

grow into serious quarrels, if there were not a force sufficient to enable the Government to act with decision, and to secure respect for its authority.

5. To go no further back than the commencement of your Excellency's administration ; it may be asked, if the Government had been deprived of the prestige of its physical power, what would have been the result of the murder committed by Marsden on the Native woman Kaerara ; of the outrages perpetrated by Natives on the family and property of the settler Mr. Sutton ; of the stealing two tons of gunpowder from the Island of Kawau ; of the Native disturbance at New Plymouth ; and of many other occurrences of minor importance ?

6. It is not because the Military power is not called out for active service that it is useless. The very fact of its presence as an immediately available force obviates the necessity for its use. Once deprive the Government of the respect, which with a race like the New Zealanders, physical force never fails to command, and no one well informed on the subject will dispute that a very different state of things to that now existing in New Zealand would speedily occur. New Plymouth affords a very striking example of the effect of the presence of a respectable military force in a district, till very lately continually harrassed by Native disturbance, and the fear of a collision between the races.

7. The danger is not to the settlers alone ; a war once commenced between the Settlers and Aborigines would, if there were no superior power and authority to check it, speedily become a war of extermination ; and disastrous as such would undoubtedly be to the former, there can be little doubt, as to all other wars between civilized and partially civilized races, as to what would be the ultimate result.

8. It is not however to be supposed that the Imperial Government would permit such a state of things to be brought about in one of Her Majesty's Provinces. Interference would become a necessity ; and that which might readily have been prevented by perhaps the presence alone of an adequate force, would, in all likelihood, require a long, troublesome, bloody, and expensive struggle to put down.

9. The alternative thus presented to the Imperial Government being to obviate collision between the races by the maintenance of the present force ; or to be compelled, at no distant time to restore peace to the Colony by an active and most costly military intervention ; mere considerations of economy would point to the adoption of the former course.

10. The Imperial Government is deeply interested in the preservation of peace in New Zealand ; to the Colonists and the Aborigines it is a question of life and death. It is submitted therefore that it cannot be considered a question as to whether an adequate military force shall or shall not be maintained in the country ; but simply under all the circumstances how the expense of such a force is to be borne.

11. It is not, moreover, at the present moment a question only whether the Colony can reasonably be called on to pay any part of the expense of maintaining that force ; but another most important question has first to be determined,—whether or not the Colony has the means of doing so.

12. Looking at the state of the Northern part of these Islands and the manner of its settlement, it is obvious that for some years after the planting of a weak Colony of Europeans in the midst of warlike tribes of uncivilized Aborigines, it would be impossible for a small scattered body of Colonists to maintain themselves without assistance from the mother-country ; and equally obvious that the revenue to be raised in such a country could not be adequate even to the maintenance of the necessary civil institutions. We find, therefore, that apart from the Military expenditure, the Imperial Government for some years contributed liberally towards the expense of the Civil Government.

13. In the five years preceding the year 1850-51, the sums voted by Parliament for this purpose averaged upwards of £25,000 per annum ; in that year the vote amounted to £41,730. It was greatly reduced in the succeeding years, and in 1853-4 amounted only to £5,090 : since that year nothing has been contributed from Imperial Treasury towards the Civil Government of New Zealand. The conduct of the Imperial Government has in this respect been just, prudent, and liberal ; and New Zealand no longer professes to have any claim upon the mother-country for the support of its civil institutions.

14. Proceeding to develop the objections to the immediate imposition of the change which it is now proposed to cast upon the Colony it may be worth while to remark, that, apart from the important considerations already adverted to which render the position of New Zealand exceptional, there is no real justice in extending to it the same rule which may properly be applied to the neighbouring Australian Colonies. It is scarcely dealing equally with New Zealand, founded only 17 years, and with an ordinary revenue of £100,000, to make the same demands upon it, as might fairly be made upon New South Wales, a colony possessing an ordinary revenue of three quarters of a million, and of about 70 years standing ; during the whole of which period it has received Military protection, although free from the embarrassing questions arising, as in this Colony, from the presence of a jealous and warlike Native race.

15. In considering moreover the peculiar position of New Zealand, the attention of the Imperial Government is earnestly requested to the present state of its finances. For the first ten years after the annexation of New Zealand to the British Crown, colonization was simultaneously carried on by the British Government in the Northern District, now the Province of Auckland ; and by the New Zealand Company in the Southern District, now comprised in the other five Provinces. Previously to the year 1847, serious differences had occurred between the Imperial Government and the Company, and the latter having preferred a claim to large compensation, the result was an Act of Parliament