A.—8.

the interests of Europeans and Maoris alike, that the Amnesty for all such offences as are referred to in my Proclamation, should be without exception. If Te Kooti or any other Chief or body of Maoris had been excepted, he or they would have formed the nucleus of a party hostile to the Government, and the very object of the Government, in the conciliatory policy on which they had entered, would have been neutralized. It appeared to me most desirable that a line should be drawn between the past and the future, and that with this view the pardon should be full and complete. I, therefore, quite approved of the proposal of my Ministers, that no Maori should be excluded from the Proclamation of amnesty, copies of which I transmitted to your Lordship with my former despatch.

Enclosure 3.

6. Appended hereto is a telegram from Mr. Bryce, giving an account of his interview with Te Kooti before the Proclamation was issued. From what has since transpired (to which I will presently refer) there seems every reason to believe that Te Kooti will act up to the peaceful

professions which he made on that occasion.

7. The troubles on the west coast of the North Island, which gave so much cause for anxiety, and which at one time seemed likely to lead to hostilities, have passed away. In accordance with the permission referred to in my former despatch, Te Whiti and Tohu, on the 8th instant, returned to Parihaka. Since their return there have been no signs of any desire to revive the meetings which kept that part of the country in a state of agitation. Their prolonged sojourn amongst Europeans in the South Island, and the kindness with which they were treated, seem to have produced a salutary effect upon their minds. I think there can be no doubt of the wisdom of the policy of allowing them both to return to their own homes.

8. The re-opening of the harbour of Kawhia has been effected without any question on the part of the Natives.

9. The only difficulty which has been experienced by the Government in carrying into effect the measures passed by Parliament last year, has occurred within the last three days, since I received from the Premier the memorandum now enclosed. Your Lordship is aware that amongst the measures I refer to was one authorizing the raising a loan of £1,000,000 for the completion of railway communication between Wellington and Auckland. A surveyor, Mr. Hursthouse, with an assistant in his department, has lately been employed under the orders of Government in examining the country to the southward of Waikato, with the object of determining upon the route for the railway. As stated in the Premier's memorandum, this survey, after a slight show of opposition on the part of some Natives, was allowed to proceed. The Chiefs Wahanui and Rewi, acting in the place of Tawhiao, whose influence amongst the Natives appears to have very much decreased, gave orders that no obstruction should be offered to Mr. Hursthouse. Notwithstanding these orders, however, a body of fanatics, under one Mahuki, stopped the surveyors, who were escorted by the Chief Te Wetere, of Mokau, and about twenty-five Maoris; and Mahuki's party being superior in numbers, Te Wetere, after a fracas between the escort and the opposing party, thought it wise not to resist Mahuki's men. Mr. Hursthouse, with his assistant and their escort, were consequently made prisoners. On the evening of the 22nd inst., however, I received a telegram [copy enclosed], in which Mr. Bryce states that Te Kooti, with a body of Ngatimaniapotos, released Mr. Hursthouse and captured and bound most of the Mahuki party. I presume, although the telegram does not so state, that Mr. Hursthouse's assistant has also been liberated.

10. The action of Te Kooti in this affair shows that he fully intends acting up to the professions made by him at his interview with Mr. Bryce, and affords evidence of the wisdom of including him in

the Amnesty to which I have before referred.

11. As regards the further prosecution of the survey for the railway, no doubt the matter is one which should be dealt with with much caution and good judgment; but the opposition hitherto made to the examination of the country appears to have been only the act of a few, and, seeing that the Government is supported by the principal Chiefs in their desire to effect the survey, I think it probable that the work will ere long be permitted to proceed without further opposition.

12. For facility of reference, I enclose copies of the Acts referred to in the Premier's

memorandum. I have,

The Right Hon. the Secretary of State for the Colonies.

I have, &c., Wm. F. Drummond Jervois.

Enclosure 5.

P.S.—Since writing the above, a telegram has been received from Mr. Bryce (a copy of which I enclose), in which he states that Mahuki has "made a cringing submission and promise of future good conduct." There are statements to the same effect in this evening's paper.—W. F. D. J.

ADDITIONAL POSTSCRIPT.—Since writing the above, it has transpired that Mahuki's submission was only a feint. He afterwards became very defiant, and he and his party have consequently been arrested. I send herewith copy of the New Zealand Herald, containing latest particulars. This by telegraph to Auckland, and thence by mail.—W. F. D. J.

Enclosure No. 1.

Memorandum for His Excellency the Governor.

THE condition of Native affairs in this colony at the present time affords, I believe indisputably, room for congratulation. Upon the causes which have produced the improvement in the relations between the two races there may be and are differences of opinion; but as compared with any period of the past history of the colony, there can be no doubt of the favourable condition of the present time.

The troubles with the Natives on the West Coast, between Hawera and New Plymouth, which for years past have been so urgent as to appear on many occasions to be on the point of breaking out into open hostilities, may now be said to be definitely ended. The ample reserves which the Legislature and the Government conceded to the Natives out of confiscated land on that coast, have been for the most part defined and Crown-granted. The bulk of the Natives have accepted the position, and are in profitable occupation of portions of their land: other portions are now being leased for them, with their own