January by the adherents of the so-called Maori King, at Tokangamutu, a place situated in the heart of the disaffected districts, about twenty-five miles inland from Kawhia, the port of the hostile Natives, on the West Coast of the North This Memorandum will amply repay an attentive perusal. It certainly discloses an aspect of affairs which is the reverse of satisfactory.

Enclosure No. 3.

- 5. Further, I transmit herewith a Memorandum drawn up by Major Richardson (the acting Colonial Treasurer), on behalf of the Minister for Colonial Defence, respecting the collision which took place on the 8th February ultimo, between the settlers and a party of Hauhau fanatics, near Opotiki, on the East Coast of the North Island. It is feared that partial outbreaks of this nature must be expected occasionally for some time to come. Meanwhile, it will be seen that the Defence Minister (Colonel Haultain) has himself proceeded to Opotiki, and "has taken such precautionary means as will, it is hoped, effectually secure the "safety of the settlers, and, at the same time, give the assurance that, while the "Government is resolved to protect its settlements, it is desirous of avoiding any "action which might be construed into an attack not called for in self-defence."
- 6. Te Puni, the well-known Maori chief of the Ngatiawa tribe, now in extreme old age (but to whose protection the early settlers in this part of New Zealand were formerly much indebted), and the other principal Maoris resident near Wellington, attended my first levée. I have also received, as the representative of the Queen, numerous addresses of respect and welcome from the loyal chiefs and tribes in all parts of both Islands—from the powerful clan of the Ngapuhis, at the Bay of Islands, in the extreme North; from the small remnant of Maoris in Otago, in the extreme South; from various chiefs of Taranaki and Enclosures Nos. 4 Wanganui, and of the shores of the central Lake of Taupo. I annex translations of several of these addresses, and also of my replies to them, which replies were of course drawn up with the advice and assistance of the Native Minister, and of other gentlemen skilled in Maori customs and feelings. I shall apply myself diligently to the study of the Native language and annals. The valuable publications on this subject of my accomplished predecessor, Sir George Grey, will facilitate the researches of all his successors.
 - 7. It would of course be, as yet, presumptuous in me to pronounce any judgment on Native questions. It is obvious, however, that the old institutions and rites of the Maoris have crumbled away; and so, it is to be feared, has to a deplorable extent, their recently adopted Christianity. When I visited Te Puni, a fortnight ago, at his own village, the old chief told me, in the presence of the Bishop of Wellington (Dr. Abraham), that he believed that he was now almost the only real Christian in his tribe, for most of his kinsmen had become either Hauhaus or drunken profligates. It is, moreover, a significant fact that the so-called Maori King has lately renounced his baptismal name of Matutaera (Methuselah), and openly adopted the heathen appellation of Tawhiao. He is stated to have taken no notice whatever of certain overtures that were made to him before my arrival, with the object of inducing him to give his submission to the "Queen's son" (the phrase by which the Duke of Edinburgh is known to the Maoris), during the With regard to this approaching visit of His Royal Highness to New Zealand. sullen and hostile isolation, a loyal chief, at a recent interview, addressed me in the following terms:—"O Governor, Matutaera is now like a single tree, left "exposed in a clearing of our native forests. If left alone it will soon wither and "die;—my word to you, O Governor, is to leave Matutaera alone." This is, in fact, the policy of my present Ministers. Indeed, there is a feeling in some quarters in favor of the tacit, if not formal revival in the Native Districts of this Colony, of a sort of "pale," in the sense familiar to the readers of Irish history.
 - 8. While the moral atmosphere of the North Island is thus unsettled, vast material damage has been inflicted by the hurricane and floods which swept over the Middle Island in the early part of last month. The value of the roads, bridges, and other public works; and of the houses, cattle, sheep, and other private property thus destroyed, has been estimated at little less, in the aggregate, than half a million sterling. These heavy losses have had the effect of increasing the commercial and financial depression which had prevailed in this as in the Australian Colonies ever since the monetary crisis of 1866.

to 13.