

3. By the English mail which arrived upon the 26th instant, I learnt that the Bill for the constitutional Government of the Australian Colonies had been withdrawn, and was to be again brought forward in the ensuing session. It therefore appears probable that it would be most convenient to Her Majesty's Government, at the same time that the question of the future form of Government for the Australian Colonies is disposed of, finally to settle the questions connected with the introduction of representative institutions into New Zealand.

4. I think it therefore my duty to apprise your Lordship that should Her Majesty's Government think proper to adopt this step, I apprehend that, if a law were passed for this purpose—which would probably not reach this colony until November next, so that the proposed institutions would not be brought actually into operation until the beginning of 1851—no serious difficulty would be encountered in introducing representative institutions into these Islands at the beginning of that year, provided the powers of the General Assembly and of the Provincial Councils were respectively of the nature which I have recommended.

5. This opinion is, of course, based upon the supposition that the present state of tranquillity will continue to prevail, and that the colony will progress as rapidly as heretofore; but, in as far as I can form an opinion upon such subjects, I see no reason to doubt that such will be the case, and I think your Lordship would be fully justified in acting upon this supposition.

6. It would, however, I think, be necessary, if it be determined to introduce representative institutions into the colony at the date named, to take care that the boundaries of the northern and southern provinces in this Island were finally settled before this was done. And I think it should be further provided that, if any new province or provinces were established, the Provincial Council of any such province should, in the usual manner, be nominated by the Crown until its European inhabitants amounted to such a number as might be decided by Parliament, when it would be replaced by a representative Legislative Council.

7. The only alteration in the form of Constitution which I have recommended, which my experience up to the present time enables me to suggest, is that I think, instead of providing that no Ordinance of any Provincial Legislative Council should be assented to by the Governor or Lieutenant-Governor without the previous sanction of the Governor-in-Chief, it would be better to provide that it should be in the power of the Governor-in-Chief to suspend the operation of any Ordinance passed by such Provincial Legislative Council until Her Majesty's pleasure had been taken regarding it. I think that the arrangement now proposed would be more convenient than the one now in force.

8. The reasons why I should justify conferring such a power upon the Governor-in-Chief are, that very large powers are given to the Provincial Councils which may be regarded as municipalities with extended powers; that a large Native race will be subjected to their laws, and that it will be absolutely requisite on some subjects in which the Natives are concerned to secure uniformity of legislation throughout the whole Islands; and I do not see how this can be done without either very much restricting the powers of the Provincial Councils or conferring on the Governor-in-Chief the power I now recommend, and probably the last mode of proceeding will be deemed the least objectionable.

I have, &c.,

G. GREY.

The Right Hon. Earl Grey, &c.

No. 26.

COPY of a DESPATCH from Governor GREY to the Right Hon. Earl GREY.

(No. 123.)

My LORD,—

Government House, Auckland, 24th October, 1850.

I have to acknowledge the receipt of your Lordship's Despatch No. 89, of the 22nd December last, informing me that your Lordship entirely concurred in my views and proposals respecting the future introduction into the New Zealand Islands of representative institutions by the creation of legislative bodies such as I had described, exercising the same functions respectively as the General and Provincial Councils which I had constituted.

2. In the same despatch your Lordship informs me that you did not, however, think it advisable that Parliament should interfere by passing at present any new Act for the purpose of giving effect to my views, because it did not appear that I proposed that any changes should immediately be brought into operation in the then existing form of Government, beyond such changes as I was empowered to make with the advice of the General Legislative Council, by the Act of 11 and 12 Vict., c. 5.

3. About the same time that your Lordship addressed this despatch to me—that is upon the 30th of November, 1849—I addressed a despatch to your Lordship (No. 161), reporting that from the continued tranquillity which had prevailed in these Islands, and from their augmented European population, their general advancing wealth and prosperity, the diminution in the annual expenditure incurred by Great Britain upon account of these colonies, the large reduction which was being carried out in the naval and military force stationed here, and the rapid progress in civilisation which the Native population continued to make, I thought that representative institutions might probably with great safety be introduced into these Islands in the year 1851, unless some unforeseen disastrous events took place.

4. A short notice of the proceedings in the House of Commons upon the 13th of May last has lately reached me, from which I perceive that Lord John Russell had informed Parliament of the receipt of this despatch, and had expressed an approval of my recommendations, and the intention of Her Majesty's Government to act upon them during the course of the next session.

5. In the meantime all my expectations regarding the continuance of the tranquillity in the colony, and of its continued increase in wealth and population, have been fully realised; and the contemplated reduction in the naval and military force, and in the annual expenditure incurred by Great Britain upon account of New Zealand, have been carried out. There appears, therefore, no reason why the necessary preliminary steps for the introduction of representative institutions should not as soon as possible be taken. On the contrary, perhaps, it would appear prudent to begin at