

General Government as may arise out of the fact that the Ministry of the day, in its generosity, agreed to recognize the war claims of individuals to the amount determined by Mr. Beckham's inquiries. The obligation thus voluntarily assumed, the General Government undertook to discharge as soon as the proceeds of the sale of confiscated lands at their disposal would enable them to do it. But this undertaking is not, as yet, binding on the Colony at large. There is no legislative enactment under which these claims could be paid at the Colonial Treasury, or scrip received in payment for land; and certainly no moral obligation on the General Government to do more than it promised to do. Its engagement was to pay the principal in cash or in land, and no more.

In respect of the claim for interest, it is clear that the General Government has never admitted it, or in any way held out prospects that interest would be granted by the Legislature; and it is unlikely that the gentlemen who were speculating in these awards were ignorant of the refusal of the General Government to entertain the proposal of his Honor the Superintendent of the Province of Auckland, that the certificates should carry interest. The fact that they sold at prices varying from 7s. to 10s. in the pound is sufficient proof that those who sold were under no misapprehension on this point. Securities of the General Government known to bear interest at 6 per cent. would sell nearly at par. I offer no opinion as to the hardship or otherwise of the refusal to allow interest; but if injustice has been inflicted, it is the original holders of the awards who are the sufferers, and not the speculators who bought up the certificates at low rates. The latter are entitled to land scrip, or to full payment of the awards, however low the price at which they succeeded in purchasing them, but they are entitled to no more.

I forward herewith a memorandum by Mr. Boardman (marked C), showing that the total awards by Mr. Commissioner Beckham amount to £58,688 3s. 7d., of which there has been paid in scrip, £31,065 17s. 3d., and in cash, £23,723 15s. 10d., leaving outstanding, £3,893 10s. 6d. Of this last sum £1,957 4s. 11d. consist of awards to Europeans (see return marked B) and £1,485 8s. 7d. of awards to Natives, besides £451 2s. of awards on the investigation of new claims.

Besides the above compensation claims, there are awards determined before Judges of the Native Land Court, for which scrip amounting to £2,152 was issued by the Colonial Secretary. Among these may also be placed the scrip issued to Mr. Samuel Clarke, under an award in satisfaction of his interest in land at Te Papa, Tauranga, amounting to £6,484 3s. 4d., and a small miscellaneous lot, amounting to £431 11s., particulars of which, and of the Native awards, are given in the return marked A. Nearly all the scrip has been exercised in the purchase of land.

I forward, also, a map of the Waikato District, in which the unsettled portions of the confiscated lands are coloured red.

I have, &c.,

CHARLES KNIGHT,
Auditor-General.

Enclosure 1 in No. 1.

AMOUNT of Compensation Awards originally held by Mr. Aitken.

	£	s.	d.
Amount of claims purchased	14,467	19	1
Amount unexpended	1,284	9	0
	£13,183	11	1

Mr. Aitken now claims payment of £1,284 9s., and interest to the date of payment at the rate of 10 per cent. per annum; also, interest at 10 per cent. per annum on £18,283 11s. 1d., and 25 per cent. on loss of principal. All awards exercised in purchase of land.

The awards are dated November, 1866.

Enclosure A in No. 1.

AWARDS of SCRIP Issued by Native Compensation Court (N.L. Court Judges).

	£	s.	d.
Riria and three others	800	0	0
Heta te Tihi	130	0	0
Hinia te Nawe	200	0	0
Hawiri Maki	800	0	0
W. Kingi	75	0	0
H. Heahea	12	0	0
H. te Kumeti	15	0	0
A. Karaka	15	0	0
M. Korona	10	0	0
M. Oheu	10	0	0
Maria	10	0	0
R. Karehi	10	0	0
Moanui	65	0	0
	£2,152	0	0