

have selected lands which, by reason of some peculiar advantage of position, would be sure to be in demand for permanent occupation for rental purposes.

To save any inconvenience that might arise, or the possibility of impeding the settlement of the country if large blocks of land were diverted to other uses, I would suggest that the setting-apart of a sufficiency of land for the objects alluded to need not disturb existing arrangements, but that the estate when appropriated should be allowed to remain under the control of the Commissioner of Crown Lands, to be disposed of either by sale or lease, as circumstances might require, the only distinction being that the proceeds should be placed to a separate account, and, in the case of sales being effected, that the amount realised should be invested and finally expended for the purchase of lands in more eligible localities than it would be possible to select at the present time, with the view to ultimately acquire properties in such situations as would produce the largest pecuniary return for the advantage of the Natives in promoting their general welfare.

Assuming that it has been incontrovertibly proved in the foregoing narrative of particulars that the Native owners of Kemp's Block were inadequately paid for the territory ceded by them, that the terms of the deed as regards the reservation of their *makinga kai* (food-producing places) and the setting-apart of additional lands have not been equitably fulfilled, or the promises that were looked on as the main consideration for the cession of the land have never been carried out excepting in a manner that cannot affect the general question, I venture to express a hope that the recommendation made by me may be treated in a generous spirit.

I have been unable, owing to the manifold duties that have devolved on me for some time past in connection with the settlement of the ownership of the reserves now owned by the Natives in the South Island to carry out the direction contained in the Commission issued to me in regard to fixing the locality of the land to be selected in satisfaction of the Native claims, but this is a part of the work that could be disposed of by the Survey Department with greater facility than is at my disposal, and I beg respectfully to recommend that this department be asked to undertake the duty.

In concluding my report on the purchase herein dealt with, I beg to inform your Excellency that the majority of the Natives concerned are willing and anxious to accept a grant of land in satisfaction of their claims.

THE MURHIKU BLOCK.

It will be unnecessary to do more than give a brief history of the circumstances connected with this purchase without entering into details, as the particulars are for the most part similar to those associated with the acquisition of the Ngaitahu Block (Kemp's Purchase).

The tract of country comprised within the block now under review includes all the southern part of the South Island to the south of the Ngaitahu and the Otakou Blocks, the aggregate area being 6,900,000 acres. The negotiations for the purchase were completed on the 17th August, 1853, for the sum of £2,600. Reserves were made for the resident Natives at the following places within the block, viz., Tuturau, Omaui, Oue, Aparima, Oraka, Kawakaputaputa, and Ouetoto; the total quantity set apart for the purpose being 4,588 acres.

The resident population numbered 140, the average per individual would therefore be under 33 acres. In this case, as in Kemp's Purchase, there were a number of persons who were not entered in the census taken at the time, through being absent at Stewart Island and other places, as well as from other causes. A number of the persons then residing on the Island of Ruapuke were also concerned, and, had they represented their position properly to the Commissioner who effected the purchase, would no doubt have had land reserved for them, as full authority was conferred for the purpose. The result of this omission is that they are now either without land or only possess an insufficient quantity.

The deed does not contain any engagement to set apart additional reserves, but similar promises were made to the sellers with regard to schools, hospitals, and other advantages; and it has been expressly stated by the Commissioner who extinguished the Native title that these pledges were the main consideration for the sale of the land, on the faith of which he procured the cession of a large tract of country for a small cash payment.

The population according to the last census, including Stewart Island and Ruapuke, computed 353 persons; but there are others residing in the neighbourhood of and to the north of Otago who are also interested in the matter, and should be considered when additional lands are granted.

Assuming there are four hundred persons interested, and that land to the extent of fifty acres each is allotted them for individual use and occupation, less the 4,588 acres already appropriated to the purpose, it will need 15,412 acres to make up the requisite area, and to this a further quantity of 40,000 acres should be superadded for endowment purposes, making in all 60,000 acres. Independent, however, of the population basis alluded to, the same quantity is arrived at by classifying and assessing the value of the land according to prices paid in other parts of the colony on the same principle as the one adopted in Kemp's Purchase.

If this proposition is approved, it will be necessary to appropriate a total of 55,412 acres for all purposes; and I beg to recommend that this quantity be set apart. The same practice could be observed in regard to the appropriation as the one already suggested in respect of the area to be dedicated for a similar purpose in Kemp's Block.

As regards the locality of the land to be selected, that is a point on which I cannot afford very much information. By a statement kindly furnished by the Chief Surveyor in Southland, there does not appear to be much open agricultural land left in the hands of the Crown, excepting lands that have been set apart either for deferred payments or perpetual lease. There is a good deal of bush land adapted for the purpose, but that has all been gazetted under the State Forests Act. There is a large area of unappropriated land on Stewart Island; but even there all the bush land has also been proclaimed under the aforesaid Act. The localities on the mainland in which land