

That, besides the heavy charges on the Middle Island revenues for loans already expended, not for its benefit but for Native purposes, there is still a continuous drain on the revenue for current expenditure on the same objects, and your Petitioners are convinced that the disbursements will continue to be extravagant and in a great measure useless so long as the Middle Island is liable for them. On the other hand, if the Northern Island has entirely to rely on its own resources, costly Native experiments will be avoided, and the Natives will be governed efficiently and economically.

That the Middle Island now stands to the North Island in a similar relation to that which Great Britain did to New Zealand before Imperial considerations of expediency led the mother country to withdraw from interference in Native affairs; and the same considerations with equal force point to the inexpediency of the Middle Island continuing to interfere with the government of the Natives in the Northern Island.

That your Petitioners consider the extent, population, commercial importance, and resources of the Middle Island, as compared with those of other Colonies, fully justify their desire to convert it into a separate Colony.

That your Petitioners also respectfully represent that the isolation, great length (one thousand one hundred miles), and the narrowness of New Zealand, make its Government from any one spot more difficult than that of other Colonies possessing many times its area.

That your Petitioners emphatically disclaim any desire that the Middle Island should escape the liabilities fairly attaching to it; and they may direct Your Majesty's attention to the Petition already forwarded in one thousand eight hundred and fifty-eight, and subsequently from Auckland, and to the proceedings in the General Assembly, as evidence that in the North Island, the principal Province and a large proportion of the population are as anxious as your Petitioners for separation.

That your Petitioners are fully aware of the advantages of a Federal Union such as has taken place in British North America, but they humbly submit that the division of New Zealand into two Colonies will not prevent provision being made for their Federal Union in respect to those interests which they possess in common as portions of the same Empire. Your Petitioners therefore humbly pray that Your Most Gracious Majesty will be pleased to take the prayer of your loyal subjects into your most favourable consideration, and cause the Islands of New Zealand to be divided into two Colonies, and that each may have conferred upon it such constituent powers of legislation as shall best enable it to deal with the circumstances peculiar to itself.

And your Petitioners, as in duty bound, will ever pray, &c.

In the name, and on behalf of the Council,

WILLIAM H. REYNOLDS,
Speaker.

Passed the Provincial Council this third day of June, in the year of Our Lord one thousand eight hundred and sixty-seven.

CHARLES SMITH,
Clerk of the Council.

No. 41.

COPY of a DESPATCH from Governor Sir GEORGE GREY, K.C.B., to the
Right Hon. the Duke of BUCKINGHAM.

(No. 65.) Government House, Wellington,
MY LORD DUKE,— 17th July, 1867.

I have the honor to transmit for your Grace's information a copy of a Report from the Commissioner whom I appointed to examine into the accounts between the Imperial and Colonial Governments.

2. This Report is of such importance, that, although I have only received it as the mail is closing, and am therefore unable to accompany it with any remarks, I am unwilling to delay its transmission.

I have, &c.,
G. GREY.

His Grace the Duke of Buckingham and Chandos.

Enclosure 1 in No. 41.

Major RICHARDSON to Governor Sir GEORGE GREY, K.C.B.

(See Letter in Papers relative to Imperial Claims against the Government of New Zealand.—
B. No. 5A.)

Enclosure 2 in No. 41.

The Hon. E. W. STAFFORD to Major RICHARDSON.

SIR,—

Wellington, 19th July, 1867.

In accepting the resignation of your office as Commissioner to investigate on the part of the Colony the claims of the Imperial Government, I beg to express, on behalf of the New Zealand Government, the sense it entertains of the very efficient manner in which a task requiring no ordinary care and judgment has been discharged by you.

The Hon. Major Richardson.

I have, &c.,
E. W. STAFFORD.