

17. I propose, therefore, to adopt a system which would ensure such advantages to the Natives as might induce them to sell their lands more freely to the Crown, and not to permit the settlement of Europeans in isolated spots, nor until a block of land had been acquired sufficient in extent for a plantation strong enough to support itself.

18. For this purpose I suggest that the Governor in Council (nominated by the Crown) should take steps to explain to the Maories that whenever they choose to dispose of their lands to the Crown, provision will be made for them upon a regular system, viz., that after survey, a fixed portion, say two-tenths, of the land should be set apart and re-conveyed to the owners under Crown Grant, (for the details of which see enclosure No. 2), and another portion, say one-tenth, should be retained as a reserve for public purposes exclusively for the use of the Maories; that when a sufficient extent of land suitable for the purpose had been acquired (not less than 30,000 acres) and all the conditions of purchase fulfilled) including any works the performance of which may have formed part of the conditions, the remainder should be transferred to the local Government for settlement in the usual manner as at present.

The receipts arising from the sale of these lands to be appropriated, first, towards defraying all loans and expenses incident to the acquisition of the land and its preparation for settlement, the remainder to be divided into fixed portions, one of which should be applied for the use of Schools and other matters affecting the moral and social improvement of the Maori Race in the locality from whence it is derived.

19. I now turn to another part of the subject. By reference to the map your Grace will perceive that certain portions of the Northern Island are so spotted by Europeans, that it would be very difficult to introduce any plan of settlement applicable to all parts of the Island. In certain districts, therefore, the main object should be—

First, to secure to individuals of the Native race, under Crown Title, a sufficient extent of land, and to render it inalienable except by consent of the Governor in Council, and, where such a course appears necessary, to clothe well ascertained Native Title with a Crown Title, which shall be alienable in the usual manner.

Second, To set apart such general reserves as are necessary for religion, education, and public purposes.

Third, To provide for the settlement of disputes arising from the devolution of intestate estates on descendants or collateral heirs.

20. Having made these provisions for the well-being of the Aborigines, I think it would be desirable to facilitate the acquisition of lands by Europeans in every way which can be safely adopted. Whenever an European indicates a portion of land which the Natives are willing to sell to him, the Governor should, at his instance, endeavour to extinguish the Native Title on the following conditions:—That all land so acquired shall be sold by public auction at an upset price to be fixed by the Governor, being at not less than five shillings per acre, *plus* the cost of survey, the purchaser to pay, say 10 per cent. to the Government on receiving a Crown Grant; that the applicant shall give security that he will pay all expenses of surveys. &c., &c., and purchase the quantity agreed on upon the terms specified, provided no higher price is offered for it at auction; that for the better performance of these acts, the Governor in Council (nominated by the Crown) should draw up a code of regulations, to be submitted from time to time for the approval of Her Majesty's Government.

21. In both these plans it will be absolutely necessary that some fixed portion of the revenue raised from the sale of Native lands, and also a portion (say one-tenth) of the land ceded should be reserved for the moral, social, and religious improvement of the Maories; for it is not to be supposed that the Assembly will always continue to make grants for Native purposes; nor even now are the grants (though very liberal when considered as grants) nearly sufficient for the proper administration of justice, the maintenance of hospitals, education, and other matters which must not be neglected if the civilization of the Maori youth is to be really advanced.

22. At present you will perceive that the Government has no power to issue Crown Grants, or to provide for the future welfare of the Natives, except by making general reserves, which necessarily come under the operation of "The Native Reserves Act," and this Act has failed to give satisfaction to the Natives for whose benefit it was specially intended.

23. These are the outlines of the two schemes which I venture to submit to your Grace's consideration—not as a panacea for all evils, or as what will entirely satisfy the discontented, but as being in themselves systematic, and an improvement upon the system now in operation.

24. In order to enable you to form a more correct judgment on the subject, I have collected the various and opposite opinion of influential persons best acquainted with Native Affairs.

A. contains the opinion of my able predecessor on the necessity of Crown Grants; a letter from the Native Secretary showing particular cases in which they are required; and a Report of a Committee (assembled in 1856) and printed by Order of the House of Representatives, referring especially to this subject.

B. contains the draft of a Bill prepared by Mr. Sewell, who retired from the Executive Council before he had completed it, and which I consequently submitted for the consideration of my Responsible Advisers.

C. is the opinion of my Advisers on that plan.

No. 2.

T. H. Smith, Assistant
Native Secretary
20th September, 1859

A—No. 1.

Sir G. Grey to Earl G

A—No. 2.

D. McLean,
18th July, 1859.

A—No. 3.

Report—9th July, 1859

B.

Draft of Bill by
Sewell.

C.

Remarks by Minister
19th August, 1859