to the Colony of all lands held by the War Department from the Colonial Government, together with the buildings erected thereon. Instructions will accordingly be given by the Secretary of State for War to the General Officer Commanding at Melbourne, to make arrangements for the transfer at an early

> I have, &c., GRANVILLE.

Governor Sir G. F. Bowen, G.C.M.G.

No. 7.

COPY of a DESPATCH from the Right Hon. Earl Granville, K.G., to Governor Sir G. F. Bowen, G.C.M.G.

(No. 92.)

SIR,-

Downing Street, 21st August, 1869.

I have received your Despatch No. 63, of the 28th of May, transmitting a Memorandum from Mr. Stafford, in which he maintains the correctness of a statement made in your Despatch No. 100, of the 8th October, 1868, to the effect that the Government and Legislature of New Zealand had signified their acceptance of the conditions on which Lord Carnarvon offered to leave a regiment in New Zealand.

On the nature of those conditions there is no misunderstanding or controversy. They may be taken with sufficient accuracy for the present purpose as being included in the one stipulation, that the grant of £50,000 per annum for Native purposes should be continued. These conditions, when offered by Lord Carnaryon, were refused by the Government of New Zealand. The reasons given for the refusal were that, under those conditions, the troops "were not to be "useful to the Colony:"* that the Colony would not consent "to agree to "conditions, or to impose on itself obligations, in connection with a force which the 15th March, 1867. "conditions, or to impose on itself obligations, in connection with a force which 1867, enclosed in "would occupy the position of the force of a foreign Power rather than that Sir G. Grey's "of one having interests to guard and duties to perform common to the Empire of of 4th April, 1867. "which New Zealand is a part:" that Lord Carnaryon had withdrawn from the Governor "all control over the disposition and movements of the Imperial "Troops:" and that it was not "consistent with constitutional practice, or for "the interests of either race of Her Majesty's subjects in New Zealand, that "the determination of questions of peace or war, and the power of fulfilling "engagements with the Native race, should thus virtually be withdrawn and "given to an irresponsible officer having no constitutional authority with respect "to such questions, and necessarily unacquainted with the ever varying dis-"position of that portion of the Native race so lately in arms against Her "Majesty's authority."

The terms which it is alleged constitute the subsequent acceptance of

Lord Carnarvon's offer are as follows:-

"Resolved, That the removal of the 18th Regiment, in the present condition "of the Northern Settlements, would tend to increase the excitement and confidence of the rebellious Maoris, and to discourage those friendly to "Her Majesty's Government.

"That the Colony has for many years past constantly fulfilled, and is "virtually fulfilling, the condition on which the retention of an Imperial regiment "in New Zealand was sanctioned in the Despatch of Lord Carnarvon of 1st "December, 1866; that this House therefore respectfully prays His Excellency "the Governor to take steps for delaying the departure of the 18th Regiment, "until the subject shall be referred to the Imperial Government."

This resolution contains the expression of an opinion, the statement of a

fact, and a specific request.

The Legislature state their opinion that the removal of the 18th Regiment, in the present "condition of the Northern Settlements," i.e., so long as the present condition of the Northern Settlements remains what it is, would be mischievous.

This statement must be considered as suggesting that the regiment should

* See Memo. by Mr. Stafford, of