by honest motives, although, from their ignorance of the native character, almost necessarily mistaken.

But your Committee cannot admit that the responsibility of the massacre of the Wairau rests with the local Government, or that it has any necessary connexion with the selection of the site of the Nelson Settlement. There can be no doubt of the fact that the massacre of the Wairau was caused by the Agents of the Company attempting to take possession of a district, with regard to which, the natives always denied that they had sold it; and although the local Government may seem to be implicated in the matter, inasmuch as its representative the Police Magistrate headed the expedition, it is nevertheless perfectly notorious that the Company's agent was the real instigator The Native War of that expedition which led to such lamentable results. in the North there is every reason to believe was occasioned by the success of the natives in their conflict with the white men at the Wairau. In consequence of that success, the superstitious feeling with which the natives had previously regarded the power and the law of the white man was destroyed: the jealousy of the natives on the subject of their territorial possessions was indefinitely stimulated, and a feeling was created which prompted the restless and turbulent among a race of savages fond of the excitement of war, to seek to emulate in another field what they considered to be the triumph of their coun-

In fact, instead of deducing the Native Wars from the proceedings of the local Government as their sole or principal cause (the position assumed by the New Zealand Company), there appears to your Committee greater reason to say that the first conflict between the settlers and the natives was precipitated by the conduct of the Company and its Agents.

One other ground now only remains for your Committee to advert to: the charge against the local Government of having occasioned the destitution of the Company's labourers. The best answer to this charge is the fact that at Nelson, in Blind Bay, where the greatest amount of destitution and suffering among the Company's labourers occurred, there never was any hindrance on the part of the natives to the occupation of the land by the settlers.

In so far as that field of settlement extended, the Company was entirely unobstructed in its operations, and its failure there and the misery of its settlers are mainly chargeable upon its own mismanagement and the utter unfitness of the scheme of colonization attempted to be carried out, as applicable to the peculiar features of the Colony.

So long as the Company attempted to carry out that scheme, and actively interfered in the affairs of the Settlement, money was squandered—labour was misapplied—there was no production and no vitality—and the dawn of progress, healthfulness, and production, dates from the day when the Company's works were suspended, the Company's system of colonization abandoned, and working men placed upon allotments of land.

A still further impetus was given to that Settlement when the Company at the instance of the settlers agreed to a remodification of the scheme, and a large amount of land doomed under the lottery system to remain a wilderness, was thrown open to profitable occupation. But when the Company charges the local Government with the misery and destitution of its labourers, it must not be forgotten that under imperative orders from the Company its Agent at Nelson, upon four days notice, discharged upwards of three hundred labourers, who, with their wives and families, were entirely dependent upon it for subsistence, a considerable number of these men actually holding in their hands formal engagements on the part of the Company to find them employ-