G.—7.

The case was conducted in Court on behalf of the native complainants by Mr. Sheehan, of the Auckland bar. Mr. Tanner, the principal purchaser, and the gentleman who alone conducted the negotiations for the purchase, appeared in person. During a part of the case, another of the purchasers, Mr. Ormond, appeared in person. Mr. Lascelles represented the Messrs. Russell.

The grounds of complaint embraced every general ground of objection taken in any other case before us; and there were besides some matters of complaint peculiar to this case.

The case is distinguished from all the others into which we inquired, not merely on account of the greater value and importance of the block, but by the circumstance that the transaction was between leading natives on the one side, and leading settlers on the other. Amongst the vendors were Karaitiana, his half-brother Henare Tomoana, and Tareha. The purchasers were a body of gentlemen of high standing and great influence in the Province of Hawke's Bay, some of whom were politically connected with the Minister for Native Affairs in power at the time of the negotiations for purchase. Such being the position and character of the purchasers, one ground of attack suggested by the advisers of the natives was, that political influence had been employed to compel or induce the vendors to part with their property. I could discover no trace of such an abuse of political power. Mr. Ormond was the gentleman particularly aimed at by this accusation. During the course of the hearing, the charge was partially withdrawn by Mr. Sheehan. My opinion is, that it had no foundation whatever. Mr. Ormond appears to have abstained from taking any part whatever in the negotiations for purchase. The refusal by Government of pecuniary assistance to Karaitiana on several occasions, cannot fairly be considered as intended to drive the native proprietors to a sale. Every Government is compelled to resist such applications, which, if commonly entertained, would become an intolerable burden on the Colonial Exchequer. As regards, in particular, the visit of Karaitiana to Auckland, in December, 1869, it would have been obviously improper in the Government influence, the proof altogether failed. Another purchaser was the Rev. Samuel Williams, a member of the well-known missionary family.

Another purchaser was the Rev. Samuel Williams, a member of the well-known missionary family. It was insinuated that he had prostituted spiritual influence to secure a bargain. I was satisfied, first, that Mr. Williams became connected with the transaction at the particular request of Karaitiana, who was desirous that he should join Mr. Tanner in taking a lease of the block. Secondly, I found that Mr. Williams had at no time taken any part whatever in the negotiations for the purchase, but had left them entirely to Mr. Tanner.

Of such charges it may be said, that they are "easy to make, hard to prove, harder still to disprove." I can only state that there was nothing, in my opinion, which would justify suspicion that undue influence, spiritual or political, had been exerted. Of course, the known position of the purchasers may have exercised a tacit influence, as it is certain that natives will often deal with one set of persons whilst they will have nothing to say to others. In the present case, however, I do not doubt that if some stranger had made a higher bid for Heretaunga, Karaitiana and his brother would not have shown any respect of persons.

I may here take occasion to observe, that it is one of the drawbacks from the supposed advantages of what is called "direct purchase" from the natives, that leading settlers to whom the natives have been accustomed to look for advice and assistance become liable to the perpetual suspicion of interested motives in their dealings with Maoris. It used to be urged, that the Government, as purchaser of native lands, was placed in a false position. It appears fairly open to question whether, in getting rid of this supposed disadvantage greater evils have not been incurred.

Before proceeding to a more detailed discussion of the grounds of complaint, I must refer to that which, in this case as in many others, has been the grand cause of misunderstanding, dissatisfaction, and confusion. Mr. Tanner's evidence as to the passing of the block through the Court, is as follows: "I asked the natives if they intended to put the Heretaunga block through the Court? I understood from Karaitiana that he was anxious to do so, and to have himself appointed the sole grantee of the block. I had a discussion with Henare and Karaitiana on the subject, and urged that as there were a great many interests in the block they should have the full complement (ten) of grantees. Karaitiana said the land was his especially-he looked upon that block as his block, over which he would have, and had, the supreme control; and that he would not consent to have any other persons named as grantees if it gave them any authority or control in the block. I told him that was a question to ask the Judge of the Native Lands Court. He said he would; and did ask the question. I believe I was present. Mr. Munroe, I believe, was the Judge. Karaitiana asked the question of the Judge: if he were to allow other names besides his own to be included in the Crown Grant, whether that would give them any authority to sell or deal with the block in any way? Mr. Munroe's answer was, 'that one grantee could not sell without the consent of the remainder.' I recollect that distinctly as an answer given by the Judge. I believe that he spoke in Maori, and that some one sitting near translated it into English. Karaitiana understood, beyond any doubt, that no native would have any power to deal with it without his consent, and that of the remaining grantees. At that time no one understood what the position of grantees was. Then Karaitiana waived all objection to other names being admitted, and went outside, telling the Judge that they would have a talk about it amongst themselves—but acquiescing in the in-troduction of other names into the grant besides his own." This evidence substantially agrees with the statement made by Karaitiana himself in his letter to the General Assembly, dated 29th July, 1869. [Appendix to Journals of House of Representatives, 1869 (A. No. 22).] Henare Tomoana in his evidence gave the Commissioners some further details of what occurred. He said, "When the Crown Grant was ordered, the Court told us to go outside to arrange whose names should be in. We went outside— perhaps one hundred of us. We picked out those who were to be in the grant. I was selected as one. I was to look after my hapu." The witness then gave us the names of the other nine grantees: Tareha te Moananui, Karaitiana Takamoana, Waaka Kawatini, Manaena Tini, Paramena Oneone, Apera Pahoro, Noa Huke, Matiaha (deceased), and Arihi te Nahu. He also named sixteen hapus as interested