

This Act appears to me to exceed the powers of the Legislature. The Constitutional Act of 1852 renders it unlawful for the Superintendents and Provincial Councils to do what they are by this local Act empowered to do, namely, make laws affecting the Waste Lands of the Crown. And supposing that under Section 69 of the Constitutional Act the general Legislature could delegate this power to the Provincial Councils, it could only do so by Bill reserved for the signification of Her Majesty's pleasure, which this has not been. It is true that by the (reserved) Provincial Waste Lands Act, of 1854, the Assembly purports to confer on itself the authority to delegate this power to the Provincial Councils. But it neither did, nor in my view could, get rid of the restriction imposed on itself by the Constitutional Act, namely, that any such increase of the powers of the Provincial Councils as this delegation implies, could be by reserved Act only.

But whether or not this illegality would have been sufficient to induce Her Majesty's Government to advise its disallowance, that measure is at all events now rendered necessary by the financial transactions which have since taken place. The Act of Parliament "To guarantee a loan for the service of New Zealand" in accordance with the Local New Zealand Loan Act, 1856, fixes the interest of the loan guaranteed by Parliament on the general Revenue of the Colony, which is expressly stated to include the revenue arising from the Waste Lands of the Crown. That guarantee would be seriously impaired, if the power of regulating the sale and disposal of Waste Lands and the revenue thence derivable were lodged in the Provincial Legislatures instead of the central.

I have therefore to inform you that Her Majesty has been advised to disallow the Waste Lands Act of 1856, and that the order in Council for that purpose will be shortly despatched to you.*

I have, &c.,

(Signed) H. LABOUCHERE.

Governor Gore Browne, C. B.
&c., &c., &c.

Downing street,
10th April, 1858.

SIR,—With reference to my Predecessor's Despatch, No. 35, of the 8th of May last, I have to inform you that I have submitted to the Queen the Act of the Legislature of New Zealand, No. 31, Session iv., entitled "An Act to define and settle the rights of holders of Land Orders and Scrip," and that it will be left to its operation.

I have, &c.,

(Signed) STANLEY.

Governor Gore Browne, C.B.
&c., &c., &c., *

* Disallowance proclaimed in the "New Zealand Gazette," 4th June, 1858.