

The moneys of the Association, including the £500 paid in by Mr. Willoughby Mullins, were dispensed by the Council, of which body Mr. Mullins was a constant and active member, in the registration of the company, printing, advertising, rent, furniture, and other legitimate and proper expenses, together with a part cost of sending a detachment of colonials to New Zealand. Out of the whole funds of the Association I received nothing, directly or indirectly, except the £40 already mentioned.

My efforts in England failed, owing greatly to the telegram sent by the Government to Sir F. D. Bell, and which was unjustifiably allowed by that gentleman to be publicly read in the House of Commons. Subsequent to the arrival and promulgation of that telegram I had yet reasonable hopes of success if Sir Harry Atkinson had officially recognised and acknowledged the letter of Lord Knutsford, in which the Secretary for the Colonies inclosed my correspondence to the Premier of New Zealand. Through some unaccountable cause the Premier of New Zealand failed to reply officially to the Secretary for the Colonies; this, in addition to the telegram already sent, completely destroyed all hope of my success, and I then returned to New Zealand. The Co-operative Colonising Association (Limited) continued in existence for some time after this, Mr. Mullins still being an active member of its executive, but, as I before said, was voluntarily wound up.

On my return to New Zealand I saw the Premier, who requested me to furnish the Government with all information necessary to enable the Government to consider the propriety of taking over the Native Land Company's lands in the interests of the Natives. Subsequently, a considerable amount of correspondence, both by letter and telegram, took place upon this subject, and ultimately, in January, 1890, I requested the Government to advance a sum of £42,000 by way of mortgage upon two of the blocks of land, Pakowhai and Paremata, and 10,000 sheep. By appointment I met the Native Minister and Mr. Murray, the then managing director of the Bank of New Zealand, at the Bank in Auckland, when it was agreed that if the liquidators of the company assented to the price the Bank would accept it, and Mr. Mitchelson would recommend to the Government the adoption of my proposals.

The liquidators did assent, and on the 17th February Mr. Mitchelson telegraphed to me that the Cabinet had decided to acquire the blocks of land mentioned in my letter, provided the report of the Minister of Lands and Surveyor-General were favourable, and suitable terms were arranged. My proposition to the Government was distinct and clear, that they should advance to Wi Pere and myself a sum of £42,000 on mortgage of these two blocks and the sheep, and we should have power to cut up and dispose of these lands, the Government reserving to itself the right of fixing such a price as would repay them for their advances. On the same day that I received the final telegram from Mr. Mitchelson, which I understood as closing the matter, I wrote to Mr. Mullins the letter above mentioned (c).

On my return from England I told the Natives, for whom Wi Pere and myself were acting, of the failure of our mission, and the cause of it. The Natives were well aware that certain emigrants had been sent out by us, including Mr. Mullins's son, with the expectation of being able to take up portions of the Pakowhai Block, and they knew also that Mr. Willoughby Mullins had invested £500 in the formation of the Co-operative Colonising Association (Limited). The Natives generally desired Wi Pere and myself to do the best we could for those who had thus come to New Zealand, and to see, if possible, that they suffered no loss.

The Pakowhai land, which, under the terms of an arrangement with the Government, we proposed to cut up for settlement, being 2,500 acres of the best portion of that block, we estimate at the value of from £8 to £10 per acre. This price would have enabled us to pay the Government their charges upon that land, £20,000, leaving 2,500 acres and 5,000 sheep clear for the Native owners.

It was under these circumstances, and acting on the request of the Natives that we should shield any person who had invested money to aid the Natives from loss, that my letter to Mr. Mullins was written. The proposition was perfectly reasonable and perfectly just. Unfortunately, the Government has done nothing further to carry its promises into effect, and so put it out of the power of Wi Pere and myself to fulfil the offer contained in my letter to Mr. Mullins.

I cannot close this correspondence without expressing my surprise at the action of the Government throughout. By their open hostility in the matter of the telegram, and their culpable negligence in not answering Lord Knutsford's letter, they destroyed the possibility of a successful scheme of colonisation. They impressed Her Majesty's Government that they were adverse to all immigration; they prevented the introduction of capital and labour for the purposes of settlement in the colony; and they defeated the effort being made by Wi Pere and myself, at enormous cost of money and trouble, for the advantageous settlement of the Native Land Company's difficulties and the preservation of the rights and interests of the Natives in their lands.

As it seems that the Government has allowed this matter to drift, and there is no hope of its repeated assurances to myself and Wi Pere being fulfilled, I shall petition Parliament for redress on behalf of the Native owners of these lands.

The Hon. the Minister of Lands, Wellington.

I have, &c.,

W. L. REES.

No. 9.

The Hon. the MINISTER of LANDS to W. L. REES, Esq., M.H.R.

SIR,—

23rd January, 1891.

I have the honour to acknowledge the receipt of your letter of the 29th August, 1890, with reference to certain correspondence between the Agent-General, Mr. W. Mullins, and myself, arising out of your proposed colonisation scheme on the East Coast.