are unanimous in wishing that the monies due to them on the 5 per cents should be expended in the erection of a mill, this I would recommend should be carried out, as it would be an encouragement for at least some time for them to carry on more industrial pursuits than they have lately been engaged in.

One of the principle assumed causes of discontent in this District is an attempt made by me (in conversational argument only) to induce Rawiri Piharau to remove from the land on which he is at present illegally settled, it having being bought from the Government by Europeans. It appears that when the block of land was sold on which the township of Featherston is situated, a reserve of 100 acres was guaranteed to Rawiri Piharau at a place called Motupiri on the Tauherenikau River, nearly three miles distant from the Torohangs, the spot on which he is now illegally located. The land now pointed out by the Natives as Motupiri was sold in 1854, by the then Waste Lands Commissioner to a settler named Vennell who has built a house on it with other considerable improvements, without noticing in any way Rawiri's claim, which the Natives say was brought forward before any improve-

ments were made and frequently since.

Both on my arrival here and since, this question has been a trouble to me; urged on the one hand by the Europeans to give them possession of the lands illegally occupiedby Rawiri, on the other to confirm him in possession of his holding or to give him his land at Motupiri, it has not been in my power to comply with the request of either. I could not give Rawiri land bought by Europeans though forcibly held by himself, nor could I give him a portion of Mr. Vennell's land which he holds have the Court but I represented to him that his illegally withhelding of European's land at by grant from the Crown, but I represented to him that his illegal withholding of European's land at the Torohanga would not be tolerated by the Government, and that he must remove, offering him land elsewhere; this was refused by him, I then made an attempt to purchase for Rawiri the land on which he is living, this I was in hopes to have succeeded in, but subsequently failed by the interposition of others; subsequently, I, in compliance with your instructions, informed Rawiri, who in the meantime had been joined by several other Natives from the Upper Hutt and Whanganui, that in order to remove a cause of trouble and ill-feeling between the Europeans and Natives, I would put him in possession of one hundred acres of land at Tauherenikau which I had surveyed for him at the time, and also pay him a sum of £100, if he would remove off the Torohanga land, when his crops were ripe and removable, this also he declined, saying that unless Te Manihera told him to remove he would not do so. I then saw Te Manihera who declined asking Rawiri to remove unless he were put in possession of the land at Mr. Vennell's homestead. In January last I had another meeting on this subject, when the whole of the Natives interested were present, and I was then informed that the only terms on which they would allow Rawiri to give up possession of the land, was, one hundred and fifty acres of land elsewhere and a sum of four hundred pounds as compensation for resigning his claim to the land held by Mr. Vennell. As I could not comply with the terms, I informed the Natives so, and this most vexatious question still remains in statu quo, and as a grievance on which the Natives ground all their complaints.

In conclusion, I deny that the feeling of the Natives with respect to Land Purchases, except

through their own mutual jealousies, is bad,

A few, principally those with small or doubtful claims, are now headed by Te Manihera, a Chief of some influence, to oppose any further alienation of land to the Crown. Another more friendly party exclaim loudly against the delay in the purchase of their lands, the cause I have already explained. Furthermore, is it not preferable that they should rather bare a complaint of non-purchase or non-completion of purchase, than that those feelings of amity which have so long existed and still exist in this District between the two races should be endangered.

WILLIAM N. SEARANCKE, District Commissioner