" and children. The Government did not hesitate to purchase blocks of land "cut off by intervening Native territory from the main settlements, which were " retailed in small farms to settlers, without a suspicion that the latter were being "thereby doomed to ruin. And now that a quarrel has at last arisen between the "races, the consolidation of our own territory, and the formation of a defensible "frontier between European and Maori land, imperatively demand conquests "which must entail bloodshed and suffering upon both sides."

5. It will be remembered that, after some severe fighting at Rangiriri and elsewhere, during the campaigns of 1863 and 1864, General Cameron took possession of the great Waikato plain; and that military settlements have since been formed there, on the plan adopted by the Colonial Legislature. It cannot, I fear, be denied that this scheme of military colonization has proved a partial failure, like similar experiments in Canada and elsewhere, owing, principally, to the fact that the first settlers, being composed mainly of the soldiers of the disbanded Militia Regiments, were generally unused to farm labour and steady industry. A large proportion of them have already sold their allotments, and betaken themselves to the towns and the gold fields. I wish, however, to draw attention to the field now open in the Waikato for colonists of a more suitable class, and especially for agricultural settlers of experience, and possessing some capital. object, I beg leave to transmit a map of the lands already surveyed and open for

settlement in this district. There are ample facilities for carriage both by land Enclosure No. 1. and water, and the distances are nearly as follows:—

(A.)	By Land:—		. 7			MILES.
	Auckland to Mercer (the				the	
	River Waikato, and fr	om which th	ne steamers	now run)		38
	Mercer to Ngaruawahia	•••				40
,	Ngaruawahia to Hamilton					12
	Ngaruawahia to Alexandra		•••			32
	Hamilton to Cambridge			•••	• • •	15
(B.)	By Water:—					
` /	From the mouth of the Wa	ikato to Me	ercer			30
	Mercer to Ngaruawahia			• • •		50
	Ngaruawahia to Hamilton					15
	Hamilton to Cambridge		• • •	• • •		-18
	Ngaruawahia to Alexandra		•••	•••		42

6. As I have already reported in my Despatch No. 45, by the last mail, I was received everywhere throughout my recent tour, by the Colonists and by the Maoris alike, with addresses of welcome, and other cordial demonstrations of loyalty to the Queen and of goodwill to myself, as Her Majesty's representative.

7. The principal settlers of this district, and also those Maori chiefs of the Waikato who remained loyal to the Crown during the recent war, had assembled to meet me at Ngaruawahia, the old Maori capital, which was occupied by the English troops in December, 1863, and is now the centre of the military settle-It is situated at the distance of about seventy-eight (78) miles from Auckland, at the confluence of the rivers Waikato (sometimes called Horotiu beyond this point) and Waipa, and the Native name of Ngaruawahia commemorating this "meeting of the waters," seems likely to outlive the new official designation of Newcastle. Here the triumphal arches formed of the beautiful ferns and flowering shrubs of the New Zealand forests, in the erection of which the Colonists had vied with the Natives to do honor to the new Governor—the British cheers mingling with the Maori chants of welcome, and, at night, the bonfires and fireworks of the Europeans lighting up the national dances of the Natives, all combined to present a most interesting and suggestive scene.

Natives, all combined to present a most interesting and suggestive seeds.

8. On the day after my arrival, the usual meeting was held by the Natives, when Wi te Wheoro, Nini Kukutai, Wi Patene, and other leading chiefs addressed me in complimentary speeches, full alike of the shrewd diplomacy and of the See Auckland figurative language of their race. I annex a copy of the speech which I delivered Provincial Gazette, June 2, in reply, and I venture to solicit attention to the terms in which I referred to the 1868.