

What provision in land may be reasonably made in each case in which relief is deemed proper?
(4.) What land is at once available and suitable for the purpose?

Before reporting on these questions, it seems desirable to point out that no land has ever been set apart for the vendors of the Otakou Block. The so-called reserves are portions of their own estate withheld from sale at the time the block was ceded to the New Zealand Company in 1844.

The lands alluded to are situated as under:—

	A.	R.	P.
Otago Heads	6,665	1	12
Taiari	2,310	0	0
Te Karoro	640	0	0
Total	9,615	1	12

It will be observed by the foregoing statement that no provision in land was made for the owners of the Otakou Block, and all that they were allowed to retain for themselves within the block was 9,615 acres.

As an indication of the views held at the time relative to the price paid for the block, Mr. Tuckett, the company's chief surveyor, in transmitting to Colonel Wakefield the offer of such a valuable tract of country, expressed his conviction that, in addition to the purchase-money, it would be good policy on the part of the company, in the scheme of their future settlement, to appropriate as much as sixpence per acre to the remuneration of the Natives, to be paid in four annual instalments. This suggestion, however, was not concurred in; but the company were willing, and fully expected, that a "tenth" of the land would be appropriated to the Natives.

With reference to the first question, whether any of the descendants of the Native vendors are now living? All the original vendors, excepting Teone Topi Patuki, are dead, but all who are dead left descendants. Some of the persons whose names are attached to the deed of cession were found on inquiry not to have been owners of the Otakou Block. The following persons amongst the vendors were admitted to have been owners, viz.: John Tuhawhaki, Taiaroa, Karetai, Takamaitu, Te Raki, Topi (Teone Topi Patuki), Kihau, Horomona (Pohio), Pohau, Mokomoko, Te Ao, Koroko Karetai, Tutewaiiao, Papakawa, Te Raki (No. 2), Potiki, Pohata. The following persons were objected to: Koroko, Kaikoareare, Kahuti, Kurukuru, Rakiwakana, Pokihi, Pokene. The other two names, viz., Pohio and Te Haki, belonged to Horomona, who was also known by the name of Horomona Pohio or Horomona te Haki. Further particulars are contained in Schedules C and D, attached.

With reference to the second question, "What land and means of support have they at present?"

The particulars under this head are set forth in Schedule E, attached, but I would submit that, in dealing with the claims of the owners of the Otakou Block in regard to their undoubted right to compensation for the nonfulfilment of the intention to set apart "tenths" for them within this block, the land they happen to own in their own right in respect of these parcels that were excepted from sale, or which they have derived through reservations made within the other blocks sold to the Crown in the South Island, should not be reckoned, as such lands cannot be considered as having been set apart in connection with the aforesaid block.

Touching the third question, "What provision in land may be reasonably made in each case in which relief is deemed proper?"

I would submit with all deference that it is not a question of relief as if it were an act of clemency on the part of the Government to allot a limited area to the owners of the Otakou Block, but it is a matter of right on their part that justice should be done, and this cannot be effected without an adequate area is set apart for them in pursuance with the evident intention that the system of "tenths" should be adopted in the Otakou Block. It is further submitted that the matter should not be allowed to hinge on the question as to whether Mr. Symonds reported that he had omitted to inform the Natives that the system of "tenths" would apply, because he was satisfied that the Native vendors could not understand the principle, or because Governor Fitzroy omitted to authorise the setting-apart of these lands; as the opinion of the one, or the omission by the other, does not form a sufficient justification for ignoring the rights of the Natives to have the "tenths" set apart for them, in pursuance with the 13th clause of the agreement of the 18th November, 1840, and the sixth paragraph of the prospectus for the New Edinburgh Settlement.

All the company's officers recognised the right of the Natives to the "tenths," and fully expected that the Government would make the necessary reservations.

As a further proof that the New Zealand Company intended to extend the principle of "tenths" to other purchases from the Natives, reference to papers attached to the eighteenth report of the directors of the company, page 60, will furnish ample evidence of the intention. This proposal was written while the negotiations were going on, which led to the grant of the 400,000 acres comprised in the Otakou Block.

It will be noted in the sixth paragraph of the memorandum submitted by the company to the Imperial Government that the following stipulation is contained: "In all surveys by the company one-eleventh to be set apart for Native reserves."

On the 5th July, 1850, the New Zealand Company surrendered its charter, and on the 19th February, 1851, Mr. Under-Secretary Hawes wrote to Mr. McGlashan relative to the company's affairs, informing him that it was the opinion of the Attorney- and Solicitor-General that the land passed to Her Majesty subject to contracts, and the duties performed by the New Zealand Company through its agents under the terms of purchase must for the future be performed by agents of Her Majesty's Government.

By a letter written by Mr. McGlashan to Earl Grey, dated the 8th July, 1851, it appears that only 13,080 acres of the Otakou Block had been sold by the association, consequently there was no difficulty at that date in setting apart the reserves for the Natives; and it is submitted that, the duty