

to repudiate their fair and just agreements, and thereby teach them immorality, that the Government, at the time they undertook the purchase of lands in this province without any secrecy, but publicly, in their instructions to their Land Purchase Agent, intimated that, in initiating the purchase of Native lands, it was not their desire or intention to interfere with transactions between Europeans and Natives which were of a *bona fide* nature, and already in an advanced stage of negotiation. These blocks, Hungahunga and Waiharakeke, were past the stage of negotiation, for all the negotiations had been completed, and there only remained the procuring of the formal title.

It must be borne in mind that, at the time of the Government obtaining from Parliament a vote for the purchase of a public estate in the North Island, they had to come into the market as strangers, for they had for many years past totally abandoned the purchase of Native lands, and had disbanded the Land Purchase Department, in the place of which there had grown up a set of independent agents, who were prepared to do, and did, business for private individuals, in the purchase and lease of Native lands, and who, in order to do any business at all, were compelled to enter into preliminary arrangements with Natives, and make them advances, as well as incur the cost of survey, and other risks, prior to the Natives having a title to the land. These advances were, by "The Native Lands Act, 1862" (the first of the Native Lands Acts), declared to be illegal, and the Native Land Purchase Ordinance was still kept alive and in force, by which it was not only illegal to make these advances, but punishable by a very heavy fine—namely, £100.

In 1865, the Legislature passed a Native Lands Act which not only repealed the Act of 1862, but the Native Land Purchase Ordinance with it; and in the new Act it was clearly stated that these agreements entered into before the issue of the certificate of title were "void." Thus they were no longer illegal, for the Act and Ordinance by which they were formerly declared to have been so were now deliberately repealed, and in the new Act the same disabilities were not revived, for it was doubtless contemplated by the Legislature that, as the Government had given up the purchase of Native lands, private individuals would probably go largely into the acquisition of them; and in order to induce persons so purchasing or leasing Native lands to perfect their titles in a proper manner, these preliminary agreements were declared of no legal value, although by no means illegal.

The Land Purchase Ordinance having been deliberately repealed by the Act of 1865, no doubt was a distinct expression of opinion that it was not at that time desirable for the Government to continue the purchase of Native lands; and in order to encourage private individuals to take up the work, they rendered the disabilities as light as possible by declaring that such transactions were no longer illegal and punishable, but that, until the issue of a certificate of title to the owners of the land, the agreements were invalid or void. The consequence was that when any persons made an agreement with the Natives for the lease or purchase of lands, it was always stipulated that the survey of the same should be proceeded with with all diligence, in order that the title might be perfected with as little delay as possible, and which was generally effected in about six or eight months.

These encouragements given by the Legislature to private individuals to deal with Native lands, together with the simultaneous abandonment on the part of the Government of their land purchase operations, was a means of causing a very large traffic in the same, there being a great desire on the part of settlers and capitalists to purchase, and an equal desire on the part of the Natives to try an open market, from which they had been shut out for many years by the Land Purchase Ordinance, passed at an early period in the history of the colony, before which they had enjoyed the privileges of the penny an acre Pre-emption Act.

Having occupied as I think, I may safely say, with one or two others, a leading position as a Native Land Purchase Agent in this province, I can say, with some degree of authority, that had the Government, at the time they assumed the purchase of Native lands, entirely ignored transactions which were in progress of completion, and had refused to permit the Natives to carry out their promises, or the purchasers to complete their titles, they would have been the means of causing a loss of thousands of pounds to our settlers, and, in thus encouraging the Natives to repudiate their fair bargains, would have taught them a lesson of wholesale immorality and been a party to their obtaining money under false pretences, and would have been guilty of causing a great public calamity.

I have been induced to make these remarks not so much in my present position as a public officer, but because, at the time the Government commenced their land purchase operations in this province, I, acting as I then was as a private Native land purchase agent, am in a position to state what were the circumstances under which these operations were commenced, and why the Government were, in my opinion, justified, in a moral point of view, in not offering encouragement to Natives to a course of wholesale repudiation; and, in a practical business point of view, in not attempting to raise a hornets' nest round their heads in the midst of the very market which they were entering, with at first but little more capital than private persons were then prepared to place in the hands of the land agents doing business at that time, and with no organized staff to undertake so great a work.

The Hon. Sir Donald McLean, K.C.M.G.,  
Native Minister, Wellington.

I have, &c.,  
J. W. PREECE.

## No. 7.

His Honor the SUPERINTENDENT, Auckland, to the Hon. the NATIVE MINISTER.

(Telegram.)

Auckland, 20th May, 1876.

IN a letter from Mr. H. Alley, published in this morning's *New Zealand Herald*, the following statement is made:—

"The Hungahunga and other blocks were to come on for hearing after I left. Mr. William Nicholl received money to assist with his influence to put some blocks through. I know for a fact he received £150 from a Native Land Commissioner to assist to put through the Hungahunga Block."