

of by all parties; and I therefore, at their request, on the following day paid a further deposit, amounting to £70, to those who had not partaken of the proceeds of the first payment, for which receipts were signed by Riki, Penetito, and Harete Tamihana; the first of whom was a rank Hauhau and anti-land-seller; the second having, as a rule, a very strong objection to land-selling; and Harete Tamihana being, as is well known, the daughter of the renowned Wiremu Tamihana Tarapipipi.

I mention these details to show that the negotiations were made with, I may say, the whole tribe, and that the Natives looked upon this transaction as a good bargain for themselves, the block being an entire mass of swamp; and that it was a purchase with which they were well satisfied; and taking the price agreed on in proportion to the value of the dry and good land for which they had for some years past been only getting 3s. per acre, they were no doubt justified in thinking it a high price; and I am satisfied that had I held out for a month longer I should have got many to have agreed to a considerably less price, but I deemed it desirable to close the matter while there was so large an assemblage of the most important claimants present, in order to make the agreement from them such an one as they would carry out without further difficulty.

The meeting at Ngaruawahia was on the 13th March, 1873. Up to this time, and from this time forward until some time in October, 1874, there had been no Proclamation issued by the Government prohibiting or precluding any person from the purchase of land in this district, either including this Hungahunga Block, or the Waiharakeke Block, or any other land to the west of the Waihou River; nor were the Government in negotiation at that time for any land in the neighbourhood, or within very many miles of it.

Subsequent to this meeting—namely, on the 18th March, 1873—I obtained an agreement from certain Natives to sell the Waiharakeke Block to Mr. Russell, or that portion of it to the west of the Waihou River, for the sum of 3s. per acre: this block was to contain all the land between the Waihou River and the Hungahunga Block, and the purchase of it was necessary to enable the proprietor of the Hungahunga Block to drain it. I was then instructed by Mr. Russell to purchase the land on the east side of the Waihou River, but was afterwards told to abandon it. A small amount of money had been paid to some of the Ngatihinerangi on this block, which was afterwards by arrangement agreed to be transferred to their claims on the western portion.

After these negotiations the survey of the block was about to be proceeded with, when, I think in April, the murder of Sullivan took place in the Waikato, which circumstance upset the ordinary course of business in every way, but more particularly in the matter of purchasing Native lands. I, by instruction from Mr. Russell's agent, he having at that time proceeded to England, suspended all further operations, and instructed the surveyor not to proceed.

Shortly after this I gave up the active conduct of the land purchase business of Messrs. Preece and Graham, and I proceeded to Tairua to take charge of a saw-mill property which my firm had some months previously purchased from Messrs. Secombe and Son, and have since had no further connection with the negotiation of these Hungahunga and Waiharakeke Blocks, the papers connected with which I afterwards, by instructions from Mr. Russell on his return from England, handed over to Mr. Mackay.

It will be observed, by referring to the dates of these transactions, that the purchase of both the Hungahunga and Waiharakeke Blocks was arranged for in as full and complete a manner as was possible, prior to the obtaining of a valid title, during the month of March, 1873, by an agent who had no connection whatever with the Government, and that it was not until the month of October, 1874, a period of eighteen months subsequently, that there was any Proclamation issued to prohibit the purchase of land in that district; and I may say that it was only out of deference to the expressed desire of the Government that the survey of the Hungahunga was postponed for so long a time by Mr. Russell, and that there would have been no difficulty in completing that survey in time for the sitting of the Native Land Court which took place in December, 1873, and in that case the title would have been completed some nine or ten months prior to the issue of the Proclamation which was afterwards made, and, as far as I understood at the time, with the distinct understanding that Mr. Russell's purchases were to be protected.

With reference to the statement that the Natives had been compelled since the issue of the proclamation to sell these blocks to Mr. Russell, and not allowed to sell to any one else, the compulsion was only so far as their consciences should impel them honestly to carry out a fair and *bona fide* agreement, on which they had taken a considerable amount of Mr. Russell's money. As a matter of fact, Mr. Russell had, after the issue of the Proclamation, to agree to give 1s. per acre more for the land than these same people had agreed to sell it to him for at a time when the market was open to them to sell to whom they chose.

I have in the above report simply confined myself to a statement of facts. I may, however, be pardoned if I offer a few remarks on the great evil which has already accrued, and will still grow greater, in a moral point of view, by the encouragement which is frequently given to Natives to repudiate their fair and *bona fide* bargains made with Europeans, on the mere technical ground of the agreement not being valid at law. I quite recollect, and so, I doubt not, do many others, that there was a time when the word alone of a Maori chief was as good as his bond: now I am sorry to have to say that such forms the marked exception to the general rule of repudiation where there is a bare chance of making a few pounds extra by so doing; and this I attribute in a great measure to the knowledge which they have obtained during the last ten or twelve years, that by our laws, which we hold up to them as the acme of perfection, they can readily repudiate any agreement referring to land made before the issue of a certificate of title, no matter what moneys they have taken as deposits, or how fully and thoroughly they have understood the nature of their agreement, or however earnestly they may have pledged themselves to carry out the terms of the same; and this they are from time to time urged on to do by persons of our own race, and sometimes by such of them as should by their position and influence rather endeavour to induce them to a moral sense of their duty to abide by their *bona fide* agreements, than to aid them in a course of repudiation on the simple ground that such agreements are technically bad at law.

It was, I understood at the time, with the desire not to give encouragement to the Natives thus