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sketch of the past political history of the Colony, so far as it bears on the subject remitted to me for report; and shall, in so doing, endeavour to give in the language of official documents an accurate account of the connection between the Crown and the Aborigines, the Crown and the Colonial Government, and of the origin of the rebellion which commenced in 1860, and which still exists; and I also shall endeavour to trace the causes of the rebellion; to narrate the history of the attempts made to suppress it, and to indicate in what quarter chiefly rests the responsibility of upholding the sovereignty of Her Majesty, the supremacy of the law, and the rights and privileges of British subjects, European and Native.

45. In the correspondence which has taken place between a late Secretary of State for the Colonies and your Excellency, it has been asserted on the grounds of "dry justice" and "strict right" that the cost of all war and government should be borne by those for whose benefit it is carried on; and it has been stated that this decision, as regards New Zealand, is "not much affected by the circumstance that the Native policy has been conducted subject to instructions from the Home Government;" for it is said that "the duty of the governed to defray the expenses of their government does not depend on the nature of that government, whether free or absolute, native or foreign, but on the circumstance that the governing authority is acting honestly, as trustee for their interests, and not for the interest of It certainly would not be an easy task to convince a doubter of the truth, under any third party." all circumstances, of the abstract proposition that the governed should bear the expense of their own government, whether that government be absolute or free. Probably, however, little or no good would arise from the consideration at length of a principle, which is only collaterally applicable to the question pending between the Imperial Government and the Government of New Zealand; but it might be urged in opposition to the acceptance of this abstract principle, that the duty to provide the means is inseparably connected with the right to control and direct the expenditure, with the power of selecting those who shall so control and direct it, and with the opportunity of censuring and punishing those who may transgress. Such power has not been accorded to the New Zealand Government; indeed, as I hope hereafter to prove, has, in one material respect, been most studiously withheld, thus of necessity entailing large pecuniary losses on the Colony. But, whether an obligation exists where the trusteeship is assumed, but has not been appointed; where treaties have been entered into and consequences of the most disastrous character have resulted; where, not the interests of the Colony alone, but Imperial interests in the assertion of the Queen's supremacy, and of the right of the Native landowners under such treaty to part as they will with their property, is concerned, is a question which may well demand the gravest consideration.

46. It has been admitted by the Imperial Government that it does not desire to argue the question as one of "strict right;" that it acknowledges the duty of Great Britain, regarded as an obligation of "generosity and wisdom," and that it is prepared to fulfil, as it states that it has hitherto fulfilled, this duty; but, while accepting this admission, the Colony would be unwise to acknowledge that, viewed even as a question of right, it has not a claim on Great Britain under the peculiar character of

past transactions and past engagements.

47. It has been said that the British Crown "employed its credit to procure the sovereignty of New Zealand for the advantage of British interests;" and, in so doing, entered into treaties through which Zealand for the advantage of British interests; and, in so doing, entered into treaties through which that sovereignty was obtained, which bound it to protect the Natives by preserving an effectual authority in the management of Native affairs. But is this really the whole of the case? If we read aright the records of the past, it will be seen that at the time when the sovereignty of New Zealand was obtained, the advisers of the Crown took a widely different view of the benefits arising from the existence of British Colonies to that which now prevails; then, every additional Colony was regarded as an additional gem in the British Crown, as strengthening the Mother country, and as weakening its enemies; but now, it appears that another policy prevails, and that the question is looked at more as one of a strictly monetary character, and arguments have been adduced by some leading political economists, not unknown to the Imperial Parliament, to the effect that in a commercial point of viewand they do not look beyond this-countries colonised by British subjects would be equally valuable to Great Britain, whether treated as dependencies of the British Crown or as free. At the time when the sovereignty of New Zealand was obtained by cession from the Natives there was at least more than one motive influencing the British Government. All claims to sovereignty derivable from the discoveries of Captain Cook had been abandoned; it had been admitted by Imperial legislative enactments that New Zealand was no part of the British dominions, and the Crown had solemnly declared it, by word and deed, to be an independent State; but when a powerful British company had commenced emigration to New Zealand, and had purchased vast tracts of land, had organised a system of Government under the New Zealand chiefs at Port Nicholson, and when the French Government were actually about to effect a Crown settlement at Akaroa, in the Middle Island, then Captain Hobson, in 1840, about to effect a Crown settlement at Akaroa, in the initiate Island, then Captain Hobson, in 1840, content with the bare adhesion of a few of the chiefs residing on the coast, proclaimed the Queen's sovereignty over both Islands. The completeness of the cession is open to grave dispute, and it is unquestionable that most of the evils which have lately befallen New Zealand date from the treaty entered into at that period. The [language then held by one of the most powerful chieftains of the central tribes of the North Island is the same as that which was used when the rebellion commenced at the Waitara, in 1860, and which is still the language held by not a few. Te Heu Heu, of Taupo, then said, with respect to this cession and the purchase of land, "If this be your wish, go back and tell my words to the people who sent you; I am King here, as my fathers were before me, and as King George and his fathers have been over your country. I have not sold my chieftainship to the Governor, as all the chiefs around the sea coast have done; nor have I sold my land. I will sell neither.

48. Whatever may have been the binding nature of this treaty, the Colonists of New Zealand would have had no reason to complain while the British Government acknowledged its obligations under it, and were prepared to meet them; but when it asserts that the authority of managing Native affairs ceased "on the passing of the Constitution Act and the coincident establishment of Responsible Government," it states that which is not susceptible of proof; for, though the former was introduced