

No. 38.

COPY of a DESPATCH from the Right Hon. Earl GRANVILLE, K.G., to Governor
Sir G. F. BOWEN, G.C.M.G.

(No. 37.)

SIR,—

Downing Street, 21st March, 1869.

I transmit to you the copy of a letter which I received from Mr. Fitzherbert, who was deputed by the New Zealand Government to treat with the Home Government respecting various financial matters connected with the late war in New Zealand.

Mr. Fitzherbert states the grounds on which he considers that Her Majesty's Government might properly propose to Parliament the guarantee of a fresh New Zealand loan, to the amount of £1,500,000. I transmitted his letter to the Lords of the Treasury, and I enclose a copy of their reply. I am bound to add that I concur in the conclusion at which they have arrived.

I should not have thought it necessary to add anything to the communication of their Lordships' decision, but for some expressions in Mr. Fitzherbert's letter which I think it right to notice.

The following appears to be Mr. Fitzherbert's view, as collected from different parts of his letter: That some years ago the French and English were competing for the possession of New Zealand; that in order to exclude the French from those Islands, the English Government acquired the Islands subject to certain onerous obligations towards the Natives; that the Islands being in consequence occupied with English emigrants, were by the Imperial Government plunged into a war with the Natives; that during that war the Imperial Government forced on the Colony the adoption of all Imperial obligations towards the Native race; and that the obligations so imposed are greater than can be discharged without Imperial assistance, and that this assistance may be most conveniently given in the form of a loan.

The questions which are in effect raised by this statement have been long a subject of controversy, and I am not about to re-argue them. But I think it right to inform or rather remind you of the view of facts taken by the Imperial Government, which in New Zealand may not be prominently brought under your notice. It is this: A number of Englishmen, without any invitation or encouragement from the English Government, took on themselves to form one or more settlements in the Islands of New Zealand. The Government of the day considered itself responsible for placing the relations between these British subjects and the Natives among whom they settled on a reasonable basis, and for securing order among the settlers. It therefore acquired the Islands by treaty from the Natives, and established a regular Government in the settlements.

The treaty did not render the English Government liable to the payment of a subsidy (as might be supposed from Mr. Fitzherbert's phrase), or any other onerous conditions, but merely gave the Natives the rights of British subjects, and bound the Queen to respect their territorial rights,—rights, it may be observed, the existence of which were perfectly recognized among the tribes, and which they were always ready to support by force of arms, if necessary.

The Government was amenable at first to the Home Government, afterwards almost wholly to the settlers. But it was never at any time attempted to make New Zealand tributary to Great Britain, or to direct local affairs in such a way as to produce any political or pecuniary advantage to this country. The Colony was governed with a view to the real or supposed advantage of the inhabitants.

In one part of the Colony—New Plymouth—a great and not unnatural desire existed to acquire part of the neighbouring lands from the Natives. The Governor, holding, as an Imperial officer, the position of Protector of Native rights, but also anxious to gratify the desires of the Colonists, took a step satisfactory to his Responsible Advisers, to the Local Legislature, and apparently to the mass of the Colonists, though blamed by some as inconsistent with those duties to the Natives which were in some sense Imperial.

The result of this step, taken entirely in the interests and with the approval of the Colonists, was a war carried on partly at the expense of New Zealand, but