1884. ΝEW ZEALAND.

MAORI LANDS AND PERPETUAL ANNUITIES ASSOCIATION

(PAPERS RELATING TO A PROPOSED)*

Presented to both Houses of the General Assembly by Command of His Excellency.

No. 1.

James Cropper, Esq. M.P. and Others, to the Right Hon. the Earl of Kimberley.

35, Belsize Avenue, Hampstead, 2nd August, 1882. My Lord,-

You are probably aware that three chiefs of the aboriginal race of New Zealand are at present in London in a partially representative character, to seek redress, through Her Majesty the Queen, of grievances which their race professes to have suffered at the hands of successive Colonial Governments of New Zealand.

We have no knowledge of the merits of the complaints, but it was felt, by all who were aware of the political relations of the colonies possessing responsible government to the Mother-country,

that the mission would not be successful.

At any rate, it has failed for the present; but, in order to lessen the irritation of failure and the disappointment felt by the chiefs at being refused an audience of Her Majesty, which was doubtless necessary for political reasons, and to turn to practical account an opportunity which seems to have been providentially afforded for benefiting the race in respect of the much-vexed question of the disposal of their lands, it has been decided to address a letter to the chiefs in New Zealand expressing the natural interest which is felt in the welfare of the people, and submitting a scheme which is calculated, in the opinion of those in this country who are competent judges, to secure to them the permanent advantage of their valuable hereditary possessions.

A printed document setting forth considerations in favour of the scheme is sent herewith, as

well as a copy of the proposed letter; and, if after perusal the scheme meets with your approval in a general way, we venture to ask you to sign the letter, and return it to us at the above address, as the addition of your name will add great weight to the document in the eyes of both Europeans and

Natives in the colony.

Should the Maori people respond favourably to the suggestions made in the letter, those who

sign it would necessarily be consulted by us before any further steps were taken.

If you would like to consult with the chiefs personally, an interview could easily be arranged. They leave this country on the 28th of this month. We are, &c.,

James Cropper. R. N. Fowler. A. McArthur. WM. McArthur. Anthony John Mundella. Henry W. Peek. HENRY RICHARD. WM. SUMMERS.

The Right Hon. the Earl of Kimberley.

Enclosure 1.

CONSIDERATIONS in favour of a Scheme for the Pacification of the Aboriginal People of New Zealand by dealing with their Lands on just principles, for the lasting benefit of both European and

According to the New Zealand Crown Lands Guide, the total area of that colony is upwards of 64,000,000 acres. Of this, 14,000,000 have been sold, or disposed of in education and other public reserves; 16,000,000 belong to the aborigines or to the Europeans who have purchased from them; and 34,000,000 acres of Crown lands still remain for disposal. Of the latter, 15,000,000 acres are open grass or fern country, 10,000,000 forest, and 9,000,000 barren mountain-tops, lakes, and worthless country. It is estimated that 15,000,000 acres still remain in the hands of the Natives, and, if the same proportion holds good in regard to the Native lands as to the Crown lands, the Native lands consist of about 6,600,000 acres of open grass or fern country; 4,400,000 acres of forest; and 4,000,000 acres worthless for agricultural or pastoral purposes.

The Native lands are scattered over the North Island, but the largest continuous block is situate between 38° and 40° south latitude and between 175° and 177° east longitude, a large por-

tion of which is called the King country.

The Natives number about 40,000 people only, so that this large area is quite beyond their power either to occupy or employ. One of the objects of the "King" movement was to prevent the sale of Native land to Europeans; but every effort of the chiefs to restrain the sale of land has failed, and their property is fast melting away, and no provision is being made for the future sustenance of the race.

Land Courts, presided over partly by European and partly by Maori Judges, have been established by the Government for the investigation of titles and the settlement of land disputes. These Courts are not popular with the Maoris, but, in the absence of any other means of procuring

a Government title for the purposes of sale, they are compelled to use them.

The process by which land is acquired from the Maoris is as follows: As the land is held tribally, no individual has a right to sell without the consent of the tribe, although by arrangement amongst themselves the land is most minutely subdivided amongst families and individuals. The land speculator begins by advancing money in small amounts to men well known to possess land, either directly or through storekeepers, who make it easy for the victims to run up scores. This proceeds for a time, until the Maori becomes hopelessly involved, when pressure is brought to bear, and he is often obliged to sell his land for one-fourth of what it would realize if it were first passed through the Land Courts, and then sold in the open market with a perfect title. A similar process is brought to bear on his co-owners, and, although it often occupies a very long time, the various interests are ultimately secured. The land, after survey, is then brought into the Land Court, and, in conformity with the Act, notice is formally given in the Government Gazette to all who may be interested to appear and establish their claims.

Frequently the determination to sell is not unanimous on the part of the owners, and it often happens that some of them are absent in other parts of the colony or in adjacent islands, and it is not unusual for members of the tribe to deny the legality of the Land Courts; while it not unfrequently occurs that one or more absent themselves by arrangement, at the instance of a class of unscrupulous lawyers, and what are called "pakeha-Maoris," who abound in the colony, with the object of creating subsequent complications and levying blackmail on the purchasers. It often happens, too, by means of intimidation brought to bear by the unscrupulous and strong-willed men on the weaker minds, the most important owners are left out of the Crown grants, and the names of others inserted who have little or no claim to the land.

Thus a sense of wrong and ill-feeling is engendered, and, as the money received for the land has either been forestalled by the processes named above or is quickly squandered, there is much room for a comprehensive scheme which would put a stop to the existing conditions under which the Native race is being preyed upon, and which, whilst furnishing an abundant return to capitalists who may engage in it, would protect the Maoris in the administration of their lands, and give

them a permanent interest in the development and settlement of the country.

For many years the Government maintained a right of pre-emption over all Native lands, on terms favourable to the colony; but this policy was abandoned for financial reasons, and also on account of the irritation it excited amongst the Maoris owing to the low price received by them for the land, and the dependent position towards the Government in which it placed them. Their position has not been improved by the alteration of this policy, as, whilst there is now no pressure on the part of the Government to buy, there is pressure on the part of the Natives to sell, and, owing to the difficulties connected with their tribal ownership and the consequent impossibility of selling in small blocks to actual settlers, they are forced, as it were, into the hands of the land-

The condition of the Maori mind at the present moment is considered, by Europeans who are well acquainted with the race, to be such as to afford every inducement to take active measures at once for the carrying-out of such a scheme. The chiefs and patriotic men amongst them are represented as deploring their own declining influence, and looking forward to the rapid disintegration of the race, without knowing how to stem the tide. The three New Zealand chiefs who are at present in this country strongly urge the scheme, and declare that it will be welcomed by the Natives at large, and that there will be few practical difficulties in the way of its application to the whole of the Native lands in the colony. They say that the chiefs look with suspicion upon local suggestions, and would welcome a scheme based upon just principles, and advocated by prominent men in this country, whose motives would be above suspicion, and whose names and position would be a guarantee, both to the Maoris and to the well-disposed Europeans, that the interests proposed to be committed to them would be properly conserved.

It is urged that it is the duty of such men to respond to this call, and that a debt is due to these noble semi-civilized people, who have been brought into contact with our civilization, and have hitherto suffered thereby, not altogether by our intention, but by the force of circumstances. It is admitted that, on the whole, no other Native race has been treated with the consideration and forbearance they have met with at the hands of our governing class, and it, therefore, may be expected that, when the proposed scheme is promulgated in the colony, it will be welcomed and assisted by

In making this call the Natives do not ask for our charity, except perhaps in the hightest sense of the word; for, in helping them in this matter, it can be demonstrated that those who respond to the call will vastly benefit themselves, not only by the sense of good performed, but by the important financial results which will accrue.

G.-2.

From the colonial point of view it would be of immense advantage to colonists to have the Maori land question settled once and for ever, in a manner that would leave no sense of wrong on the side of the Maori, and no qualms of conscience on the side of the European, and by means outside of existing channels, and free from the suspicions which attach to local action. meet colonial susceptibilities if the settlement of the question, in a manner favourable to the Maoris, were accompanied by immediate efforts to open up and colonize the Native lands by planting thereon important additions to the population from the Mother-country. It would be an important consideration also that the scheme should attach the Maoris to the Government of the colony, and that the capital value of the Native lands should fructify in the hands of the Government in the shape of public works. In would further be a reasonable provision that the Government should possess the reversion of the interest of the Natives in the scheme as heirs fail them, or in the event of the disappearance of the race, which is anticipated by many.

All these advantages are provided for in the following scheme:

It is proposed to form an association in London called "The Maori Lands and Perpetual Annuities Association (Limited)," with a capital of £1,000,000, and power to increase, on the fol-

lowing conditions:-

That ample reserves be made for the Maoris of such lands as they can beneficially occupy, and that the remainder of the lands be surveyed, and valued according to quality at the current prices in the colony for Maori lands, or at such prices and upon such terms as may be agreed upon between the Natives and the association.

That the fee-simple of all such lands be transferred by the Natives to the association after the titles have been individualized by the ordinary Land Courts of the colony, and that the association at once deal with the lands by opening them up, selling them, and planting settlers thereon.

That certificates for the money-value of these lands be issued by the association to the individuals entitled to them, in separate series of, say, £25, £50, £100, and £1,000 each, and that some

plan be devised by the Maoris for the redemption of these certificates by lot.

That the average value per acre of all the lands transferred be ascertained, and the association apply, as a sinking fund for the redemption of the certificates which may be drawn from time to time, not less than that average value of the quantity of land sold each year, and to the extent of the certificates drawn, and, on behalf of the respective owners, purchase New Zealand Government consols, and hand them over to the Public Trustee in the colony, or hand the money to the Government, to be held in either case for the owners and their heirs as perpetual annuities, the Government paying interest thereon, and utilizing the money for public works.

That the Native lands be divided into four, or, if necessary, more, separate districts, say, North, West and Middle, East, and South; and that the association appoint local boards of management for each of these districts, the Maoris being suitably represented on such Boards; and, if necessary, in order to meet objections on the ground that the land in one district is more valuable or more saleable than that in another, that the certificates be divided according to the districts, and the sinking fund applied to the redemption of the certificates in proportion to the land sold in each

That the profit after the application of the sinking fund be annually divided between the Maoris and the shareholders in the association, but so as not to exceed 10 per cent. on the paid-up capital of the association, and an equal amount distributed amongst the Maori certificate-holders, any balance of profit remaining over to be applied in augmentation of the sinking fund.

On the assumption that 10,000,000 acres available land will be included in the scheme, and 200,000 acres will be sold annually, it is estimated that in eighteen years, or possibly much sooner, all the Maoris will have entered into the enjoyment of the interest on the original capital value of all their lands, and a surplus of between 6,000,000 and 7,000,000 acres will still remain unsold.

It is proposed that this surplus be represented by residuary certificates, one-half to be handed to the Native owners in proportion to their original interest, and one-half to the shareholders of the association; that the liabilities be next liquidated, and a sum equal to the share capital of the association be returned to the shareholders; and that these certificates subsequently participate equally in the profit, the Maori portion by way of sinking fund as before, the European portion by way of distribution on the certificates.

The advantages of the scheme to English shareholders would be-

That they would enjoy the satisfaction of solving, to the lasting benefit of both races, a political difficulty which has long overshadowed our relations with the Natives, and on several occasions has left its dark traces in blood, and humanly speaking arrest the decay, or at least mitigate the sufferings connected with the decline, of a noble race.

That, by means of a relatively small capital paid up, say, £200,000, and by the excercise of borrowing powers as may be required, they would realize, after the first year or two of their operations, a 10 per cent. dividend for a period of years, then receive back a sum equal to their paid-up capital, and finally share equally with the Native-certificate holders in a fund of about £12,000,000 sterling.

To show that this is by no means an unreasonable anticipation, it may be stated that the average sales of waste lands effected by the Government for five years up to 1880 inclusive has been 435,841 acres per annum, and that an average price of £1 14s. 10d., cash, has been realized; but, as the association would sell for part cash and part on deferred payment, subject to interest, with security over the land sold, an increased average price of at least 10s. per acre might fairly be anticipated.

The profits of the association would not depend upon the sale of country lands only, but on the sale of township sites and suburban lands, the upset price of the former not being less than £30

per acre, and of the latter not less than £3 per acre.

The probability is that the average value or cost to the association of the Native lands transferred would not exceed 8s. per acre, and that the average value of the same lands when sold by the association would not be under £2 per acre; and, on the assumption that 10,000,000 acres are embraced in the scheme, and 200,000 acres are sold annually, the scheme would probably work out

Cost of 10,000,000 acres, at 8s. ... £4,000,000

Annual Result.

400,000 200,000 acres sold at 40s. £80 000 Unconditional sinking fund, at 8s. per acre Further applicable as sinking fund 220,000 300,000 10 per cent. on paid-up capital of £200,000 20,000 Same amount distributed amongst Maoris 20,000 Expenses, interest on debentures, immigration 60,000 400,000 £300,000 per annum sinking fund, applied for 13 years and 4 months, would amount to £4,000,000

But, as the scheme could only embrace, for the first two or three years, the lands which had already been passed through the Land Courts, and the sales would not have attained their full magnitude during that period, and further, it might not be expedient to apply so large a sinking fund as £300,000 per annum, 18 years are allowed instead of 13 for the cancellation of the original certificates. In the event of the scheme being only partially availed of by the Natives, the capital required would be relatively less, and the results proportionate. To realize £4,000,000 it would take about 13 times 200,000 acres, or 2,600,000 acres, which would leave 7,400,000 acres, representing, at £2 per acre, a sum of £14,800,000. From this sum would have to be deducted-

£200,000 Paid-up capital Debenture debt, which may have been applied to the opening-up of 600,000 the lands, say £800,000

And there would be left a fund in land of £14,000,000 sterling, subject only to annual expenses of

management, to be divided pro ratâ over the residuary certificates as sales may be effected.

It is proposed that the friends of the Maori race address a letter to the principal chiefs of New Zealand explaining the scheme, and suggesting that they hold a great council to take it into consideration and express their views upon it; and that the letter be handed to the chiefs who are now in this country, to take with them on their departure to their native land on the 25th of August, 1882.

We have made ourselves familiar with the proposals and explanations contained in this corandum. We thoroughly understand the scheme, and are satisfied that it would confer immense benefits on both races in New Zealand; and we are prepared to return to our native land and strenuously advocate its adoption by our people.

Wiremu Reweti te Puhi Hihi, HIRINI ROWIRI TE TAIWHANGA, HAKENA TE PARORE, Chiefs of the Ngapuhi Tribe.

London, 2nd August, 1882.

Enclosure 2.

[Translation.]

TO THE CHIEFS OF THE NATIVE RACE IN NEW ZEALAND.

O! OUR DISTINGUISHED FRIENDS: SALUTATIONS! London, 2nd August, 1882. The visit of William Davis Parore, Jackson Parore, and Sydney O. Taiwhanga to England has revived a considerable interest in the Maori race, and, although the object of their visit has not been altogether successful, it is hoped by many that the interchange of ideas which has taken place may lead to some steps being taken for the welfare and elevation of the tribe which they represent. and also of the other important tribes in New Zealand.

In this matter the friends of the Maoris recognize that, through a want of knowledge of existing difficulties in New Zealand, their desires exceed their capacity to help; but they have determined that the three chiefs now returning to their native land shall not leave without a message of goodwill to the Maori people, and the assurance that influential persons in England are willing to help, if some practical plan can be devised.

The Great Father of all chooses His instruments from the weak as well as from the strong, and perhaps He may accomplish a great purpose through the weak instrumentality of the writers of this letter.

The three chiefs have not failed to see that this effort, which is now no larger than a man's hand on the horizon, may shortly overspread the Maori people, and put an end to the troubles which have disturbed them for so many years. They tell us that many steps have been taken by their brother chiefs to protect their people from evil influences, but they either have failed or are failing in their object, owing to unfavourable circumstances which they have hitherto been unable to control. They tell us, further, that the Maoris are losing faith in their past policy to gain the ends they have in view, and are groping in the dark after some new plan. Our advice to the whole nation, and particularly to you, chiefs, is, think well before you take any step let your action he united and do not forget that any policy you adopt in order to be any step, let your action be united, and do not forget that any policy you adopt, in order to be

successful under existing conditions, must have the welfare of both races in view, and must secure the sanction and co-operation of the New Zealand Government. We know that the great trouble lies in the land. Maoris continue to sell their inheritance year after year, and in most instances waste the money they receive for it, and thus the substance on which they depend is passing away from them. We do not say to you, do not sell your land, or, be jealous of Europeans, but be provident, husband your resources in land or money, or you will become paupers in your own country, a mere remnant in number of what you now are, and doomed to speedy extinction. On the other hand, if you take our advice, you will realize the blessings of thrift and civilization, which blessings some of you have learned to value, and your descendants, through their high intelligence, will rightly take the place for which Providence has fitted them. You will probably say, "We are conscious that what you write is too true; our past efforts have been directed to preserve and elevate our people, but circumstances have been against us, and we have failed. Have you any plan to suggest to us?" We are told that there are two opposing views held by Europeans in the colony. One is that the Crown should resume its old right of pre-emption; the other, that Maoris should be encouraged in every possible way to get rid of their land. Could we not discover some medium course which would reconcile these views, and at the same time prove the best possible one for the Maori? Land is a talent God gives to nations, but unused and unimproved it is like the talent buried in the ground. You still own much land, much more than you can occupy or use. You have no money to spend upon it, but there is much capital in this country. Is it not possible to marry your land in New Zealand to the capital that is in this country, on terms which will be mutually advantageous? We think it is possible, and, without pledging ourselves to the details of any particular scheme, we should favour some such plan as the following :-

 Let reserves be made for the Maoris of such lands as they can beneficially occupy.
 Let a powerful association be formed in London, and under its auspices let the remainder of the available land be surveyed, and valued according to quality at the current price in the colony for Maori land.

3. Let the titles to these lands be individualized by the Maoris by means of the Land Courts, and let certificates be prepared and numbered by the association in series of £25, £50, £100, and £1,000 each, and distributed to the Maoris according to their separate ownership.

4. Let the lands be transferred to the association, and let the association provide the money to

open up the lands and to plant settlers upon them.

5. Let the average value per acre of all the lands together be ascertained, and the association apply as a sinking fund for the redemption of the certificates not less than that average value on the quantity of land sold each year, and let that sum be invested in New Zealand Government stocks, or, if the Government will so agree, let the money be handed over to the Government for the prosecution of public works on the land, and the Government pay interest on the amount to the Maoris in the shape of perpetual annuities.

6. Let the Maoris devise some plan for drawing lots for the redemption of the certificates according to the numbers marked on them, and let the holders of the certificates drawn, and their heirs for ever, receive the interest annually on the amount represented by the drawn certificates.

7. Let the profit, after the application of the sinking fund, be annually divided between the Maoris and the shareholders in the English association, but not to exceed 10 per cent. on the paid-up capital of the association, and let an equal amount be distributed amongst the Maoris. Any

balance still standing over to be applied in augmentation of the sinking fund.

- 8. A time will come sooner or later, according to the extent to which the sinking fund has been applied (probably in about eighteen years, if 10,000,000 acres are included in the scheme, and sales to the extent of about 200,000 acres can be effected annually), when the Maoris will all have entered into the enjoyment of the interest on the capital value of all their lands, and there will still be left a large surplus of land. Let this surplus from the commencement be represented by residuary certificates, and one-half handed to the Maoris and one-half to the shareholders in the London association, and let them share equally in the result. Let the Maori's share of the profit be applied as a sinking fund for the redemption of the certificates, and invested in perpetual annuities as before.
- 9. Let the Maoris have a voice in the management of the scheme in the colony by electing representatives to act on the local boards of management of the association in the colony.

10. Let the Government be asked to sanction such a scheme by legislative enactment, so as

to give the conditions legal force.

It will be seen that the great principles of this scheme are, that it will insure the investment for the Maoris and their children in the course of a few years, on the very best security, the full present value of their lands; that whilst this process is going on they will equally divide the profits with the English shareholders; that, when the Maoris have been paid for their lands, the English shareholders will receive back their capital, and then Maoris and Europeans will share alike in all subsequent profits. Let the chiefs, if they approve these principles, at once hold a council of all their people, in order to take this proposal into consideration, and if they approve of it let us know, or if they have any modifications to suggest we shall be glad to take them into consideration.

The end of that-

M.P. for Kendal, Reform Club, Pall Mall.

Robert Nicholas Fowler,

M.P. for London, Alderman of London, Gastard House, Corsham.

Penrose G. Julyan,

Late Crown Agent for the Colonies, K.C.M.G. and C.B. Cornwall House, South Kensington.

HENRY PARRY LIDDON,

D.D., Canon of St. Paul's, and Ireland Professor at Oxford, 3, Amen Court, E.C.

JOHN LONDON,

The Right Rev. the Lord Bishop of London, Fulham Palace.

ALEXANDER MCARTHUR,

M.P. for Leicester, Raleigh Hall, Brixton Rise, S.W.

WILLIAM MCARTHUR,

M.P. for Lambeth, Alderman and late Lord Mayor of London, 79, Holland Park.

ANTHONY JOHN MUNDELLA,

Right Hon., Vice-President of the Committee of Council on Education, and fourth Charity Commissioner, M.P. for Sheffield, F.R.S., 16, Elvaston Place, S.W.

HENRY W. NORMAN,

General, K.C.B. Member of the Council of India, 27, Lexham Gardens, Kensington, W.

HENRY W. PEEK,

Baronet, M.P. for Mid Surrey, Wimbledon House, S.W.

Henry Richard,

M.P. for Merthyr-Tydvil, 22, Bolton Gardens, South Kensington, S.W.

WILLIAM SUMMERS,

M.P. for Stalybridge, Sunnyside, Ashton-under-Lyne.

No. 2.

The Colonial Office to the Hon. Sir A. H. Gordon, G.C.M.G.

Sir,—

I am directed by the Secretary of State for the Colonies to transmit to you, for any observations with which you may desire to favour Lord Derby, the accompanying copy of a letter addressed to his predecessor, enclosing a printed paper entitled "Considerations in favour of a Scheme for the Pacification of the Aboriginal People of New Zealand by dealing with their Lands on just Principles for the lasting Benefit of both European and Native Races."

I am to request that this paper may be returned to this department when done with.

I am, &c.,

Sir A. H. Gordon.

John Bramston.

No. 3.

The Hon. Sir A. H. GORDON, G.C.M.G. to the COLONIAL OFFICE,

Sir,—

The Red House, Ascot, 4th January, 1883.

I have the honour to return the letter addressed to the Earl of Kimberley which is

enclosed in your letter of the 28th ultimo.

2. The rapidity with which the land still held by Natives of New Zealand is at present passing out of their hands into those of white men is, in my opinion, far from satisfactory; and I should therefore feel strongly disposed to offer every encouragement to any attempt to inaugurate a better system which is so obviously well meant as that proposed in the letter in question, the names appended to which are a guarantee, not only of the good faith of the enterprise, but of the energy and ability with which it will be conducted.

3. I must confess, however, that I am not very sanguine as to the results of the experiment so far as the Maoris are concerned, even supposing it to be commercially successful, nor am I

confident that it could, in the first instance, be successfully started.

4. I observe no provision for preventing the alienation of the certificates given under the proposed scheme; but, unless very stringent restrictions indeed be imposed on such alienation (and I can conceive none likely to be really efficient or unsusceptible of evasion), it is perfectly plain that these certificates will, almost as soon as issued, find their way, for a very trifling consideration, into white hands; and the next generation of Maoris would thus be left as completely denuded of both land and money as they are likely to be under any other arrangements. Those deriving benefit from the association would, I think, very soon be exclusively Europeans; as those concerned in its management would, in fact, at once be from the commencement. The representation of the Maoris on the various boards of management sounds well in England; but any one really well acquainted with New Zealand must be, I think, aware of the illusory nature of such a provision. Even supposing that a Maori member of such a Board were always accompanied by his interpreter, and that all that passed was duly interpreted to him, the impatience which would be felt at the delay thus caused would soon make his position intolerably irksome to him, and from one cause or another he would soon cease to attend the meetings. The results of the enterprise are not unlikely to be profitable to the European shareholders; but I question whether, as regards the Maoris, they would be altogether such as the benevolent projectors of the scheme contemplate.

5. But the success of the undertaking is, in the outset, as it appears to me, questionable. I do not think the Ngapuhi chiefs have sufficient influence with Tawhiao to induce him to assent to the scheme, and without his assent the largest tract of country still owned by Natives would be excluded from its operation. Two influences from opposite sides will be brought to bear upon him to produce in his mind an impression unfavourable to the objects of the association. On the one

Ĝ.**.**_2̂.

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.

By Authority: George Didsbury, Government Printer, Wellington.—1884.