

hand, those who oppose any alienation whatever of Native land will, of course, use all their influence against the scheme; on the other hand, those of Tawhiao's friends and counsellors who are already in the interest of the land-jobbing "rings," which find a profitable field for speculation in dealings with Natives, will seek to dissuade him from a course which would seriously interfere with their own profits. Nor is the promise that "suitable" reserves will be withheld from sale one likely to commend the scheme to the Maori mind generally. It is one to which they are well accustomed, which they know to be very elastic, and which has by no means always been kept in such a manner as to deserve from them any large measure of gratitude.

6. But if the acceptance of the scheme by the Maoris is doubtful, it is, I think, also uncertain whether it would be more favourably received by the Government and Legislature of New Zealand. There are reasons why the contemplated arrangement may be distasteful in political circles, while among the people generally there exists a very genuine and not unnatural jealousy of the acquisition by companies, having their headquarters out of New Zealand, of very large tracts of land, amounting in the present instance to the dimensions of a province. While, therefore, I wish every success to those who, for such admirable objects, seek to found the proposed association, I am unable to express myself as confident that it can be successfully established, or very hopeful that, if established, it would accomplish the beneficial results to the Maori race which they have at heart.

I have, &c.

The Under-Secretary of State, Colonial Office.

ARTHUR GORDON.