

most important of the above terms is that by which the Natives were to have received every tenth section of the suggested township. Kemp, at this time appears to have been in monetary difficulties, for in September he received £300, in November £200, and in December he asks for £3,000, and stated that as the Government have declined to purchase the land, he will talk that matter over later on. On the date of the telegram conveying this request (December 6th., 1886), but whether before or after its receipt we cannot say, it was decided by the Cabinet not to touch Horowhenua at present. The date of Kemp's telegram is material (December 6th), because it shows that he was aware that the Crown declined to purchase upon the terms which in the previous June he had submitted to the Under-Secretary. Kemp does not appear to have held any communication with his tribe informing them of the failure of his negotiations with the Crown; but on the 16th July, 1887, as he admits, without any further consultation with or authority from the tribe he had an interview with the Under-Secretary for Native Affairs, who offered to purchase the land at the price of 30s per acre. Three days later, namely on the 19th July, without any reference in any way to his tribe, he accepted the offer of the Under-Secretary, and on the following day received £2,500, the balance of the purchase-money being left at interest. It will be seen that this sale ignores every condition upon which alone Kemp was authorised by the tribe for whom he was trustee to sell. So far as we can ascertain, not a penny of the £2,500 Kemp received was accounted for to the tribe. Kemp holding a certificate of title was able to give a clear title to the Crown, and we can find nothing in the papers, nor is there anything in the evidence, to suggest that the Crown or its officers had notice of any trust or matter which rendered its or their action other than *bonâ fide*. The Crown charged as against the purchase-money the sums of £300 and £200, already mentioned as having been paid to Kemp, so that after payment of the £2,500 paid on completion of the purchase the Crown still owed £3,000 which it retained at interest. In December, 1889, Kemp received a sum of £150 as interest on the money in the Crown's possession. On the 7th May, 1890, he received a sum of £2,000. On the 20th March, 1891, he received the balance of the principal, namely £1,000 and interest to date, namely £60 13s. 8d., making a total of £6,210 13s. 8d. which he has received in connection with the sale of the subdivision, and of which he professes to be unable to give any account whatever. He has therefore not only in fraud of his tribe sold the land upon terms which they did not authorise and were not privy to, but in addition to this, having received the value of that land, he has not spent it in paying for the subdivisional surveys; and on his oath now states that he is unable to even suggest how any of it has been spent; and this although he states, when asked specifically about each particular sum, that he remembers the receipt of it. We can only arrive at the conclusion that Kemp has spent this money in a manner which he knows is unjustifiable, and that he gives no explanation of his expenditure not because he cannot, but because he will not or dare not do so. He is conducting business with various tribes in different parts of the country and employs a secretary, and it is in our opinion simply nonsense to say that he cannot account for any portion of this large sum of money. Moreover, if his evidence as set out in the minute-books of the Court of 1890 be correct, at that time he knew what he had expended and kept an account of it; for he there said, "my balance-sheet will show that I spent much more money than I have received on account of this tribe."

SUBDIVISION No. 3.

The Natives at the Land Court in 1886 agreed that certain members of the tribe, numbering 106, whose names are set out in list marked "A" annexed to our Commission (with this exception: that in that list the name Te Rangirurupuni, where it occurs opposite No. 34, should be struck out, and the name Te Rangimairehau substituted for it; Te Rangirurupuni having died, and his name appearing twice on the list—once as No. 34, and again as No. 74,—the names where it appears opposite to No. 34 being a clerical error, Te Rangimairehau being the name that should appear) should receive 105 acres each. It is probable that some of these received a larger share than they ought to have done;