occupied by the Ngatiawa tribe; The admissions by Taylor, that there were other claims besides his own in the block; That he had never intended to sell the sites of the villages which the natives had for twelve years occupied; and That it had been agreed, that there was to be a native reserve of two

hundred acres within the block of land purported to be sold to the Government.

The Governor has ascertained from other sources, that there is great reason to believe that it had been arranged that a block of land was to be reserved round the site of the villages on the Waitara, that, therefore, Taylor's complaint, that nothing has yet been settled about this reserve, is a complaint which should immediately be attended to, especially as it now appears he has never yet been paid for the land. There is also nothing to show that the Government, in its anxiety to form a township at the mouth of the Waitara, was justified, or could legally, without the wishes of the occupants of the native villages being consulted, determine to change such a reserve into town sections with water-frontage.

The Governor would recommend, under this altered view of the case, that the Government should without delay have a Reserve of two hundred acres made round the native villages, and publicly and clearly renounce all right and title, direct or indirect, to such land. He would be the more inclined to adopt this course, because the new facts now disclosed, since he wrote his memorandum of the 12th instant, render it more difficult than ever, in his opinion, for the Government to attempt to insist that the purchase of the block of land at the Waitara was a proper purchase to be maintained at all risks.

New Plymouth, 19th April, 1863.

G. GREY.

Enclosure 7 in Despatch No. 1.

MINUTE ADDRESSED TO HIS EXCELLENCY BY MINISTERS AS TO PROPOSED RESERVE AT WAITARA AND AS TO CONCLUDING THE INVESTIGATION.

Ministers beg leave to submit the following observations upon the Governor's Minutes of the 12th and 19th inst.

Into the broad question raised by His Excellency in the minute of the 12th instant, whether the Government were justified originally in making the Waitara purchase from Te Teira and in taking Military possession of the land, Ministers do not think it incumbent upon them to enter. That is one of the issues which would have to be determined by the investigation which it has been decided should take place into the whole subject. Another issue would be whether William King, as one of Her Majesty's subjects, was justified in resorting to arms to prevent the survey of land in dispute, or to maintain his pretension to prohibit any further alienation of territory to the crown. Nevertheless Ministers would not consider it just to omit some remark upon that part of the Governor's Minute which refers to the Natives having occupied the land in peace and happiness for years, and not being accused of any crime against the Queen or Her laws. No one who lived in New Zealand at the time, can forget that for more than five years before the purchase from Te Teira, the Natives had been waging an incessant warfare among themselves; destroying each others pas, ravaging each others cultivations, and endangering the lives of the settlers; defying interference by the Government, and rejecting every effort at mediation; resisting even the personal entreaties of the Bishop of New Zealand, that they should cease the shedding of blood; and living in a state of hostility and misery alike fatal to themselves and disastrous to the English settlement.

But the statements made by Te Teira and Ihaia to the Native Minister and detailed in his minute to the Governor of the 17th inst. shew, apparently beyond dispute, that the pas Hurirapa, Werohia, and Kuhikuhi, had been built upon a site, within the block offered for sale by Te Teira, selected for that purpose at the time of the Ngatiawa migration from the South; and occupied, by general agreement, by a large number of those Natives as the safest position for the tribe. That these persons were resident in the pas at the time of the sale; and that there had been an agreement of some kind as to a reserve, the extent and position of which were never settled, but which Teira at the time of the offer appears

to have expected would include the pas in question.

These facts appear to have been overlooked throughout the discussions on the Waitara purchase, in consequence of the larger question as to William King's alleged seignorial right, and the over-riding Tribal right to the whole Ngatiawa territory. It is difficult to conceive that if these facts had come clearly out at the time of the sale, the practice universally followed, as far as Ministers are aware, in all purchases of land in New Zealand from the foundation of the colony, viz.: That of reserving the pas of resident Natives, together with their cultivations and burial places, would not have been adhered to in the present instance.

Ministers therefore concur with the Governor in the opinion that the question of the Reserve should be immediately settled; and that accordingly a Block of 200 acres around the native villages, as proposed by His Excellency should at once be set apart by Proclamation as such Reserve, to be held either by the tribe in common, or under separate Grants as they should themselves prefer; the residue of the block sold by Te Teira being left subject to the investigation as before.

ALFRED DOMETT.