4. I beg permission to add, in conclusion, that I have no wish, in hazarding these remarks, to reopen the main question, seeing that your Lordship has explicitly stated that "Her Majesty's Government would not in any case have been prepared to repeat Lord Carnarvon's offer." My only object is to submit a few words of explanation with regard to the mistake into which I was thought to have fallen.

I have, &c.,

The Right Hon. Earl Granville, K.G.

G. F. BOWEN.

Enclosure in No. 33.

MEMORANDUM by Mr. STAFFORD.

Wellington, 19th May, 1869.

Mr. Stafford presents his compliments to His Excellency, and has the honor to make the following observations on Earl Granville's Despatch No. 27, 25th February, 1869; in the concluding part of which His Lordship states that the Colonial Government and Legislature have not, as supposed by the Governor, signified their acceptance of the conditions on which Lord Carnarvon offered to leave a regiment in New Zealand. This conclusion seems to be based on the Governor's Despatch No. 100, 8th October, 1868, and on the Secretary of State's answer to it, No. 127, 1st December, 1868.

Earl Granville's Despatch now under consideration, and that of his predecessor to which it

refers, appear to have been written under some misapprehension as to the conditions in question, and as to the action of the Colonial authorities in respect of them; and it is advisable to remove any

misconception on a subject of considerable importance.

Mr. Stafford's Memorandum of February last, transmitted to the Secretary of State by the Governor in Despatch No. 18, dated 8th February, indicated in general terms the error into which the Duke of Buckingham and Chandos had been led on this subject, and could not have been received when Lord Granville wrote. Mr. Stafford will now refer in detail to public records, so as to leave no room for future error on the question at issue.

Lord Carnarvon's offer was made in his Despatch No. 49, 1st December, 1866, in the following

words :-

"The exception to which I have adverted is that of the single regiment which you will be at " liberty to retain in the Colony, in case the grant of £50,000 per annum for Native purposes shall be " continued."

Lord Carnarvon then refers to the conditions, as still remaining in force, "indicated in Mr. Cardwell's Despatch of the 27th November" (apparently No. 97, 27th November, 1865), and to certain conditions of a military character to which it is not proposed now to advert.

It is true that Mr. Cardwell's Despatch, to which reference is made, states, amongst other things, that capitation charge must be paid in the event of the Colony wishing to retain three battalions and one battery, or any smaller portion of such force; and further, that "it is the fixed purpose of Her "Majesty's Government that no Imperial troops shall remain in New Zealand for whom this "appropriation shall not have been made;" but his subsequent Despatch, No. 68, 25th June, 1866, expressly interprets the meaning of this Despatch, which must therefore be read by the light of his own interpretation.

In Enclosure 2 to his Despatch No. 68, 25th June, 1866, Mr. Cardwell writes, through his Under Secretary, to the War Office as follows:—

" Downing Street, 22nd June, 1866. Sir,-

"I am directed by Mr. Secretary Cardwell to acknowledge the receipt of your letter of the "16th instant, forwarding a copy of a Despatch from Major-General Chute, and inquiring, for the "Marquis of Hartington's information—

"Îst. Whether that officer is right in assuming that it is the intention of Her Majesty's "Government that one battalion of Infantry should be retained in New Zealand, irrespective of any provision being made by the Colony for the payment of troops, but contingent upon a contribution "for Native purposes?

"2nd. Whether one battery of Artillery was to be retained, irrespective, in like manner, of provision being made for the payment of troops?

"The state is really that the instructions conveyed to Sir George Grey by Mr. Cardwell's

"I am to state in reply, that the instructions conveyed to Sir George Grey by Mr. Cardwell's "Despatch of the 27th November, No. 97, a copy of which was forwarded to you in my letter of the "same date, are to be taken as being in full force; and in order that there may not be any "misapprehension on the subject, Mr. Cardwell desires me to re-state the exact nature of the "arrangement to which those instructions refer, and which had been assented to by Mr. Reader Wood " on behalf of the Colony.

"1st. That in consideration of the many circumstances connected with the presence of a large

"Native population, one regiment should be retained in the Colony at the cost of the Imperial

"Treasury, provided the Colony shall continue to pay out of Colonial funds a sum of £50,000 for the especial benefit of that population.

"2nd. That for any troops, beyond the one regiment that might be retained, the Colony should contribute a sum of forty pounds a head for Infantry, and fifty-five pounds for Artillery. And the number that might be so retained was not to exceed three battalions of Infantry and one battery

" of Artillery.

" Mr. Cardwell thinks it very desirable that Major-General Chute should be informed by the next " mail that he must guide himself accordingly, and that it will be his duty to send from the Colony " as speedily as possible, unless the required provision has been made, every soldier, whether Infantry