

Parliament that the guarantee of one million, even when these securities were pledged, was not assented to without long debates, nor without repeated divisions. I can only understand your present request to be, that I shall apply to Parliament to guarantee a sum of nearly two, or, as you express it, of nearly three millions, and that I shall at the same time acquiesce in the objection of your Government and of the Assembly, to pledging the securities of which I have spoken. I think it must be evident to you and to your Ministers what the probable fate of any such proposal would be, if I were to engage to make it.

If I were to propose a grant to the Colony to be voted by the Imperial Parliament I should have to contend with such arguments as these;—I should be told that since the 1st of April, 1863, the sums charged upon the Imperial Treasury for the service of New Zealand had fallen very little short, if at all, of two millions of money; that a loan, which at the request of the then Colonial Treasurer the Imperial Parliament had consented to guarantee had been refused by the Colony, but that in contending for that guarantee I had laid before the House of Commons, on behalf of the Colony, the statement of a balance of receipt over expenditure which was scarcely consistent with my present application for Imperial aid on the score of a deficient Colonial Exchequer: I should be reminded that, in stating that balance, I had not included the portions of land confiscated in this war which would be available for sale, nor the increasing revenue to be derived from customs or excise on articles consumed by the new settlers on those portions of the confiscated lands which might be devoted to purposes of military settlement. I should be told, I fear with irresistible force, that I had failed to establish a sufficient case for that which must always be regarded as in the highest degree exceptional,—namely a vote of the Imperial Parliament in aid of the expenditure of an established, and in the main, a flourishing and advancing Colony.

For it must not be forgotten that her Majesty's Government agree with your advisers in regarding the Colony of New Zealand as a whole. In expectation of a report, which I understood I was to receive from you upon the Auckland Petitions, I have as yet not entered at length into the question of the proposed division of the Colony. I have, however, stated from the first that, as at present advised, her Majesty's Government have seen no reason for giving any encouragement to any such proposal. I now infer, in the absence of any report from you to the contrary, that your own opinion agrees with that of your advisers, and I authorise you to assure them that the Colonial Government will receive the support of the Imperial Government in maintaining the unity of the Colony. You may answer in the same sense the petitions which you have forwarded to me from Auckland.

I conclude therefore with expressing on the part of her Majesty's Government our entire concurrence in the policy of your advisers, which proposes to stop the present war expenditure—to reduce, and in a few months altogether to supply, the place of all the troops now present in the Colony—to get rid therefore of the liability to interference in the management of their internal affairs;—to give to their fellow-subjects of the Native race civil rights, and at the same time to bring them, gradually, I presume, and cautiously, under the control of the law. I cannot encourage you to expect that the guarantee of one million, obtained not without difficulty from the Imperial Parliament, but rejected by the Colony, can now be replaced by a guarantee of nearly two, or even of nearly three millions, upon less secure terms: nor while I concur in maintaining the unity of the Colony, can I acknowledge that there is sufficient evidence to shew that the United Colony does not possess the means of maintaining its own armed Police by its own unassisted resources. It is scarcely needful to repeat that the Secretary of State for War will send no reinforcements to General Cameron, but will, by the present mail, approve his intention to commence at once the removal of the troops.

I have, &c.,

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

EDWARD CARDWELL.

No. 29.

No. 55.

Downing street, July 26, 1865.

New Zealand.

SIR,—

With reference to my Despatch No. 50 of this day's date, I transmit to you copies of Despatches addressed by Sir D. Cameron to Earl de Grey, on the differences which had arisen between the General and yourself. I also enclose a copy of Lord de Grey's Despatch in answer.

And further a copy of another Despatch from his Lordship, having reference to the sending home of the Regiments now in New Zealand.

I have, &c.,

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

EDWARD CARDWELL.