

establish, if possible, a more permanent service, say for five years:—Of course nothing will be concluded without communication with the New Zealand Government and the other Australian Colonies.

I hope to be able by next mail to submit some definite plan for Trigonometrical Survey.
The Hurdles are shipped, and I have ordered 200 Minie Rifles.

I have, &c.,

(Signed) HENRY SEWELL.

The Honorable,
The Colonial Secretary,
Auckland, New Zealand.

Downing-street,
14th August, 1857.

SIR,

I am anxious to avoid delay in communicating to you the enclosed Bill "to guarantee a loan for the service of New Zealand," by the present mail, although it has not as yet passed through the final stages.

My reason for doing so is that the Local Act for raising "a Loan of £500,000," which is recited and adopted by the Guarantee Bill, provides that the sums required shall be raised for the service of the Colony "at the request of the Governor."

By the subsisting arrangement with the New Zealand Company, (the discharge of whose lien on the Colonial Lands is one object of the proposed Loan,) they are to be paid on or before the 1st April, 1858.

It may be advisable therefore to avoid all possible questions as to a sufficient "request" having been received from the Governor before that time; and that you should accordingly write immediately on the receipt of this, to "request" in the form of the Local Act that a sum of £200,000 should be raised for the purpose of discharging the New Zealand Company's claims, the balance of such £200,000, above the sum required for that purpose, to be applied in furtherance of the other purposes of the Loan Act.

The exact sum due has not, as yet, been ascertained.

I transmit, for information, copy of a Bill to amend, in some respects, the Constitutional Act, which is likewise in course of passing, that you may see in what manner its provisions will bear on the New Zealand Company's arrangement.

By the next mail you shall be more fully apprized of the nature of the proceedings which have been taken; and the duties which will in consequence devolve on yourself.

I have, &c.,

(Signed) H. LABOUCHERE.

Governor Gore Browne, C. B.,
&c., &c., &c.

Downing Street,
15th September, 1857.

SIR,—

In pursuance of the announcement contained in my despatch of the 14th ultimo, I transmit you copies of the "Act to guarantee a Loan for the service of New Zealand," the "Act for discharging claims of the New Zealand Company, on the proceeds of the Sales of Waste Lands in New Zealand;" and the "Act to amend the Act for granting a Representative Constitution of the Colony of New Zealand," which have now received respectively the Royal assent.

The subject of these three Acts are so closely connected, that I shall comprise my observations on them in one despatch.

In acceding to the wishes and representations of the General Assembly of New Zealand, by giving the Imperial guarantee to a Loan for the full amount (if needed) of Five hundred thousand pounds, instead of confining that guarantee to the portion required for discharging the claim of the New Zealand Company, Parliament has been actuated by the feeling that the position of the colony as regards the lands in the hands of native tribes, and as affected by past transactions in which her Majesty's Government had a share, are so exceptional and peculiar as to warrant a departure from the principle which has been usually adhered to, of declining to afford such a guarantee for loans contracted by colonies for their own domestic purposes.

Parliament has also been satisfied, after the examination of the subject by a Committee, and the evidence given by Mr. Sewell, before that Committee, of the sufficiency of the security which the colony had to offer for the discharge of the principal and interest of the loan to be contracted: nor was any doubt entertained by them of the readiness of the Colony to redeem its engagements at the earliest practicable period; which the rapid increase of population and wealth may justly lead us to anticipate as not remote.

After the first object of the loan is effected, namely, the discharge of the Company's claim, (in order to effect which it is necessary, as before explained, that I should receive your formal request for raising the money in time to make the payment before the 6th April next) it will be for yourself with the advice of your Council to propose at what times and in what proportions further sum shall be raised, and to transmit to me your formal request for raising such sums; on receiving which the Lords Commissioners of the Treasury will be enabled to proceed in conformity with the Act.