

will assist you, with the chiefs of your district, so that the matter may be conducted in order that peace and goodwill between the two races of the Island may exist. The Government will always watch. They will not look from one side to the other. It remains with you to say the word to lease, and leases will be allowed—to sell, and sales will be allowed—within the boundaries of your district. The Government will give you an allowance, also the chiefs who are to be your assistants in conducting the affairs within your district. The Government will give you, Tawhiao, £500 a year. The money for distribution within the district will be paid to you in a lump sum. Tawhiao, it is for you to distribute it as you like to the chiefs within your district. The Government will give you 500 acres of land near Ngaruawahia, so as to be close to the grave of your father Potatau. The Government will erect a house for you at Kawhia, so that you can hold the meetings of your Council in it. The portions of land not disposed of by the Government to Europeans on the western side of the Waikato and Waipa will be returned to Tawhiao. In addition, as I am very anxious that you should have means to meet your wants, the Government propose that town acres be selected in each one of the towns established on the Waikato and Waipa Rivers, to be given to you in trust for the use of all the people, the money to be appropriated in such manner as you shall choose. My desire is that you may speedily have means, as these lands will soon be of value. With regard to the roads, my desire is that all the roads should be made between Tawhiao and the Government, and that no one else shall interfere—that no one shall attempt to make a road until the matter has been settled by Tawhiao and the Government. With regard to surveys, it is for you, Tawhiao, to direct surveys to be made, and they will be made. I have thought these things over, and it is my earnest desire to see you comfortably settled on the lands it is proposed you should have. If you accept my proposals I shall do my best to settle you on the parts of the districts to be given to you, and which have not been parted with to Europeans. So far as supplying you with implements and materials you may require for settling on the land, the Government will take charge of that matter, so as to strive to make you really prosperous and happy in the villages you may establish. That is all it is in my power to do for you with regard to the town settlements. I will go over the map with Tawhiao, and we together will choose which the lots shall be.

*Patara te Tuhi* said: With respect to what you have been saying, there is one word I would reply to; it is this: We will ponder carefully over your words. I told you yesterday what your answer would be, that you could not do it [meaning that Sir George Grey could not return the Waikato, as that was an impossibility].

*Sir George Grey*: As you are about to think over what I have said, shall I give you my proposals in writing, so that there may be no mistake, and that there may remain a record of my love for you? I am anxious that you should reflect and make up your mind, because the time has come when those things must be settled. The land is filling with Europeans in every direction; and I am desirous to see you all in a position of safety before I die. I shall be very glad to see the position of the people whom I have loved for so many years made quite secure and safe. I have grown old. In my youth I knew your forefathers, and now before I die I should like to see their descendants left safe. If you go back to that side of the Waikato, Tawhiao and I will lead you back and put you on your places. Tawhiao and I will go in front and put you on your places.

*Tawhiao*: My reply is this: I will not forsake this word of yours. I wish to say that this is my Parliament, and this is the day on which we shall settle my part of the business. I want to finish to-day, to gather the subjects together and discuss them to-day.

*Sir George Grey*: My wish is the same as yours, that all these things should be settled this day, in the presence of this the Parliament of us two.

*Te Ngakau*, the King's Secretary: It was said it is impossible to return the Waikato. Every time a new mouth comes up there is a new question for discussion. Now you are a new creation [meaning a new Government], and that demand has been repeated. With respect to what Tawhiao said, that all matters should be discussed this day, what you have said is clear. Let us reflect over it. Turning to the Natives around him he said, "Let us separate."

*Sir George Grey*: Tawhiao, would you like to have in writing what I said to you, that you may think over the proposals of the Government?

*Te Ngakau* replied, pointing to his chest: This is mine—that proposal in writing is good and you can give it to us, but I have mine here, and I keep it here. Mine is written on the tablets of my memory, but I should like to have yours in writing.

*Paora Tuhaere*, of Orakei: We wish you to reflect over these things while we are here—to-day or perhaps to-morrow.

*Te Ngakau* replied: You can go if you choose and let us think the matter over.

The Natives then discussed the matter by themselves. A copy of the proposals of the Government and of Sir George Grey's speech was put into Maori and given to Tawhiao by Sir George Grey, after which the Premier and Native Minister retired.

Sir George Grey will remain until to-morrow to ascertain the result of their deliberations. He believes they will accept the proposals made to them unless something very unexpected turns up in the meantime. Should they do so, it will mean a complete settlement of all the troubles in this part of the North Island; the law will be enforced by themselves throughout the whole of their district, all roads required to be made will be constructed so that Auckland will be at once united with Taranaki and Wellington by way of Napier.

The chiefs of the friendly Natives look upon to-day's proceedings as being in the highest degree satisfactory. They assert that the Kingites never before stated that they would ponder over and consider any proposals made by the Government. They further say that they are quite certain that most beneficial results to both races will flow from the present meeting.

The afternoon was spent in amusements of various kinds, and nothing can exceed the mirth and happiness that prevail. It was a novel sight to see some five thousand Natives assembled to witness the friendly Natives joining in the dance at the request of the King, who was present and seemed to thoroughly enjoy the proceedings. The dancing to English music would not have done discredit to a