

Mr. Willoughby Mullins, I informed Mr. Mullins of the exception taken by Mr. Rees to a paragraph in my letter to the former gentleman of the 22nd April last year; and I also informed Mr. Mullins of the statements contained in Mr. Rees's letter relating to him, desiring him to say whether those statements were admitted by him, and pointing out that if they were so admitted he ought to have informed me of the facts.

Mr. Mullins thereupon called here, and admitted the truth of Mr. Rees's statements. He acknowledged that the statements he had made to me in April last year were without foundation: that he had paid the £500 (referred to in the correspondence) not to Mr. Rees, but to the Association then being promoted by Mr. Rees and himself, as the price of five hundred shares; that he had himself been an active member of the Council of that Association; that the £500 had been expended, with his knowledge and sanction, for the purposes of that Association; and that these facts had all been concealed by him from me. Upon his making these admissions, I called upon him to express his regret in writing for the injustice he had done to Mr. Rees, which he promised to do. Instead of doing so, however, he simply wrote to say that he had not intended to make any imputation against Mr. Rees personally. I have now told him that it cannot be permissible for any one to take such a course, and have again invited him to express his regret for having misrepresented the case as he did at his interviews with me last year. Copies of the correspondence with Mr. Mullins are enclosed.

I do not think it is any business of mine to refer to the correspondence between the late Minister of Lands and Mr. Rees, beyond remarking on two points: In the first place, the paragraph in my letter to which Mr. Rees takes exception was not a statement of mine at all, but a recital of statements made to me by Mr. Mullins, which he has now acknowledged to have been incorrect, and in concealment of the true relations which had existed between Mr. Rees and himself. In the second place, I do not observe in Mr. Rees's letter to the late Minister of Lands any explanation of the only point which appeared to me of any importance last year—namely, the offer which Mr. Rees had made to Mr. Mullins to sell the latter's son three hundred to five hundred acres of land privately, at £1 per acre less than other people would have to pay, on condition of Mr. Mullins assigning the five hundred shares in the Association to himself and Wi Pere. Mr. Rees apparently still considers that this proposal was "perfectly reasonable and perfectly just." I do not.

F. D. BELL.

Westminster Chambers, 13, Victoria Street, London, S.W., 3rd April, 1891.

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No. 5.

Mr. W. KENNAWAY to W. MULLINS, Esq.

DEAR SIR,—

13, Victoria Street, S.W., 13th March, 1891.

I am directed by the Agent-General to inform you that, in a letter addressed by Mr. W. L. Rees to the New Zealand Government, that gentleman takes exception to a certain paragraph of my letter to you of the 22nd April last year as being incorrect.

The paragraph was as follows: "From what you have stated at several interviews here, as well as from the reference to the matter in both your letter and Mr. Rees's, the Agent-General has understood that during that gentleman's visit to this country you paid him a sum of £500 as the price of five hundred shares in a company then intended to be formed for the colonisation of certain lands belonging to Wi Pere and other Native chiefs, which company, however, was never actually established."

As the Agent-General did not at the time, and has not since, received any correction from you of the statements contained in that paragraph, he would be obliged by your informing him whether the paragraph in question contains any inaccurate statement so far as you are yourself concerned.

Mr. Rees, in the letter to which I have referred, makes certain statements relating to yourself, an extract of which is annexed. I am desired to inquire whether these statements are admitted by you. The Agent-General thinks that if they are true, you ought to have informed him of them at the time, as they are certainly inconsistent with any claim on your part that Mr. Rees should "recoup" you the sum of £500 mentioned in his letter of 17th February, 1890.

I am, &c.,

W. Mullins, Esq.

WALTER KENNAWAY.

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Enclosure in No. 5.

EXTRACT from Mr. REES's LETTER to the MINISTER of LANDS, 29th August, 1890.

"MR. WILLOUGHBY MULLINS took five hundred shares in the Co-operative Colonising Association (Limited), which was afterwards duly registered under the Joint Stock Companies Acts. He was one of the provisional members of the Council of that Association, afterwards becoming a permanent member. All moneys were expended under his direction and sanction, and he continued to act until the company was voluntarily wound up, which step was also taken with his express sanction, and since my return from England. The total amount of money which I received from the Association for travelling and other expenses during a period of nearly six months amounted, so far as I recollect, to £40, which, I think, was the exact sum. My costs and expenses while attempting to make the company successful were at least ten times that amount. The moneys of the Association, including the £500 paid in by Mr. Willoughby Mullins, were disbursed 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."