

that could be pursued, and they are prepared to discuss it with Her Majesty's Government, if they are encouraged to do so.

I am to state that the Committee would be willing either to advise the surrender of such proportion of the Company's proprietary rights as might be found to be a fair equivalent for the charge which the establishment of a Crown Colony would throw upon the Imperial Exchequer, or to recommend the Company, retaining its proprietary rights, to take upon itself the whole of the pecuniary burden. The Committee are satisfied that a Territory, which in the present undeveloped state of its communications supports a trade of the annual value of more than £400,000, and which possesses a large amount of highly fertile soil requiring no great expenditure for its clearance and cultivation, is perfectly capable of supporting the expense of any government that it may be required to maintain; and they have little doubt that if the state of the case were fairly laid before the Shareholders, and if the moral support of the Imperial Government were distinctly assured to them, the necessary funds would readily be forthcoming.

Of course, if Her Majesty's Government should be of opinion that the great objects in view could be equally well attained by the exercise of the powers actually possessed by, or which might be granted to, the Company, and should consider that it would be preferable to adopt this method of government rather than to erect the Territory into a Crown Colony, the Committee would at once fall in with such a sugges-