A.—No. 6. 18 DESPATCHES FROM THE RIGHT HON. E. CARDWELL, M.P.

either of the war of 1860, or of that of 1863, do they see any ground whatever for admitting that either the one or the other was owing to the assertion of any Imperial principle, or to the endeavour to obtain any Imperial, as distinguished from purely local and Colonial objects. Nor, considering the vast expenditure which now for two campaigns has been borne by the Imperial Treasury, does it appear that the Imperial Government can be justly said to throw off its share of the responsibilities of the direct consequences of the war, by merely requiring the repayment of advances made by the Imperial Treasury in aid of expenditure always regarded as Colonial, or by insisting upon a real though still far from an equivalent contribution in future towards the cost of forces maintained in New Zealand for the defence of the Colony. But as you promise me a full report upon the intended military and financial measures of your Ministers, it is not necessary for me now to say more than that I shall wait to hear how they propose to provide for the repayment of the debt due to the Imperial Treasury—and that you will make it clearly understood that an appropriation on the scale contemplated by Parliament must be made for any troops who may be retained in New Zealand by the Colonial Ministers.

In the last part of their Memorandum of the 30th December your advisers deprecate the division of the Colony proposed in the resolutions of the Auckland Provincial Council, expressing their belief that such a measure would probably meet the determined opposition of every other part of the Colony; that it would take away the security for the future of the Maori race, which depends on the influence of persons (in the Southern provinces) removed from local passions and interests; and that it would destroy hopes of the future prosperity of New Zealand as an united Colony which are not unworthy of consideration on the part of the mother country,

In forwarding to me the Auckland resolutions you have, on the contrary, intimated your own opinion that "unless some such arrangement is carried out, it will be impossible to bring to a satisfactory termination the difficulties prevailing in the Colony and you inform me that by the next mail you will transmit a full report upon this important question." In the expectation of receiving such a report from you I will say no more than that Her Majesty's Government see no reason, as at present advised, for giving any encouragement to any such proposal.

I have, &c.,

Governor Sir George Grey, K.C.B., &c., &c..

EDWARD CARDWELL.

No. 22.

Downing Street, 24th April, 1865.

No. 24.

SIR,-

Among the Acts which accompanied your Despatch, No. 8, of 7th January last, was the Act, No. 4, "to Alter and Amend the New Zealand Settlements Act, 1863." This enactment has been passed to satisfy the conditions upon which in my Despatch, No. 43, of the 26th of April, 1864, you were authorised to give effect to the Act of 1863.

The most important of those conditions were, first, that the duration of the Act should be limited to a definite period, not exceeding two years from the date of the original Enactment, next that a Commission should be constituted for the special purpose of enquiring what lands may properly be forfeited, the members of which should not be removable with the Ministry, and should be so chosen as to guarantee a fair and careful consideration of the matters brought before them; and thirdly, that the powers of the Court, which by the Act were materially circumscribed, should be so enlarged as to enable it to deal leniently with all Native claims to compensation.

With regard to the first of these points it is provided by the present Act that the Act itself. and that which it amends, shall continue in operation until the third of December, 1865; but by some oversight apparently, the usual words "and no longer" are omitted, a defect which may possibly lead to questions as to the technical sufficiency of the limitation.

With regard to the second and third points the present law provides that the Governor (in Council), that is to say, yourself and your Responsible Advisers may give to dispossessed Natives what compensation you and they think fit over and above what the Court may award.

This is not in accordance with the terms of my Despatch, as it does not provide for a judicial or a quasi-indicial consideration of the Natives' claims for compensation in cases where the letter of the Act excludes them from that privilege; on the contrary, it requires in all such cases that compensation shall not be given without the concurrence of an authority essentially political, and necessarily reflecting the popular feeling of the moment.

I infer, however, from your assenting to the Act that you feel yourself able under its provisions to secure the proper treatment of these questions. You will of course keep steadily in mind the instructions in my Despatch before referred to, to the effect that in accepting any cession, or authorizing confirmation of any forfeiture of land, you should retain in your own hands ample power of doing substantial justice to every class of claimants for restitution or compensation.

I have refrained from submitting these Acts to Her Majesty either for approval or disallowance, because while I am ready to rely upon you for applying them equitably up to the time when