

mildly as possible. The Provincial Government at this time were very hard-up. They were in perfect desperation to get the land; and certainly the impression left upon my mind, not to speak it disrespectfully, was that they would have gone down on their knees to get it.

48. Was it within your own contemplation that reserves of land or payments of money would probably be necessary in order to obtain peaceful possession of the land?—Yes; I always thought so. I will give you my reasons. One party of Natives living on land now known as Kemp's Reserves, when the awards were given to the other Natives by the Court and by Dr. Featherston, got nothing at all. I mentioned the circumstance to Dr. Featherston, and he was fully aware that some considerable amount would have to be given to them. I found, also, that other Natives on the friendly side had got nothing. Mr. McLean, upon his investigation, found it necessary to give one man named Hamuera 1,000 acres. I myself was aware of other cases in which I thought it very probable that land would have to be given. While Mr. McLean gave more to the friendly Natives than I was inclined to expect, he closed the transaction on the other side for very much less than I expected. My impression certainly was, that it would be absolutely necessary to give the Natives something to bring about a satisfactory arrangement, and have the matter settled.

49. If the course taken by Mr. McLean had been, instead of making reserves of land, to pay a considerable sum of money to get peaceful possession, would you have thought it necessary that this money should be found by the Provincial Treasury, or would you have considered the proper course to be to add such money payment to the original cost of the block, making the whole sum a provincial charge?—I do not think that that view occurred to me at the time, because I always had the idea that what was wanted was the extension of the reserves, and that money was not necessary.

50. Did you consider that any claim by the province should depend on the extent of the reserves which Mr. McLean might make to get peaceful possession of the block?—Yes. I think, if Mr. McLean's reserves had been unnecessarily large, the General Government would be responsible for that. On the other hand, if the amount were reasonable and fair, I understand the Provincial Government to be responsible for it. I always looked upon this transaction in a different light from a mere sale of land between parties dealing for property. The Provincial Government had a verdict for 240,000 acres, but they were unable to get possession unless the General Government interfered to give them possession. They might have remained without that possession for years. The General Government stepped in and made arrangements which put the Provincial Government in possession of the whole district, less about one-tenth. With that arrangement I think the Provincial Government ought to be extremely well satisfied. Had the General Government not adopted that course, the province could not have done anything whatever in the matter.

Hon. Mr. GISBORNE examined:

51. *Mr. Speaker.*] You were Colonial Secretary when these transactions occurred: will you state your recollection of the case?—I consider the Manawatu Block was in this position: After a number of years, the Native Land Court had at last awarded to the Crown a title to the lands, subject to certain reserves being made, which were not marked upon the ground. I think the Hon. Mr. Fox and myself were the only Ministers present when Dr. Featherston pressed upon us to issue the notice that the Native title had been extinguished. It became necessary to mark these reserves upon the ground before any land could be sold. It never entered into my imagination that if, in making these reserves, fresh negotiations had to be entered into, the expense or settlement of the question was to be borne by the General Government. In the settlement of the old land claims, notwithstanding the decision of the Land Courts, land had often to be taken from the claimants and the provinces and given to the Natives, and there was never any claim put forward by the provinces that the cost should be charged to the colony. An analogous case occurred in Auckland about twelve years ago. Certain lands were handed over to the Provincial Government, and they were afterwards sold, when the Natives opposed possession. Mr. Stafford's Government went into the whole question, and admitted the claim set up by the Natives, and the grantees were dispossessed of the property. Compensation was paid to them, but it was not paid out of the lands of the colony, but out of lands belonging to the Provincial Government, lands situated in the city or suburbs of Auckland having been devoted to the purpose. I certainly was under the impression that, according to precedent and equity, the settlement of land questions like these, in respect of which the proceeds of the sale of the lands went direct to the provinces, was to be done at the expense of the provinces concerned; and I never contemplated that the settlement of the Manawatu Reserves would be an expense to the colony, or that any claim would be made upon the colony in reference to the matter. If I had ever contemplated that for a moment, I should have declined to act in the matter, because we had no authority to incur such an expense; and I think that the feeling of the Colonial Legislature would have been directly opposed to it. Mr. McLean was looked upon as the best arbitrator in this matter, and the Provincial Government of Wellington strongly urged that he should go up and settle the thing, so that peaceable possession might be taken. I distinctly affirm that not the slightest hint was given that, if the settlement cost money or land, there would be any claim made upon the Colony. I such a hint had been made, I would have submitted the whole question to the Cabinet, and at the same time I would have given it as my own opinion that it was not advisable to entertain the proposal. Mr. McLean did delay going up to the district for a length