

2. In it your Grace replies to my despatch No. 38, of the 6th December, 1861, and from some mistake attributes to me propositions which were not only never made by me, but which are in some respects contrary to those I did make. I should consider this a matter with which I need not trouble your Grace, were it not for the terms in which your despatch is written, and from the fact that the propositions alleged to have emanated from myself, have been largely commented on in England.

3. I will allude first to two of the principal propositions attributed to me. Your Grace states in one paragraph of your despatch as follows:—"You propose the maintenance for some years of a large military force, (1), partly as a standing exhibition of strength and determination, (2), partly in order to afford to the out-settlers that protection and sense of security which is essential to enable them profitably to occupy their farms."

4. Generally, upon this I would remark, that I am not responsible for a single soldier being in New Zealand. I found a rebellion raging here, which I was sent to quell, and a large force in the country, and it was your Grace's instructions to me, which were embodied in the first portion of the paragraph of your despatch to which I have alluded, and not a proposition of mine. These instructions were given to me as follows, on the 5th June, 1861, "I wish to impress upon you my conviction that in deciding upon those conditions (of peace), it will be your duty, while avoiding all unnecessary severity towards men who can scarcely be looked upon as subjects in rebellion, to take care that neither your own mission nor the cessation of hostilities when it arrives, shall carry with it, in the eyes of the Natives, any appearance of weakness or alarm. It would be better, even to prolong the war with all its evils, than to end it without producing in the Native mind such a conviction of our strength, as may render peace not temporary and precarious, but well grounded and lasting."

5. I soon reported to Your Grace (despatch No. 35, of the 30th November, 1861), that the disaffected Natives laughed the idea of a peace to scorn. I also showed (despatch No. 8, of the 26th October, 1861), the ruinous consequences that must follow from the prolongation of a war, for which we were then quite unprepared, and still, notwithstanding all our exertions, are yet very insufficiently prepared, and I determined on taking the far less expensive and disastrous course which I adopted. I feel sure your Grace will admit, under these circumstances, I do not deserve to be virtually publicly reprimanded for making the comparatively unexpensive recommendation I did, for giving effect to your Grace's instructions. Dropping the consideration of the questions whether a war was necessary in the first instance or not, and whether such a large force ought ever to have been in the country, both which questions would probably be disputed, I feel sure that it will be almost unanimously admitted, that in the state in which I found New Zealand, either the prolongation of the war or the course I adopted were necessary to save the lives of probably thousands of Her Majesty's subjects.

6. Your Grace secondly says that I proposed the "maintenance for some years of a large military force, partly in order to afford to the out-settlers that protection and sense of security which is essential to enable them profitably to occupy their farms." A reperusal of my despatch will show your Grace that my proposal, with a view of speedily bringing about a reduction of the British force in this country, and of relieving the Imperial Government from expenditure, was, that the local Government should organize an armed Military Police Force, to afford to the out-settlers that protection and sense of security which is essential to enable them profitably to occupy their farms. To this, my Ministers, with the greatest generosity, replied as follows:—"They can and will, recommend to the General Assembly, to make the requisite provision for the intended objects; they can and will stake their own position as Ministers, on the Assembly adopting their recommendations, but they have no constitutional power to bind the Assembly beforehand." The General Assembly has since passed the necessary measures to enable me to organize such a force as I proposed. In these respects I am satisfied that we have done our duty to your Grace and to Great Britain, to the best of our ability, and that your Grace's despatch was written under a mistake.

7. I think that other recommendations of mine have been also misunderstood; for instance, I am stated to have led the local Government to expect that £25,000 per annum would be virtually supplied by the Imperial Government, to establish a machinery for the government and improvement of the Natives. My own rendering of my recommendation would have been a different one, although I may perhaps take too friendly a view of my intentions, but I should have said that, whereas the Colony, from its own revenue, paid over to the Imperial Government a sum of £35,000 per annum, to be applied for the pacification of the country and the consequent reduction of the military expenditure, I conceived that these ends might be better, and much more speedily, attained, by spending the amount of £25,000 of the above sum of Colonial money, in a manner different to that in which it was appropriated when I arrived here, and I believe that the justice of my opinion in this respect is now generally acquiesced in.

8. Again, I am stated to have suggested, that roads should be made by the troops (still supported it is presumed at the expense of the Imperial Treasury) in conjunction with Natives, and, that I proposed, that military men should be employed as Commissioners in the Native Districts, continuing while so employed, to receive Imperial pay and allowances.

9. Your Grace will, I am sure, upon reconsideration, see that these statements must, as they actually have done, have created very erroneous opinions regarding my propositions in the minds of all those not thoroughly acquainted with the state of affairs in New Zealand.

10. Regarding the construction of roads, I beg your Grace to remember, that when I assumed the Government, large districts of the country were in a state of *quasi* rebellion, that there was a large military force in it which had been sent here by your Grace, which in a war of many months had achieved but little; that your instructions rendered it then, and still render it, highly probable that it may be necessary to prolong the war; that the troops could not safely enter on operations,