



**NEW ZEALAND
GOVERNMENT GAZETTE.**
(PROVINCE OF NEW MUNSTER.)

Published by Authority.

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By His Excellency's Command,

ALFRED DOMETT, Colonial Secretary.

VOL. II.]

WELLINGTON, FRIDAY, MAY 11, 1849.

[No. 10.]

**JOURNAL OF PROCEEDINGS
IN THE
LEGISLATIVE COUNCIL.**

WELLINGTON, TUESDAY, MAY 1, 1849.

Present—

His Excellency EDWARD JOHN EYRE,
Lieutenant-Governor.
The Hon. Lieut.-Colonel M'Cleverty, Senior
Military Officer.
The Hon. Alfred Domett, Colonial Secretary.
The Hon. D. Wakefield, Attorney-General.
The Hon. W. H. Petre, Colonial Treasurer.
The Hon. Wm. M'Leod Bannatyne.
" " Wm. Hickson.
" " Geo. Hunter.
" " A. Ludlam.
" " Geo. Moore.

Absent—

The Hon. Francis Dillon Bell, and the
Nelson Members.

The Council met pursuant to summons.

The Rev. Robert Cole, Colonial Chaplain,
being in attendance, was introduced,
and read prayers.

His Excellency the Lieutenant-Governor
then opened the Council by reading his
address:—

GENTLEMEN OF THE LEGISLATIVE COUNCIL,—

It affords me much satisfaction to be enabled to call you together for the despatch of public business, and to have it in my power now for the first time to resort to the advice and assistance of a Legislature in carrying on the Government of the Province; nor is it a source of less gratification to me to reflect that, in thus calling you

to share with me in the responsibility of directing and fostering the energies of our young and rising community, I do so at a time when the difficulties and impediments in the way of an onward progress are rapidly clearing away, and a bright and promising prospect opening out for the future.

To place before you the means of obtaining information on many points which are important in considering the questions likely to engage your attention, I have directed a variety of statistical and comparative returns to be prepared, and laid before you. Some of those for past years are, I regret to say, less perfect than I could have wished, owing to the very imperfect records then kept; and some difficulty has also been experienced in collecting or comparing returns from the more distant settlements, owing to the infrequency and uncertainty of communicating with them. Every exertion, however, which circumstances would admit of, has been made to render the returns as complete and as useful as possible.

The usual financial returns will be laid before you as soon as they can be completed, and it will be my duty in bringing forward the estimates for the year to make such remarks in explanation of them as each particular service may seem to call for.

I am happy to inform you that the revenue of the Province is steadily and progressively improving; and although at present not quite equal to the expenditure, I confidently trust that it will be so another year. I rely upon your assistance and co-operation in administering the public resources as economically as is consistent with the efficiency of the public service, but I would guard you against the fallacy of supposing that there is any true economy in reducing the strength of public departments to a degree incompatible with the proper discharge of the duties expected from them. I would remind you, also, that in this Province many of the departments have been but very recently called into existence; and that, in first organizing the establishments necessary to carry on the business of Government, a much larger expenditure is unavoidably incurred in proportion to the revenue than is the case when the various departments of the public service have been in full operation for some years. It is probable, therefore, that the existing establishments of the Province will, with some slight modifications and additions, suffice for conducting the business of the Government when the amount of revenue shall have become double what it is at present.

It ought to be a source of great thankfulness to us, Gentlemen, that, under the Divine blessing, this Province continues to enjoy peace and tranquillity; and that the

amicable relations existing between both races of her Majesty's subjects are daily being strengthened and cemented by a better knowledge of each other, and by a growing conviction that their dependence upon each other is mutual, and their interests identical.

Of the many embarrassing questions which at one time existed in reference to land, and out of which in reality arose most of the differences or disagreements between the two races, but few now remain unadjusted; and these few are, I trust, gradually tending to a satisfactory issue. It affords me much pleasure to announce to you, that since this Council met here in December last, two very important land questions have been arranged;—the first relates to a purchase in the Middle Island, comprising the whole country between the Wairau and Otago blocks, and extending from one coast to the other. For the acquisition of this district negotiations were commenced and terms entered into early in 1848; but it has only been within the last few months, when all the native reserves were determined and marked out upon the ground, that the purchase could be considered complete, and all sources of future difficulty or disagreement removed.

The second land question is that of the Rangitikei, a district lying between the Rangitikei and the Wangaehu rivers, and containing about 500,000 acres of land, "of which" Mr. McLean (the Commissioner employed on behalf of the Government in negotiating the purchase) considers "a very large portion to be of a most fertile and valuable description, capable of maintaining a numerous European population, and superior to any other part of the island for cattle runs." For the acquisition of this district the arrangements are so far advanced that the purchase money is named and a surveyor engaged in marking out the native reserves. I have every reason to believe, therefore, that in a few days, at the utmost, the purchase will be finally concluded, and the first instalment of the purchase money paid.

Two very fine and extensive tracts of country will thus be secured for the purposes of colonisation, and as both are suitable for immediate occupation by stock, they will probably become rapidly located, and a considerable impetus be given to grazing pursuits,—a branch of industry of the highest importance in a colony adapted to such occupations, both for the purpose of securing abundant and cheap food, and as a means of creating a valuable and certain export.

In connection with this subject I would briefly bring under your notice the rapid progress which has recently been made on the two great lines of road leading to the

interior districts, and the great facilities which will be afforded by them, when completed, to settlers intending to locate there. In Captain Russell's last report, that officer informs me that about 30 chains of unfinished side cutting in the Horokiwi valley, and about ten more chains near Duck creek, are the only obstacles now existing to the passage of a dray from Wellington to Rangitikei, and these it is expected will be removed, and the road opened, during the next three months.

On the Wairarapa road, also, the most vigorous exertions have been made during the summer months, and great progress been effected. I hope, therefore, if nothing unforeseen occurs to interfere with a renewal in the spring of those active measures which have necessarily been suspended during the winter months, that in the course of the ensuing summer the Horokiwi line will be fully metalled and completed, and that of the Wairarapa cleared and levelled quite into the valley, so as to be open for carts, and in a state sufficiently advanced to hold out the prospect of its final completion during the succeeding summer.

Another important line of road is also shortly about to be commenced, for the purpose of connecting the Waitohe with the Wairou, by means of which, when completed, a short and easy access will be open from the extensive and already occupied plains of the latter to a good and convenient port at the former.

In examining the returns which will be laid before you, you cannot fail to notice, as a subject of sincere congratulation, the very small amount of crime committed in the Province as compared with its population, small even as compared with previous years; for I find that, in 1844, the convictions before the Supreme Court were 19, in 1847 they were only 11, and in 1848 only 10. I refer to this more particularly now from the recent occurrence of the crime of murder, an offence which is occasionally committed in every country, though happily most rare in this; whilst the immediate detection and speedy punishment of the criminal cannot fail to have a salutary effect, and tend to deter others from such crimes in future.

Startling, therefore, as the interruption to our ordinary quietude has been in the instance I allude to, I see nothing in it beyond an occurrence which might and which does take place occasionally every where; there is nothing which ought to alarm or deter intending emigrants from coming to our shores; and indeed I believe that at this moment there is no country in the world where life and property are more secure than they are in New Zealand.

It has been a matter of deep regret to me that this Province has so long laboured un-

der a deficiency of Ministers of religion, and of the means of Christian education. In the Wellington district alone the European population, exclusive of the military and their families, numbers 4500 souls, of these no less than 2500 have returned themselves in the last census as belonging to the communion of the Church of England, and yet to supply the spiritual wants of these 2500 there has been, until recently, but a single clergyman. I need hardly point out to you the multifarious and onerous duties attaching to such a charge. To officiate at two churches in the town more than a mile apart, and two in the country, of which one is five, and the other nine miles distant, and each in a different direction, to attend the hospital and jail, and to visit the poor and afflicted, are some of the more apparent and palpable of these duties,--others, and scarcely less important ones, in connection with the younger portion of the community, will readily suggest themselves to you, and you will at once perceive how utterly impossible it was that one individual should discharge them all, however active and zealous he might be; and I believe the one individual upon whom this fearful amount of responsibility was thrown, to have been most active and zealous to the limits of physical capability. Lamentable, however, as this state of things was, it was not the worst to which the portion of the community I am speaking of were liable, for the contingency of illness, absence, or any of the many causes which occur to interrupt the ordinary pursuits of life, no provision was made, and it did so happen, that on one occasion, for three successive Sabbaths there was not an officiating clergyman of the Church of England in Wellington; and for the whole of that period, therefore, more than one half of the population of the principal settlement of New Munster were deprived of all services or ministrations of religion whatever.

To obviate, if possible, the recurrence of any similar contingency, and at least to secure for the public Institutions that religious attendance which every Government is bound to provide, I have appointed a Colonial Chaplain; and it affords me much pleasure to be able to state that, in consequence of such appointment, an additional clergyman will for the future always be stationed in the district.

Intimately associated with the subject of religion, and second only to it in importance, is that of education, an object for which as yet even less provision has been made in the Province, and more especially in this portion of it, than for religion. I would earnestly commend both these subjects to your most serious consideration, as involving interests of the highest importance to the future welfare of the Province, and

as being, in fact, the very points upon which the character and conduct of the rising generation will so materially depend. Not only do religion and education constitute the means of developing, fostering, and raising the physical, intellectual, and moral capabilities of man,—of fitly preparing him for the duties and trials of life,—of teaching him to become a good subject, a good citizen, and a good member of the family circle, but they are also the barriers, and the only barriers, which interpose between him and the commission of crime; and it has been well observed, therefore, that “there is no evil which may not be feared from ignorance, and no good which may not be expected from a well educated community.”

Another question to which I would invite your attention (and it is one of vital importance to the prosperity and progress of the Province) is that of emigration; with peace and tranquillity reigning around us, with the necessaries of life in abundance, and at moderate prices, with large tracts of fine and fertile country waiting only to be occupied, and with a climate which may vie in healthiness with the most salubrious in the world, there is yet one great drawback to our prosperity—one, until removed, insuperable bar to our onward progress; we have no emigration. The natural result of this is, that labour, and more especially skilled labour, is both exorbitantly dear and difficult to be obtained, and the best energies of the settlers are cramped and restricted by an inability to carry out improvements, or extend their operations. In other colonies, and in the Northern Province of this colony, the proceeds of the sales of land constitute a fund from which the means of promoting emigration are provided, but in this Province, owing to the peculiar arrangements which exist in reference to the demesne lands, no lands are sold in the Province, and no such fund exists. I, of course, exclude from consideration in these remarks the Otago district, where the New Zealand Company are still sending out emigrants; and I exclude also the prospective Canterbury settlement, not because an emigration in connection with those settlements will not be productive of indirect advantage to all the others, but because there is every probability that they may shortly be erected into separate Provinces; and I both think that each Province should have a distinct emigration fund of its own, and I believe that such a fund might be obtainable in all, if the usual facilities were afforded for the sale of land within the Provinces themselves.

I should be happy to find that you can make any recommendations or suggestions for remedying for the future the serious drawback upon the prosperity of the Pro-

vince which I have pointed out, and I feel assured that the Directors of the New Zealand Company would attach great weight to any representations coming from such a quarter.

In connection with the subject of land, it will be my duty to lay before you copies of a correspondence which has taken place between the Local Government and the Principal Agent of the New Zealand Company in reference to providing funds to meet the necessary expenses of acquiring tracts of country from the natives, to enable that body to carry on its colonising operations; and I shall have to ask you to make such provision from the revenues of the Province for the purpose, or to take such other steps as you may think the exigencies of the case to require.

Of the principal laws which I propose to submit to your consideration during this session, an outline has already appeared in the *Government Gazette*; for I was desirous that the settlers should have the opportunity of considering and expressing their opinions, upon questions in which their interests were materially involved, prior to the provisions which it was proposed to introduce into the ordinances relating to those questions being brought forward for discussion and enactment in the Council. Every care has been taken in the preparation of the bills which will be laid before you, to adapt them, as far as possible, to the circumstances and wants of the Province;—but they may yet be capable of much improvement, and it will be your duty to supply such additions, or alterations as your practical experience and local knowledge may lead you to believe will render them more efficient or more generally useful.

Commending, then, to your best attention, the varied and important interests upon which you are called upon to deliberate, and confiding in your active and zealous discharge of the trust committed to you, I rely with confidence on you for advice and assistance; and I beg to assure you, on my part, of my earnest desire to co-operate with you in your efforts to promote the welfare, and advance the prosperity of the Province.

E. EYRE

Legislative Council Chamber,
Wellington, 1st May, 1849.

On the motion of Mr. Ludlam, it was ordered, that his Excellency's address to the Council be printed.

His Excellency the Lieutenant-Governor laid on the table a correspondence between the Local Government and the Principal Agent of the New Zealand Company.

On the motion of Mr. Ludlam, the correspondence was ordered to be printed.

His Excellency the Lieutenant-Governor laid on the table the following bills:—

“Census Bill,” “Medical Practitioners Bill,” “Naturalization Bill,” “Bread Bill,” “Entire Horses Bill,” “Diseases of Sheep Bill.”

The Attorney-General gave notice that, on Tuesday next, he should move the first reading of the “Naturalization Bill.”

The Colonial Treasurer gave notice that, on Tuesday next, he should move the first reading of the “Census Bill.”

Mr. Moore asked, if any Member taking charge of a bill was to be considered as pledged to its principles?

His Excellency the Lieutenant-Governor replied, that the arrangement was one of convenience, and that a Member taking charge of a bill was not pledged to adopt that bill; it was necessary that it should be in charge of some one.

Mr. Moore gave notice that, on Tuesday next, he should move the first reading of the “Bread Bill.”

Mr. Bannatyne gave notice that, on Tuesday next, he should move the first reading of the “Entire Horses Bill.”

On the motion of Mr. Hickson, seconded by Mr. Moore, it was resolved—

That this Council do adjourn until Tuesday next, in order to afford the Members from Nelson sufficient time to arrive, and consider the bills about to be proposed.

The Council adjourned at a quarter past four o'clock, to Tuesday next, at two o'clock p.m.

H. S. HARRISON,
Clerk of Council.

Council Chambers,
May 1st, 1849.

SUPREME COURT.

NOTICE IS HEREBY GIVEN, that a Sitting of the Supreme Court for the despatch of Criminal business, will be holden at the Court House, Wellington, on FRIDAY, the first day of June next, at 10 o'clock in the forenoon, at which time and place all persons under recognisances to appear either as prosecutors, defendants, or witnesses, are hereby required to give their attendance.

ROBERT R. STRANG,
Registrar.

Supreme Court Office,
Wellington, 5th May, 1849.

Treasury, Wellington,
4th May, 1849.

NOTICE IS HEREBY GIVEN, that the undermentioned persons are Licensed Auctioneers for the year ending 25th April, 1850:—

KENNETH BETHUNE
PETER MORRISON HERVEY
ROBERT WAITT
JAMES SMITH

H. W. PETRE,
Colonial Treasurer.

Colonial Secretary's Office,
Wellington, 10th May, 1849.

HIS EXCELLENCY THE LIEUTENANT-GOVERNOR has been pleased to direct the publication of the following Returns for general information.

By his Excellency's Command,
ALFRED DOMETT,
Colonial Secretary.

ABSTRACT GAOL RETURN FOR THE QUARTER ENDING 31ST MARCH, 1849.

RECEIVED INTO GAOL DURING THE QUARTER.							In Gaol at the commencement of the Quarter.	Discharged from Gaol since.	In Gaol at the close of the Quarter.
CLASS OF PERSONS.	For Debt.	For Misdemeanour.	For Felony.	For offences against Naval or Military Laws.	For safe Custody as Lunatics.	TOTAL.			
Soldiers				2		2	11 Prisoners, and 2 Lunatics.	19	14 Prisoners, and 2 Lunatics.
Sailors	1	11	1			13			
Civilians	1	4	1			6			
Maories			Murder 1			1			
TOTALS	2	15	3	2		22	13	19	16

HENRY ST. HILL,
SHERIFF.

Wellington, 24th April, 1849.

METEOROLOGICAL TABLE for Wellington, New Zealand, during the Quarter commencing 1st January, and ending 31st March, 1849:—

PERIOD.	North and N. W. Winds.	South and S. E. Winds.	Vari-able Winds.	RAIN.	REMARKS.
	days.	days.	days.	days.	
From 1st to 31st Jan.	21	7	3	13	Several slight shocks of Earthquake have been felt during this quarter, though not sufficiently severe to cause either injury or alarm. The weather has been more boisterous and wet than the corresponding quarter of 1848.
From 1st to 28th Feb.	18	6	4	15	
From 1st to 31st Mar.	17	4	10	14	
Total in 90 days	56	17	17	42	

CHAS. SHARP,
HARBOUR MASTER.

Harbour Master's Office,
Wellington, April 6, 1849.

CORRESPONDENCE

BETWEEN THE

LOCAL GOVERNMENT AND THE PRINCIPAL AGENT OF THE NEW ZEALAND COMPANY,

In reference to providing Funds to meet the necessary Expenses of acquiring Tracts of Country from the Natives to enable that Body to carry on its Colonizing operations; referred to in the opening Address of his Excellency the LIEUTENANT-GOVERNOR on the 1st May; ordered to be printed by the Legislative Council on the 1st of May, 1849.

No. 16. Government House, Auckland,
26th March, 1849.

SIR.—

I HAVE the honor to acknowledge the receipt of your despatch, No. 20, of the 10th instant, reporting that the New Zealand Company, through their Principal Agent, refuse to pay the instalment falling due on the 1st of April next, for the Porirua and Wairau purchases.

2. In reference to the correspondence which you have enclosed to me upon this subject, I have to remark upon the letter of the Agent of the New Zealand Company to you of the 8th March, in which he states "the New Zealand Company, or its Agents, not having been consulted (as I understand was the case) respecting the amount to be paid in these cases," &c., that the late Principal Agent of the New Zealand Company was consulted upon this subject before Lieut.-Col. McCleverty and myself had concluded the arrangement.

3. In reference to your letter to the Agent of the Company of March 9, I ought also to acquaint you, as there seems to be some doubt on your mind upon this subject, that I have not up to the present time received any instructions from the Government that lead me to think that any understanding or arrangement has been entered into in England between the Government and the New Zealand Company upon the subject of the Wairau and Porirua purchases, of which you are not aware.

4. In reference to the general question which is raised in your despatch to which I am replying, the circumstances of the case appear to be simply these:—Had the Executive Government in the Province of New Munster been, as in all other British colonies, entrusted with the administration of the waste lands of the Crown, they could, either from the rents or from the proceeds of the sales of the lands acquired by the Crown, have liquidated the expenses incurred in the purchase of such lands from the natives. But in the Province of New Munster all the estate and right of her Majesty in such lands, and power and authority over the same, or any part thereof,

are vested in the New Zealand Company, and the powers so vested in the New Zealand Company are administered by their agents in the colony. Your Excellency has applied to the Principal Agent, requesting him to defray from the land fund certain expenses which appear legitimately to fall upon that source of revenue, and he has declined to do so.

5. Upon examining the respective powers of the Government and the New Zealand Company, I find that neither yourself nor the legislature have any control whatever over the manner in which the New Zealand Company, through its agents, may expend the proceeds of the land fund, or administer the lands of the Crown. I think, therefore, that to prolong a correspondence with the Agent of the Company would simply lead to increased difficulties, and would further embarrass the public service. I shall, therefore, at once transmit the correspondence which has taken place to England for further instructions; and until these are received your Excellency can take no further steps in the matter than to lay the papers connected with it before the Legislative Council of New Munster.

6. The only other question which remains to be considered, is from what source the funds requisite for the payment of the natives are to be procured, as it is quite clear the Government cannot break through the engagements it has made with these people, or forfeit its word to them, as such an act would shake the confidence of the whole native population in the British Government. But as I am not at present able to determine from what source the necessary funds for the purpose should be procured, I will, in a few days, address to your Excellency another despatch on this subject.

I have the honor to be,

Sir,

Your Excellency's most obedient,
Humble servant,

(Signed) G. GREY.

His Excellency
The Lieut.-Governor of New Munster,
&c., &c., &c.

No. 16. [Separate.]

Government House,
Wellington, 8th March, 1849.

SIR,—

I have the honor to enclose for your Excellency's consideration, copies of a correspondence which has taken place between myself and the Principal Agent of the New Zealand Company, on the subject of providing funds necessary to meet the expenses connected with the acquisition of land from the natives for that body.

2. From that correspondence your Excellency will gather that Mr. Fox repudiates the idea of the New Zealand Company being liable for the expenses necessarily attendant upon the acquisition of lands from the natives, and which are, in point of fact, as essentially a part of the cost of such lands as the instalments paid to the natives are themselves, since it is quite clear that no available purchases could be effected from the natives without the requisite arrangements being made to secure to themselves suitable and sufficient reserves, and to see pointed out and defined the localities where those reserves are situated, and their respective boundaries.

3. Recently, as your Excellency is aware, the Local Government have had no less than three separate officers exclusively engaged in different directions, in attempting to effect negotiations for the acquisition of certain districts for the New Zealand Company, and at their especial request; the additional pay which it has been found necessary to allow those officers for travelling expenses, and in consideration of the peculiar, difficult, and laborious nature of the service, considerably exceeds the rate of £1000 per annum; there are also many collateral incidental expenses, as presents to natives, rations supplied to them, passages by sea from one place to another, and many others, all of which are exclusive of the ordinary salaries of the officers in question (excepting one) which still go on, and form a charge upon the Local Revenue, although their time and services are wholly devoted to the interests of the New Zealand Company.

4. For a Province where the revenue is so limited, and in the absence of any provision made by Parliament to meet an expenditure of the kind alluded to above, I would respectfully submit, either that the New Zealand Company should be required to provide the requisite funds, or that the Local Government should not be liable to be called upon to undertake negotiations from which, after incurring very heavy expenses, they derive no corresponding advantages.

5. It is true the Act of Parliament only contemplates the selection by the New Zealand Company of 1,300,000 acres from amongst the whole districts purchased from the natives, and that consequently large tracts may eventually revert to the Government; but as the New Zealand Company are not called upon to exercise their right of selection within any given period, and as the Act even contemplates the possibility of more extended arrangements being entered

into with them upon the termination of the present one in April, 1850, it is quite clear that in practice the Local Government are unable to make any such surplus lands available, or in any way to reimburse themselves for the heavy outlay they are called upon to incur.

6. Moreover, in the despatches of the Right Honorable the Secretary of State for the Colonies, and in the correspondence which took place between his Lordship and the Directors of the New Zealand Company on this subject (copies of which your Excellency supplied me with last December,) it is evident that Earl Grey contemplates throughout that the onus of providing funds to acquire lands for the purpose of enabling the New Zealand Company to carry on their colonising operations would appropriately and justly attach to that body. I would beg, therefore, to receive from your Excellency such instructions in reference to this question as may put me fully in possession of the course your Excellency wishes should be adopted, and as may point out the specific source from which the funds required are to be obtained.

7. To put before your Excellency at once all the information relating to the subject, I have caused to be prepared a statement shewing the expenditure incurred by the Government in arranging the different land questions: I have also added a statement shewing the sums expended in presents to natives, and on account of the Special Commission under Lieut.-Colonel M'Cleverty; for although these, or at least the former of them, cannot perhaps be directly charged against any particular land purchase, they have a relative connection with those arrangements, and will at least shew that the Government are subjected to other contingent outlays, all tending to promote or facilitate the arrangement of the New Zealand Company, besides those which can be classified under particular and distinct purchases.

8. In concluding my despatch upon the subject, I would bring under your Excellency's notice, that by the arrangement entered into between Her Majesty's Government in England, and the Directors of the New Zealand Company, the last instalment of the loan to that body would become due after April, 1849; and that, as it is uncertain whether their existence as a chartered Company may not terminate at the expiration of the three years, for which the Crown waived in their favour its right over the demesne lands in the Southern Province, it may be necessary to bring under the notice of the Secretary of State for the Colonies, a statement shewing the expenditure which has been incurred in the colony on account of land purchases, with a view to its being taken into consideration should any new arrangements be entered into between the Crown and the New Zealand Company, or should they at the termination of the three years find it necessary to wind up their affairs.

I have, &c.,

(Signed)

E. EYRE.

To His Excellency the Governor-in-Chief,

&c.,

&c.,

&c.

Enclosure No. 2. to Despatch No. 16.

STATEMENT of all Disbursements made by the Colonial Treasurer, Wellington, on account of LAND PURCHASES for the NEW ZEALAND COMPANY, and of the SPECIAL LAND COMMISSION, from 12th December, 1846, to 20th February, 1849:—

No. of Voucher.	When Paid.	PARTICULARS.	£	s.	d.	£	s.	d.
LAND PURCHASES.								
296	March 18, 1847	WAIKAI—First instalment Purchase Money	600	0	0			
425	April 1, 1848	" Second	600	0	0			
						1200	0	0
968	August 4, 1848	MIDDLE ISLAND—Advance of Salary to Mantell	40	6	0			
1234	Oct. 13, 1848	" " Travelling allowance to H. Kemp	47	5	0			
1307	Nov. 2, 1848	" " Food to Natives at Akaroa	8	11	0			
47	Jan. 24, 1849	" " P. M. Hervey, passages	25	0	0			
123	Jan. 10, 1849	" " Remittance to Sub-Treasurer *	500	0	0			
	Feb. 5, 1849	" " W. Mantell, balance of travelling allowance	185	18	0			
						807	0	0
298	March 26, 1847	POHIRUA—First instalment of Purchase Money	1000	0	0			
426	April 1, 1848	" Second	500	0	0			
						1500	0	0
589-1	April 12, 1848	TARANAKI—Balance of Purchase Money due since Nov. 1844	100	0	0			
589-2	"	" Second and last instalment of Purchase Money	130	0	0			
590	May 6, 1848	" Board, &c., for Mr. M'Lean	13	0	0			
591	"	" Food for Natives	1	19	6			
593	"	" Stationery	0	19	10			
841	July 6, 1848	" Food to Natives interested in Sale of Land	1	4	0			
						247	3	4
969	August 8, 1848	WANGANUI—Maps of Purchases and Native Reserves	5	5	0			
971	"	" Food to Natives interested in sale	17	9	3			
972	"	" Food and Clothing to do.	5	16	10			
973	"	" Board, Rent, &c., for Mr. M'Lean	29	3	0			
1055	Sept. 18, 1848	" Travelling Expenses, Mr. M'Lean	0	13	5			
1431	Dec. 27, 1848	" Allowance	95	3	9			
1309	Nov. 2, 1848	" Expenses	0	15	0			
46	January 6, 1849	" R. Stokes, Stationery	1	11	9			
107	Jan. 30, 1849	" Registration of Deeds	2	3	4			
220	Feb. 14, 1849	" E. Harris, making Maps	9	10	0			
219	Feb. 20, 1849	" Cutting Lines	20	9	6			
1432	Dec. 1848	WAIKARA—Travelling Allowance to Mr. Kemp while negotiating the Purchase	30	9	0			
						3972	13	2
SPECIAL LAND COMMISSION.								
1266	Dec. 23, 1847	T. Hughes for removing from Native Reserve at Taitai	80	0	0			
1267	Dec. 6, 1847	J. Smith compensation for abandoning improvements	75	0	0			
297	March 26, 1847	Thirteen Persons for removing from Native Reserves	174	16	6			
						329	16	6
LIEUT.-COL. M'CLEVERTY'S ESTABLISHMENT.								
157	Dec. 8, 1846	Mr. Duncan, Interpreter	15	5	0			
40	Jan. 11, 1847	"	7	15	0			
156	Feb. 9, 1847	"	4	5	0			
157	"	Interpreter and Clerk	12	8	0			
254	March 24, 1847	"	3	5	0			
255	"	"	7	0	0			
	Feb. 9, 1847	J. R. Raine, Clerk	1	13	0			
354	April 6, 7, 8, ..	Interpreter and Clerk	12	8	0			
481	May 4, 6, 1847	"	12	0	0			
585	June 4, 5, 1847	"	12	8	0			
792	August 6, 1847	"	7	10	0			
793	"	" and Clerk	7	15	0			
882	Sept. 4, 7, 1847	"	10	3	0			
994	October 2, 1847	"	12	0	0			
1118	Nov. 1, 1847	"	12	8	0			
1245	Dec. 1, 3, 1847	"	12	0	0			
						150	3	0
FURNITURE AND STATIONERY. *								
167	Dec. 12, 1846	C. Mills for Furniture	9	17	0			
360	April 29, 1847	Stationery	1	3	9			
1139	Nov. 6, 1847	Do.	1	2	2			
						12	2	11
TRAVELLING EXPENSES.								
260	March 20, 1847	Lieut.-Col. M'Cleverty, travelling expenses	1	16	10			
900	Sept. 9, 1847	"	1	1	0			
						2	17	10
PRESENTS TO NATIVES.								
361	April 15, 1847	W. E. Wallace, for two Mares	70	0	0			
797	August 12, 1847	C. Martin .. two Carts	34	0	0			
798	August 31, 1847	R. Jenkins .. one Mare	30	0	0			
						134	0	0
LIEUT.-COL. M'CLEVERTY'S ESTABLISHMENT.								
44	January 4, 1848	Interpreter and Clerk	12	8	0			
157	Feb. 1, 1848	"	7	15	0			
284	March 1, 1848	"	7	5	0			
						27	8	0
719	June 9, 1848	Survey Labourers at Waikanae	1	0	0			
720	"	" .. at Wairiki and Ohariu	2	8	9			
721	" 7, ..	Travelling Expenses of Interpreter	2	0	0			
427	April 18, ..	Registration of Deeds	6	6	3			
						11	15	0
						668	3	3

(True Copy.)

GODFREY THOMAS,
Auditor-General.

* This item has since been repaid by the New Zealand Company's Principal Agent.

STATEMENT of all Sums disbursed by the Colonial Treasurer, Wellington, on account of the ABORIGINES, not having reference to Land Purchases, from 12th December 1846, to 31st December 1848:—

No. of Voucher.	When Paid.	PARTICULARS.	£	s.	d.
143	Dec. 12, 1846	A. Hornbrook, flour and sugar	£12	0	0
144	"	"	13	10	0
145	"	"	13	0	0
120-4	31, ..	M. Richmond, for presents, &c.	3	2	6
120-5	"	Johnson & Moore.	13	13	10
120-6	"	A. Hornbrook	6	18	4
146	" 12, ..	" " for flour and sugar	16	5	0
					78 9 8
24	Jan. 21, 1847	" " " " "	11	2	9
129	Feb. 18, ..	" " " " "	6	1	9
130	"	" " " " "	5	15	0
131	"	" " " " "	9	0	0
132	"	" " " " "	4	6	10
133	"	J. Taine, provisions	1	2	6
134	"	A. Hornbrook, provisions to sick natives	0	9	9
135	"	" " " " "			
					37 18 7
231	March 12, 1847	Johnson & Moore, seed potatoes	3	11	0
232	"	A. Hornbrook, flour and sugar	12	12	0
233	"	" " " " "	11	18	0
257	"	Bethune and Hunter, section land, No. 19, Waiwetu	350	0	0
					378 1 0
					3 0 0
340	April 27, 1847	A. Anderson, provisions	10	3	11
456	May 15, ..	A. Hornbrook, flour and sugar	12	5	0
457	"	R. Armstrong, cart harness	20	0	0
458	" 17, ..	W. M. Bannatyne, 4 wheat mills	35	0	0
459	" 29, ..	R. Jenkins, for a mare			
					77 8 11
					1 0 0
590	June 12, 1847	Ridgway & Company, for rent	1	3	0
660	July 3, ..	W. Lumsden, seed wheat	3	0	8
661	" 15, ..	A. Hornbrook, flour and sugar	1	7	8
662	" 19, ..	J. B. M'Kain, provisions	5	0	3
642-2	" 31, ..	M. Richmond, loss and commission on sale of potatoes	6	9	1
642-12	"	A. Hornbrook, clothing for Te Ringa Kuri	1	3	4
642-19	"	J. Garner, canvass bags	2	9	7
708	" 15, ..	R. R. Strang, recording deeds of land			
					20 13 7
767	Aug. 20, 1847	Samuel & Co., clothing	40	16	0
768	" 23, ..	W. Fitzherbert, seed potatoes	4	0	0
766-9	" 31, ..	Samuel & Co., clothing	33	2	0
766-10	"	S. King, rations, Wanganui	6	1	9
					83 19 9
866	Sept. 14, 1847	Johnson & Co., flour and sugar	1	14	6
867	" 24, ..	Samuel & Co., boots	2	2	0
					3 16 6
					25 18 0
982	Oct. 14, 1847	Johnson & Co., 6 mills and pair boots	3	7	3
1096	Nov. 6, ..	C. Mills, board and scantling	11	16	3
1097	"	Johnson & Co., 2 mills, pit-saws, &c.	5	0	0
1164	" 2, ..	W. F. G. Servantes, for a reward to 3 natives			
					21 3 6
1226	Dec. 6, 1847	A. Hornbrook, tea and sugar	1	0	8
1227	"	" " flour and meat	1	18	0
1228	"	R. Barry, for tobacco	0	6	0
					3 4 8
					2 0 0
32	Jan. 22, 1848	Pakeraki, services on East Coast	36	0	0
134	Feb. 7, ..	Mare to E Tako	0	15	0
135	"	Shoes to Horeta	31	4	0
136	"	Food to 624 natives on Anniversary			
					67 19 0
257	March 8, 1848	" to native witnesses, 2d to 30th November, 1847	1	4	2
258	" 6, ..	" to Pakuhai, 4th October to 27th December, 1847	0	17	4
260	"	Supplies to Te Whero Whero and party	43	12	7
261	"	Food to Pakuhai, 3d January and 28th February, 1848	0	12	0
262	" 8, ..	Clothing to Te Whero Whero and others	10	16	6
263	" 7, ..	" King, 29th January, 1848	3	15	6
264	"	" Teria and Te Heu Heu	3	16	0
272	" 13, ..	" Wiremu King	2	0	0
					66 14 1
387	April 11, 1848	One wheat mill to Watanui	5	0	0
388	" 7, ..	Cart harness to Te Tupe	5	10	0
389	"	Provision to a Chief and followers	3	0	4
391	" 8, ..	Supplies to W. King and followers	11	18	2
392	"	Rations to Pakahai	0	5	4
					25 13 10
666	June 6, ..	Cart to E Tako	17	0	0
667	"	Printing Colonial Surgeon's Address to Natives	10	0	0
668	" 15, ..	Union Jack for natives	1	10	0
					28 10 0
804	July 6, 1848	Sugar, tea, &c.	0	5	4
926	Aug. 8, ..	Rations, &c.	1	2	4
1059	Sept. 19, ..	Repayment of money stolen from Peta at capture of Te Rauparaha	14	0	0
					15 7 8
1188	Oct. 9, 1848	Provisions to several Chiefs and followers	21	4	4
1189	"	Cloak to native	1	10	0
1190	"	Clothing and two wheat mills	14	11	6
1191	"	Carpentering tools to Rauparaha	0	15	6
1192	" 10, ..	Wheat mill to Moturoa	5	5	0
1193	" 17, ..	Payment to Ketu for finding buoy	0	5	0
					43 11 4
					1 11 2
1308	Nov. ..	2 Sieves, &c., to native	20	0	0
63	Jan. 17, 1848	Native allowance Hospital at Wanganui for year 1847	8	0	6
259	March 10, ..	Food to natives at Wanganui	9	18	4
390	April 8, ..	Food and clothing	0	5	0
470	" 28, ..	Food to Tehana's wife	5	3	11
560	May 12, ..	Presents, &c., to natives	2	0	0
592	" 6, ..	Cloak to native Chief Mawai	2	19	6
594	" 8, ..	Rations to natives	3	6	10
970	Aug. 8, ..	Supplies to sick natives	5	0	0
1095	Sept. 27, ..	Compensation to Tehana for destruction of tomb by Troops			
					56 14 1
					1054 7 4

[Enclosure No. 1, to despatch 16.]

Copy. No. 4.

Government House, Wellington,
15th February, 1849.

SIR,—

In accordance with the instructions of the Right Honorable the Secretary of State for the Colonies, (which provide that the money required to meet the expenses incurred in acquiring lands from the natives for the New Zealand Company should be provided by that body,) and in compliance with your verbal intimation to me the other day, that you were prepared to repay the advances recently made by the Local Government on account of the purchase in the Middle Island, effected by Mr. Kemp in 1848, I have the honor to transmit to you an account, supported by certified copies of the vouchers kept at the Treasury, shewing that a sum of £824 : 14 : 0 has been brought to account, as having been paid on account of the Middle Island purchase up to the 5th February last.

From a minute of the Auditor General accompanying the account, you will observe that some few items of trifling amount remain outstanding; these, together with any other expenses, it may be necessary to incur (as sending Mr. Mantell down again to Akaroa to complete the payment of the 2nd instalment, making arrangements for a com-

missioner going down to superintend the payment of the third and fourth instalments when due, &c., &c.) had probably better remain unadjusted until the whole purchase is finally completed. In looking over the account herewith forwarded, you will observe, that where officers have been employed who are in the permanent pay of the Government, no charge has been made against the Company for their ordinary salaries whilst so employed, but only for such additional allowance as it was found necessary to grant on account of travelling expenses connected with the service; this is the case with regard to Mr. Kemp.

Mr. Mantell's last report, and the documents connected with it, which I submitted to your inspection a few days ago, shall be copied and transmitted to you with the least possible delay; in the meanwhile it may be sufficient for me to observe, that I have instructed Mr. Mantell to return to Akaroa in H. M. steamer *Acheron*, and distribute the second instalment according to the plan and in the proportion recommended in his report, and which I was glad to find met your approval.

I have, &c.,
(Signed)

E. EYRE.

W. Fox, Esq.,

Acting Principal Agent to the N. Z. Co.,
Wellington.

A true copy—J. D. ORMOND.

ENCLOSURE TO COMMUNICATION, DATED 15TH FEBRUARY 1849, ADDRESSED TO THE PRINCIPAL AGENT OF THE NEW ZEALAND COMPANY AT WELLINGTON.

WELLINGTON, NEW ZEALAND, February 15, 1849.

The New Zealand Company,

Dr. to Her Majesty's Local Government,

Province of New Munster.

No. of Voucher.	Date.	PARTICULARS.	AMOUNT.
			£ s. d.
		For the undermentioned Disbursements made on account of Lands recently purchased in the MIDDLE ISLAND by Messrs. Kemp and Mantell:—	
	August 4, 1848	To one month's pay in advance to Mr. Mantell, at the rate of 26s. per diem (31 days).....	40 6 0
	Sept. 21, 1848	To passage in H.M.S. <i>Fly</i> for Messrs. Mantell and Wills, from 7th to 21st August inclusive (scale of payment being according to the Queen's regulations).....	17 14 0
	Oct. 13, 1848	To travelling allowance to Mr. Kemp, 21s. per diem for 45 days	47 5 0
	Nov. 2, 1848	To Food supplied to Natives on occasion of signing Deed of Sale at Akaroa.....	8 11 0
	Jan. 10, 1849	To Remittance* per <i>Ocean</i> , being second instalment of Purchase Money.....	500 0 0
	Jan. 24, 1849	To Passages per <i>Dolphin</i> for Mr. Mantell and fourteen Natives from Otago to Akaroa.....	25 0 0
	Feb. 5, 1849	To Balance of travelling allowance to Mr. Mantell.....	185 18 0
			£824 14 0

(True Copy.)

GOFREY THOMAS,
Auditor-General.

* This item has since been repaid by the New Zealand Company's Principal Agent.

Wellington, 16th February, 1849.

SIR,—

I HAVE the honor to acknowledge the receipt of your Excellency's letter of yesterday's date, transmitting to me certain accounts and vouchers relative to the purchase of the lands lately acquired from the natives in the Southern Island, and requesting me "in accordance with the instructions of the Right Honorable the Secretary of State for the Colonies, directing that the expenses incurred in acquiring lands from the natives should be provided by the Company," to repay to the Local Government the advances made by your Excellency on that account, and which, I perceive, include the expenses of the Government Commissioner employed in completing the purchase, and paying over the instalment now due.

In reply, I have the honor to inform your Excellency that I am prepared at once to repay the amount of the instalment now in course of payment, viz., five hundred pounds. But on looking into the records of previous similar transactions, such as the Otago purchase, that at Wanganui, and the negotiations of the Port Cooper Plains purchase, in the first instance conducted by Mr. Kemp, I perceive that the practice hitherto has been for the Government and the Company each to pay the expenses of its own officers, which in some cases must have been very considerable, particularly at Otago and Wanganui. On looking at the correspondence which has passed between the Colonial Office and the New Zealand Company, I do not find it provided that the latter should do more than find the purchase money. And considering that the Government appears to have retained the power of conducting such negotiations in its own hands, for the purpose of securing the interests of the natives, and may, therefore, to a certain extent, be regarded as the selling party, the rule hitherto adopted seems to me fair, and analogous to the practice of private parties in ordinary transactions of sale, where each pays his own agent. I regret, therefore, that on these grounds I do not feel myself authorised in meeting the Commissioner's expenses, though, of course, prepared to pay the proportion of Mr. Wills's passage in H.M.S. *Fly*, as he was employed by, and acted on behalf of, the Company, the balance of his expenses having been already paid by me.

I have, &c.,

(Signed) WILLIAM FOX,

Acting Principal Agent to the N. Z. Co.

His Excellency
Lieutenant-Governor Eyre,
&c., &c., &c.

A true copy—J. D. ORMOND.

Copy. No. 8.

Government House, Wellington,
20th February, 1849.

SIR,—

I HAVE the honor to acknowledge the receipt of your letter of yesterday's date, in reply to my communication of the 15th ultimo, transmitting certain accounts and vouchers relative to the purchase of the lands lately acquired from the natives in the Southern Island.

2. In this reply you intimate that you do not consider yourself authorised to provide for any expenditure connected with the acquisition of lands, excepting the purchase money to be paid to the natives and the expenses of such officers as the New Zealand Company may themselves employ, and this decision you base upon the following grounds:—

1st. That the Government have heretofore (as in the case of Otago, Wanganui, &c.) advanced the funds necessary to meet the expenditure incurred by their own officers in conducting land negotiations on behalf of the Company, and that you find no express provision in the correspondence between the Colonial Office and the New Zealand Company, that the latter should do more than find the purchase money.

2ndly. That, considering that the Government appears to have retained the power of conducting such negotiations in its own hands, for the purpose of securing the interests of the natives, and may therefore to a certain degree be regarded as the selling party, the rule hitherto adopted seems to you fair, and analogous to the practice of private individuals in ordinary transactions of sale, where each pays his own agent.

3. With regard to the first of these reasons it seems unnecessary to observe, that although in some instances (as Porirua, Wairau, &c., &c.) the Government may have found it desirable, from political considerations, to take upon themselves to advance the funds required for the acquisition of particular districts, it by no means follows that they ought to do so in cases where the same reasons are not so pressing, and where the districts are required solely for the purposes of the New Zealand Company.

4. In Colonel Wakefield's letter to Sir George Grey, of the 31st August last, it is stated that advices from the Court of Directors of the New Zealand Company had announced to him that an arrangement had been "made between her Majesty's Government and the Company, that the whole of such price should be provided by the Local Government," and upon this supposed arrangement I was instructed by his Excellency the Governor-in-Chief to reply in the terms of my letter of the 5th September, 1848.

5. Since these communications took place it appears that Colonel Wakefield had been misinformed, and that, in point of fact, no arrangement had been entered into, by which her Majesty's Government undertook to find the funds required for the acquisition of lands for the New Zealand Company; but on the contrary, Earl Grey expressly instructed the Governor-in-Chief that such funds must be provided by the Company itself, unless in the case of the district required for the Canterbury settlement, where his Lordship consented to sanction an advance being made from the local revenue for the purpose, if able to meet such a demand.

6. In both Colonel Wakefield's letter and my own reply to it (above referred to), there is also this further assumption, that the funds to be advanced by the Government were to be repaid out of the Parliamentary loan of £36,000, to be advanced to the New Zealand Company between the 5th April, 1849, and 5th April, 1850; but no portion of that sum seems to have been set apart for the purpose of such repayments, or any provision made against the whole amount being at once paid over to the New Zealand Company in England at the commencement of the year.

7. Another and not an unimportant consideration is, that although it is inferred in the communications I have referred to, that ~~as the New Zealand Company will only~~ choose out of the various blocks purchased such lands as they may wish to constitute portions of the 1,300,000 acres of land to which they are entitled, and as the rest will again devolve upon the Crown, they ought only to pay such share of the expenses of obtaining the several districts as their proportion of land in each may bear to the whole district, yet it is nowhere provided when the Company shall complete this exercise of selection, or at what stated period the Crown shall be able, by making beneficial application of the surplus lands, to reimburse itself for the outlay incurred, the Local Government are consequently, by meeting the expenses attendant upon the land purchases, in the position of advancing funds to enable the New Zealand Company to carry out their colonising operations, without the power of deriving any corresponding pecuniary returns, or the prospect of the debt thus accumulating being speedily repaid.

8. This in so young a community, where the local revenue is not sufficient to meet the current expenditure, is a matter of grave consideration; nor do I see how it is possible, under such circumstances, and in the absence of any Parliamentary provision to meet the expenditure referred to, for the Local Government to continue to employ special agents, and incur heavy expenses, in the acquisition of lands for the New Zealand Company.

9. For the reasons above stated it will be apparent, that the second ground urged in your letter of the 11th February, is not a valid one, or the comparison fairly put; because in reality the Government are called upon to incur in that capacity a heavy outlay, for the early reimbursement of which no provision is made.

10. In conclusion, I can only add, that I will lose no time in bringing under the notice of his Excellency the Governor-in-Chief the difficulty which has arisen, and in requesting special instructions from his Excellency on the subject.

11. I regret that, although my letter was commenced on the 17th ultimo, it has not been in my power to complete it until to-day painful family intelligence from Europe having reached me, and prevented my giving that full consideration to the subject which I wished at an earlier date.

I have, &c.,

(Signed) E. EYRE.

W. Fox, Esq.,
Acting Principal Agent to N. Z. Company,
&c., &c., &c.
A true copy—J. D. ORMOND.

Copy.

Wellington, 20th February, 1849.

SIR,
I have the honor to acknowledge the receipt of your Excellency's letter of the 17th instant, and beg to express my sincere regret at the cause to which you allude as having prevented its earlier transmission.

In my letter of the 16th instant, to which it is a reply, I confined myself chiefly to a consideration of the practice in previous cases of negotiation and purchase from the natives, one of which in particular (that of the Otago block) still appears to me exactly in point, as involving no more political considerations or urgency than the acquisition of the Port Cooper district. But your Excellency has adverted to the positions of the Government and Company in reference to the existing arrangements and the objects, with a view to which the Parliamentary loan was made to the latter. The inferences which are drawn by you would have had much weight with me but for the following consideration, to which, as you express an intention of referring the matter to the Governor-in-Chief, I shall feel obliged by your directing his Excellency's attention:

At the time when the existing arrangements alluded to were made, and the Parliamentary loan accepted by the Company, after an estimate of its probable requirements during the three years over which it was to extend, her Majesty's Principal Secretary of State for the Colonies had, in his Despatch of the 23rd December, 1846, addressed to

the Governor-in-Chief, and published in the colony, laid it down as an incontrovertible position, that the natives are only entitled to a proprietary right in such lands as they actually occupy, and that the Crown is entitled to take possession of all vacant territory without purchase from the natives. What was signified by "occupation" was defined by the 33rd clause of the 13th chapter of the Royal Instructions, and confines the native ownership within very narrow limits. It is true, that a very large discretion was given to the Local Government in determining how far the principle there laid down was to be carried into operation; but with a full knowledge that the population of the Middle Island was less than 3000 inhabitants to an area estimated at nearly fifty millions acres, and that these few natives had occupied, in Lord Grey's sense of the word, an almost inappreciable quantity of land, it was impossible that either the Home Government or the Company could, at the time of entering into the existing arrangements, have anticipated the necessity of laying out large sums of money in purchasing the waste lands of the Middle Island, and incurring considerable expenses in negotiating purchases from the natives.

Believing also as I do, that the title of the Crown to the waste lands could have been asserted and maintained without difficulty in the Middle Island, in conformity with the design developed in the despatch and instructions already referred to, and considering that in such case the necessity of making the present payments would have been spared to the Company, I cannot but feel that the course which the Local Government has pursued (no doubt for reasons perfectly satisfactory to itself) operates hardly upon the New Zealand Company; while, had the waste lands been acquired simply by an assertion of the Crown, and such registration as prescribed by the Royal Instructions, the Company would not have been called upon to pay the expense of the machinery necessary for effecting such registration.

The Government having in its discretion adopted another method of acquiring the waste lands and defining the limits of the Crown demesne, it seems to me scarcely just to impose upon the Company the cost of the proceeding.

I have, &c.,

(Signed) W. Fox,
Acting Principal Agent of the N. Z. Co.

His Excellency,
Lieutenant-Governor Eyre,
&c., &c., &c.

A true copy—J. D. ORMOND.

No. 20.

[Financial.]

Government House,
Wellington, 10th March, 1849.

SIR,

I have the honor to transmit, for your Excellency's information, copies of a correspondence which has taken place between the Local Government and the Principal Agent of the New Zealand Company, on the subject of the instalments falling due on the 1st April next, for the Porirua and Wairau purchases.

2. Your Excellency having, in December last, supplied me with copies of some despatches from Earl Grey, on the subject of land purchases to be made by the Crown for the New Zealand Company, and covering copies of a correspondence which had taken place between the Colonial office and the Directors of that body in England, I gather from the general tenor of these documents, that Earl Grey intended that in all cases (with the single exception of the district required as a site for the Canterbury settlement) where funds were required to meet land purchases made for the New Zealand Company, those funds should be provided by that body. No other exception appears to have been made to this rule, although the liabilities which had been incurred with regard to the Wairau and Porirua were well known in England at the time.

3. Independently, however, of the reasons above mentioned, for this Government declining to meet the instalments due upon the Wairau and Porirua purchases on the 1st April next, it is, in the present state of the local finances, absolutely impossible to make such provision; and as I have not received any instructions from your Excellency on the subject, nor have any arrangements been made to enable me to meet so heavy a demand, I can only assume that your Excellency contemplates the purchases in question as coming under the general instructions of Earl Grey, and more especially as for both the districts the New Zealand Company have accepted Crown Grants, and have therefore virtually adopted the arrangements entered into with the natives by the Crown.

I have, &c.,

E. EYRE.

His Excellency the Governor-in-Chief,
&c., &c., &c.

[Enclosure to despatch No. 20.]

Wellington, 6th March, 1849.

SIR,—

I have the honor to inform you, that on the 1st of April next ensuing, the following payments will become due to the natives on account of arrangements entered into with them by his Excellency the Governor-in-

Chief for the acquisition of lands for the New Zealand Company, viz. :—

Upon the Porirua purchase, the third and last instalment of £500. Upon the Wairau purchase, the third instalment of £600.

In the payment of the two first instalments on account of these purchases, the money was advanced by the Local Government, but since the latter of these was made I have received from his Excellency the Governor-in-Chief general instructions that all money required for effecting purchases of land for the New Zealand Company is to be provided for by that body; and no special exception has been made with regard to Porirua and Wairau, neither has any provision whatever been made which would enable me in any way to meet these payments, due on the 1st April next.

I have the honor, &c.,

(Signed) E. EYRE.

W. Fox, Esq.,

Principal Agent to the N. Z. Company.

Wellington, 8th March, 1849.

SIR,—

I have the honor to acknowledge the receipt of your Excellency's letter of the 6th instant, informing me that payments amounting to £1,100 will fall due on the 1st April next, on account of the Porirua and Wairau purchases, effected by the Government from the natives, and referring me to instructions received by you from the Governor-in-Chief, to the effect that all money required for purchases of land for the New Zealand Company is to be provided by that body.

The New Zealand Company, or its Agents, not having been consulted (as I understand was the case) respecting the amount to be paid in these cases,—the purchases having been effected long before the correspondence between the Home Government and the Company on the subject of such payments, which has led to the instructions referred to by you,—and the Government having, by the course hitherto pursued in making the previous payments, led the Company's Agent to believe that he would not be called on to pay the purchase money in these two cases, which, in point of fact, it was never, I believe, before contemplated he should do; no provision has been made by me to meet such payments, and I trust that your Excellency will, under the circumstances, be able to arrange to meet them, as the Local Government must have done in the absence of the instructions referred to.

I have, &c.,

(Signed) WILLIAM FOX.

His Excellency the Lt.-Governor, &c. &c.

No. 9.

Government House,

Wellington, 9th March, 1849.

SIR,—

I have the honor to acknowledge the receipt of your letter of yesterday's date, in

reply to mine of the 6th March, on the subject of the instalments (amounting to £1,100) which will shortly become due on the Wairau and Porirua purchases. In that reply you object to the Company's liability to meet these payments, on the ground that neither the Company nor its Agents (as you understand was the case) were consulted respecting the amount to be paid at the time the purchases were entered into; that the Government have hitherto met the instalments as they became due; and that, therefore, the Company's Agent has been led to believe that he would not be called upon to provide any funds for the purpose.

2. I believe that at the time of the purchase of the district referred to, it was originally contemplated (as stated in Governor Grey's despatch of 7th April, 1847, a copy of which was forwarded to Colonel Wakefield) that the New Zealand Company would only select comparatively small portions of the whole tracts bought; and that, therefore, they would only be liable to the repayments of a proportion of the purchase money: but the New Zealand Company have received Grants for the whole, and in accepting such Grants, virtually adopted the arrangement which had been entered into with the natives by the Crown.

3. Although, as you remark, the purchases in question were made long before the correspondence between the Home Government and the Company on the subject of such payments, yet the instructions of the Secretary of State on the subject of payment for lands generally were written subsequently to that correspondence, and with a full knowledge of the engagements which had been entered into with regard to the Wairau and Porirua purchases; nor, as I am aware, has any exception been made to them. The only such exception, to the best of my knowledge, being with regard to the site which might be required for the Canterbury settlement, and for which Earl Grey has sanctioned an advance of such instalments as might, in the first instance become due, from the revenue of the Province, if able to meet such a demand. In reference to this particular case his Lordship states, "You will observe that in desiring to make these advances, I am departing to a certain extent from the direction given you in my despatch of June, 1847, that the New Zealand Company are to provide the means of paying similar demands from funds at their disposal." And again, in a still later despatch, dated the 6th July, 1848, and addressed to Mr. Harrington by Mr. Hawes, it is remarked, "Lord Grey trusts that the Local revenues will prove adequate to the purpose of the required purchase; but I am directed to state distinctly, that in the event of their failure, as no Grant has been made by Parliament for the purpose, it is wholly out of his Lordship's power to authorize the

Governor to draw upon the British treasury for this object."

4. Such being the general tenor of the Secretary of State's instructions with regard to the advance of funds for land purchases, and no intimation having been given to me that any exception had been made with regard to the Porirua and Wairau purchases, I am compelled to suppose that no such exception was intended; and at least it is my duty to give you early intimation that up to the present time no funds have been placed at my disposal by the Governor-in-Chief to meet those payments, or, indeed, any communication from his Excellency on the subject.

5. It is therefore (much as I regret that any difficulty or delay should occur) wholly out of my power to provide for the payment of the instalments falling due on the first April next, and all that I can do will be to transmit copies of this correspondence to his Excellency the Governor-in-Chief, but without the possibility, as you are aware, of any reply being received from him, or any arrangements made to meet engagements due at that date.

6. It is barely possible, that if any understanding or arrangement has been entered into in England between the Government and the New Zealand Company on the subject of the Wairau and Porirua purchases, of which I am not aware, the Governor-in-Chief might yet communicate with me on the subject prior to the 1st of April, on which day his Excellency is aware the instalments referred to become due; but I confess I have no reason to apprehend that such an occurrence is probable, nor do I indeed know that there is any likelihood of a vessel at all arriving at Wellington from Auckland within the period named.

I have the honor, &c.,

(Signed) E. EYRE.

W. Fox, Esq.,

Principal Agent to the N. Z. Company.

No. 13. Government House,
Auckland, 24th March, 1849.

SIR,—

I HAVE the honor to acknowledge the receipt of your despatch, No. 16, of the 8th March last, in which you acquaint me that the New Zealand Company, through its Principal Agent, repudiates the idea of that body being liable for the expenses necessarily attendant upon the acquisition of land from the natives.

2. I gather from the letters of the Principal Agent of the New Zealand Company to yourself, of the 16th and 20th February last, that the New Zealand Company consider that the Government having retained the power of conducting negotiations with the natives for the purchase of their lands for the purpose of securing the interests of

the natives, it ought therefore to be regarded as the selling party, and that the persons who purchase the lands from the natives on behalf of the Government should be regarded as its agents, and be paid by the Government as such. Further, the New Zealand Company, through their Agent, contend that the natives are only entitled to a proprietary right in such lands as they actually occupy, and that the Crown is entitled to take possession of all vacant territory without purchasing from the natives; and from this the Agent of the Company draws the inference that, as he the Agent of the Company thinks that the Government ought to have taken from the natives without purchase certain lands for which the Government have paid the natives, it is not just to impose upon the Company the cost of such a proceeding.

3. I entirely concur in the general view which your Excellency has taken of this subject, and a sufficient answer to the arguments raised upon behalf of the New Zealand Company might be, that at the time the Government undertook to purchase those lands from the natives, the late Principal Agent of the Company entirely concurred in the propriety of this proceeding, assented to the amount which it was proposed to pay the natives, and repeatedly requested me to carry out the arrangements with as little delay as possible.

But as the questions now raised by the New Zealand Company involve most important principles, these appear to require some further consideration.

4. In all British colonies, circumstanced as this is, the funds realised from the sale of the lands are subject to certain charges, as is at present the case in the Northern portion of New Zealand.

Firstly, They are subject to a charge for emigration purposes.

Secondly, They are subject to a charge for purposes connected with the benefit and improvement of the native race.

Thirdly, To a charge for the expenses connected with their acquisition, and the survey and administration of them.

Fourthly, A certain portion of the proceeds derived from the sale of waste lands is applied to the purposes of roads and public improvements.

5. Regular returns of the revenue realised from the sale of land are laid before the Legislature of the colony, and in point of fact, the whole of this revenue not connected with emigration purposes is brought under their control, although perhaps not in so direct a manner as might be desired.

6. In New Munster, on the contrary, at the present time, the whole of the land fund of that colony, and the whole of the administration of the Crown Lands in that Province, comprising nearly three-fourths of the

whole of New Zealand, are under the control of the New Zealand Company, through their agents in the colony; neither the Legislature nor Executive Government having any control or cognizance of the mode in which that source of revenue is to be appropriated or in which the Crown Lands are to be administered. Moreover, the land fund of the colony of New Ulster is, in point of fact, made liable for any engagement which the New Zealand Company may, through their agents, enter into, and the Secretary of State has recently sanctioned the expenditure of a portion of the land fund of this Province, for the purpose of defraying the expenses of the purchase of a certain tract of land which the New Zealand Company are anxious to acquire in New Munster.

7. It thus appears that the whole of that source of revenue from which payments on account of the natives are provided, from which the expenses of roads and public improvements should be defrayed, which should be charged with the cost of the Survey Department, and with the sums which are expended in the purchase of lands from the natives, are removed from the control of the Legislative and Executive Governments of New Munster, and are to be administered by the New Zealand Company, through their agents in the colony, without their being made responsible in any way to any authority in the colony; and the New Zealand Company now further require, that the Government shall from other sources provide funds for the payment of the expenses necessarily attendant upon the acquisition from the natives of those lands which, so soon as they are acquired, are vested absolutely in that Company.

8. Under ordinary circumstances it would be my duty to instruct your Excellency forthwith to stop any negotiations for the purchase of lands from the natives which are at present pending, and to refuse to enter upon any such negotiations for the future, until the New Zealand Company had paid all sums which upon these accounts it might owe to the public, and until it had deposited in the hands of the Government such an amount as it was estimated might be required to defray the expenses of the purchase of the land which the New Zealand Company wished to obtain; and the grounds I should assign for these directions would be, that your Excellency had no funds whatever

at your disposal applicable to the purposes to which the New Zealand Company wish them to be applied. But I am unwilling at the present moment to issue instructions of this nature, because I am aware that negotiations are at present pending for the purchase of large districts of land, the acquisition of which I regard as indispensable to the interests of both races, and to the future prosperity of the country, as also to enable the New Zealand Company to fulfil its engagements to its settlers; and I am unwilling that any permanent evils should be entailed upon the inhabitants of New Munster from a line of proceeding on the part of the New Zealand Company, which I trust may have been only temporarily adopted.

9. It will therefore be your Excellency's duty to proceed with the negotiations for the purchase of land at present pending in that manner which may appear to you to be most consistent with the public interests, and having done this, then so soon as the Provincial Legislative Council of the Province of New Munster may assemble, to lay before them a copy of this Despatch, and of your Despatch to me, No. 16, of the 8th instant, together with its enclosures, at the same time informing the Council the Executive Government have incurred the responsibility of continuing the negotiations for the purchase of land at present pending for the reasons I have above stated; and that you request them either to make such provision for the expenses incurred by the negotiations so continued, and for those which must be incurred in such future purchases of land as may be found necessary, or to adopt such other proceedings as may in reference thereto appear to them most advisable, and best suited to the circumstances of the case.

10. With reference to the line of proceeding which the New Zealand Company think the Government are required by the instructions of the Secretary of State to adopt in reference to taking possession of lands of the natives without obtaining their consent thereto, I need hardly remind you that your duty to the Crown, which has given such repeated and formal assurances on this subject, would not permit of your adopting such a line of proceeding.

I have, &c.,

(Signed)

G. GARY.

His Excellency
The Lieutenant-Governor of
New Munster.

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