

copies in duplicate for the consideration of Her Majesty's Government, to accept the conclusions stated in Sir R. Stout's memorandum.

It is believed by my Government that Her Majesty's Government, upon the perusal of the document enclosed, will find that the above-mentioned conclusions of the Governor [? Premier] of New Zealand, and the arguments and allegations, some of them injurious to the claimant, by which those conclusions are reached, are not justified by the facts as disclosed in the documents furnished by the Governor, and it is hoped that a way may be found, by friendly consultation between the two Governments, to afford Mr. Webster the fair and impartial disposition of his claim to which it is thought he is entitled.

The Marquis of Salisbury, K.G., &c.

I have, &c.,

ROBERT LINCOLN.

Sub-enclosure 2.

CLAIM OF WILLIAM WEBSTER AGAINST GREAT BRITAIN.

Origin of Mr. Webster's Claims.—William Webster, when quite a young man, went to New Zealand, with a capital of \$6,000 invested in general merchandise suited to trade with the Native population. Being of an enterprising disposition, he rapidly extended the scope of his business. He learned the language of the people, cultivated friendly relations and traded with them. He purchased lands and established trading-stations, not only for the sale of merchandise, but also for the sale of timber and other products of the lands which he had purchased. He was one of the pioneers of civilisation in that country. He had no connection with the Government of the United States other than that of citizenship, and nothing to rely upon but his own energy and resources and such assistance as he could privately obtain. From 1835 to 1840 Mr. Webster had, as he states, invested in lands in New Zealand, in the form of cash and of merchandise, about \$78,000, and had acquired by deed from the Native chiefs in all about 500,000 acres of land.

Annexation of New Zealand by Great Britain.—On the 30th January, 1840, William Hobson, a captain in the British navy, issued a Proclamation as Lieutenant-Governor of the British settlement in progress in New Zealand, declaring the extension of the former boundaries of New South Wales so as to comprehend any part of New Zealand that had been or might be acquired in sovereignty by Her Britannic Majesty. On the same day he issued another Proclamation, by which it was declared that Her Majesty did not deem it expedient to recognise as valid any titles to land in New Zealand which were not derived from or confirmed by Her Majesty. But, said the Proclamation, in order to dispel any apprehension that it was intended to dispossess the owners of land "acquired on equitable conditions, and not in extent or otherwise prejudicial to the present or prospective interests of the community," Her Majesty had directed that a Commission should be appointed before which all claims to land would have to be proved.

On the 6th February, 1840, a week after the issuance of these Proclamations, Governor Hobson, on the part of Her Britannic Majesty, concluded with the Native chiefs the Treaty of Waitangi, by which, for the sole consideration of being made subject to the British Crown, they ceded their sovereignty and powers. Nevertheless, the treaty confirmed and guaranteed to the "chiefs and tribes of New Zealand, and to the respective families and individuals thereof, the full, exclusive, and undisturbed possession of their lands and estates, fisheries, and other properties which they may collectively or individually possess, so long as it is their wish and desire to retain the same in their possession." The only qualification of this confirmation and guaranty of title is the cession to Her Majesty of a right of pre-emption of such lands as the Native proprietors might at any time be disposed to alienate. This was only a further recognition of the title of the Native chiefs, from whom Mr. Webster's titles were also derived prior to the date of the treaty. It is therefore unnecessary to argue that the title of Mr. Webster was equal in origin with that of the British Crown, and, being prior in time, was superior in right, and could not be affected either by the Proclamations of Governor Hobson or by the Treaty of Waitangi.

Position of Mr. Webster after Annexation.—The position in which Mr. Webster found himself after the Proclamations of Governor Hobson is very simply but not the less forcibly stated in a letter to J. H. Williams, Esq., United States Consul at Sydney, New South Wales, dated the 4th November, 1840. In this letter Mr. Webster said,—

No doubt you are aware that the British Government have taken possession of some parts of these Islands, and have issued Proclamations and other notifications that all titles to land acquired from the Native chiefs are to be sent to the Colonial Secretary's Office at Sydney to be examined. I suppose they intend to allow whatever portion of land they may think proper. I beg to call your attention to know what all Americans in this Island are to do with the large quantity of land they have purchased.

No doubt you are aware that a great part of the oil taken by American ships is caught on this coast, and I can safely say that there are ten American ships come into these ports to recruit to one ship of any other nation. I beg to acquaint you of the valuable lands I have purchased from independent chiefs of this place, and beg you will make it known to the American Government as early as possible. The land purchased by me, and the amount paid for it, is as follows: Paid for Barrier Island, in March, 1837, and the title-deeds, signed by thirty-six independent chiefs, giving up all right and title to the same, cash and merchandise, £1,200; paid for part of the island of Waiheke, in 1836, £558; paid for land at Coromandel Harbour, in 1836, £1,000; paid for Mercury Island, in 1838, £944; paid for land at Point Rodney, in 1838, £490; paid for land on banks of River Thames, 1836, £250; paid for land on banks of River Waitemata, 1837, £280; paid for Bay of Plenty, 1839, £450; paid for River Piako, 1839, £1,375; amount expended in building and other improvements, from 1835 to 1840, £9,060: total, £15,607—equal to about \$78,145.

You will see by the copy of the title-deeds that I have expended equal to \$78,145, for which I have bought about 500,000 acres of land, and, to the best of my knowledge, there has been about 1,000,000 acres purchased in these Islands by citizens of the United States, and for which they have expended about £50,000 sterling, besides several years' labour, and running great risks where the Natives were not civilised. They (the British Government) have already put me to a loss of £6,000 sterling by their acts. They have not taken any of my land as yet, but I expect they will take all from me and every other American, unless our Government will take it in hand to stop it. I trust you will make this known to the United States Government as early as possible, so that all Americans may know how to act in this case.

British Ordinances.—Prior to the date of this letter an Act was passed in New South Wales