

awarded to the party, but for the actual sum reported by the Commissioners to have been originally expended by the claimant. Thus, if a party having proved an expenditure of 200*l.*, and being entitled therefore to a quantity of 800 acres at the rate of 5*s.* per acre, or even to much more under some parts of the graduated scale of prices, were to accept one of the proposed orders available for the Crown lands of which the minimum price is 1*l.*, he could not obtain more than 200 acres. This would appear much the reverse of an encouragement; and unless the measure shall have been since modified in this particular, I am apprehensive that it may have proved a failure. Should this have been the case, and should you contemplate a renewal of some similar arrangement for claims hereafter decided, your best course would appear to be to make the offer at once of orders equivalent at 1*l.* per acre to the quantity of land awarded to the party.

In the proposal made to the principle agent of the New Zealand Company, to facilitate the settlement of any questions with the natives residing within the tract they claim, I have only to observe, that Mr. Shortland anticipated the course which has been agreed upon with the Company in this country.

The particular claims reported by Mr. Shortland to be disposed of, have, it appears, been settled under an Ordinance of 25th February, 1842,* which has since been disallowed. The previous law thereby revived (Ordinance of June 1841)† is more favourable to claimants, in so far as it lays down for them a graduated scale of prices, beginning so low as 6*d.* per acre, instead of one general price of 5*s.* per acre; it is less favourable in so far as it fixes a maximum extent of grant, beyond which the Commissioners of Claims may not offer a recommendation, unless specially authorized by the Governor and Council. I do not consider that the change from one law to the other need in itself entail a revision of claims already disposed of, and it is obviously desirable to avoid, as far as possible, the re-opening of settled cases. But, on the other hand, the change may, in point of fact, have led to fresh applications from such of the parties as would have had better terms under the law now revived, and some of these appeals may have been such as the Colonial Government will have found itself obliged in justice to attend to.

It appears to me that in this state of uncertainty any instructions from me would only tend to complicate the subject. In so far as parties may either be willing to acquiesce in the decisions they have received, or be unable to show very strong grounds why those decisions should be reviewed, I see nothing in the circumstances which would necessitate a disturbance of equitable arrangements already carried into effect.

I shall reply in a separate communication to that part of Mr. Shortland's despatch which relates to the financial condition of the colony.

I have, &c.,
(Signed) STANLEY.

* Ordinance of 25th February, 1842, Parl. Paper, No. 323, 1843, p. 205.

† Ordinance of 9th June, 1841, Parl. Paper, No. 569, 1842, p. 122.