A.-3A.

once to introduce such great changes in such a manner as to carry them out slowly, and whilst the presence of the reduced force at present serving in the country, and the expenditure of the reduced amount still allowed by Great Britain in aid of the revenues of the colony, permit changes to be made in the Constitution of so peculiarly circumstanced a country with the less risk of danger than if the European population were left quite unprotected, or than if the country was left wholly dependent upon its own revenues.

6. In my Despatch No. 98, of the 20th September last, I also transmitted to your Lordship a series of despatches from the Lieutenant-Governor of New Munster, detailing the difficulties which had arisen in that province with several members of the Provincial Council, which, I think, would have convinced your Lordship that it would be wiser of me-viewing also the other arguments I have used in this despatch—at once to begin taking here the preliminary steps for the introduction of represen-

tative institutions.

7. Acting upon this view, I propose to avail myself of the powers vested in me by the Act 11 and 12 Vict., c. 5, which empowers me, with the advice of my Legislative Council, to constitute Provincial Councils, composed of appointed or elected members, or of both of them, for any province in these Islands by submitting to a general Legislative Council, which I propose immediately to convene at Wellington, the Bill for this purpose, the draft of which I have the honour to enclose for your Lordship's information; and this proceeding on my part will be entirely in conformity with the terms of your Lordship's Despatch No. 89, of the 22nd of December last.

8. I do not think that in adopting this course I shall in any manner interfere with the action of Parliament, as I simply act in conformity with the powers conferred upon me by Parliament, by the 11th and 12th Vict., c. 5, and because all the provisions of the enclosed Bill, with the exception of two or three points, have already been fully detailed in previous despatches which have been published and laid before Parliament, and have received the sanction of Her Majesty's Government. And, finally, when Parliament considers the question of the form of the general Government of these Islands, which still must necessarily be done, it will be in the power of Parliament to reject the whole of this measure, or any portion of it, which may be disapproved of.

9. Your Lordship is already aware, from my Despatch No. 4, of the 2nd of February, 1849, that the Council of New Munster has expressed its full approval, by a series of resolutions, of all the most important principles of this measure. I anticipate, therefore, that it will be passed by that body without undergoing any material alteration in its general features. Indeed, I have not yet from any portion of the colony heard any material objections raised to the proposed form of Constitution, although it has now been for so long a time under the consideration of the public.

10. In your Despatch No. 89, of the 22nd December last, your Lordship recommended a modification in any amendment which might be made in the existing Provincial Councils Ordinance, by reserving the power of legislating upon certain additional subjects of general interest to the Central Legislature. Your Lordship will observe that, with the exception of one of the points named in your despatch, your instructions on this subject have been attended to in the enclosed Bill, and it is my intention to bring this reserved point under the consideration of the Council. Indeed, I only refrained from embodying it in the Bill from experiencing a difficulty regarding the language which should be used for this purpose, so as only to include the subjects intended by your Lordship, and nothing

The only one of your directions I think it will be difficult to carry out is that which contemplates the passing of laws for the purpose of making permanent provision for the efficient maintenance of the various establishments which have been created for the benefit of the Natives, who contribute so largely to the revenue. I still think that for the next few years it would be better to reserve a sum for these purposes in the form of a Civil List, which the Executive Government might apply for such institutions and for such purposes connected with the improvement of the Native race as it thought most desirable. The fact being that at the present moment not even a third part of the institutions which ought to be established for the benefit of the large Native population have yet been established, so that new charges will have annually to be incurred upon this account, whilst in the case of several of those institutions already established, large endowments having been settled upon them, they are already, to some extent, defraying their own cost, and in a very few years will cease to entail any charge upon the public revenue, so that it appears difficult, for the next two or three years, to frame and submit, for the consideration of the Legislature, laws for the purpose of making permanent provision for the maintenance of establishments for the benefit of the Native race. Thave, indeed, in all instances tried, as far as possible, to provide for these from endowments intended equally to benefit all races of Her Majesty's subjects, with the express object of hereafter avoiding the frequent discussion before the Legislature of questions connected with the providing funds for the benefit of the Native race, the discussion of questions of which class, in a country occupied by different races, might be attended with grave inconvenience.

12. In reporting generally upon the form of Council proposed to be created by the enclosed Bill, I beg to point out that it is in fact proposed to create in each province a District Council with very extensive powers in the first instance, but which powers can be continually absorbed by the central Legislature of these Islands, as this body may think proper to do so. This point has been kept in view by only requiring the laws enacted by the Provincial Councils to be submitted for the approval or disallowance of the Governor-in-Chief, instead of requiring them to be transmitted for the approval or disallowance of Her Majesty, thereby following the analogy of by-laws made by a municipal body; and the same point has been kept in view by limiting the duration of the Council to two years, and in

various other minor provisions of the measure.

13. I also beg to bring under your Lordship's notice the following remarks connected with the details of the Bill: Regarding the constitution of the Council, and the proportion to be observed between the members to be elected or nominated by the Crown, I should report that I have exactly carried out the recomm n dations I have previously made on this subject, and which have been approved A most wide and unfettered discretion is left to the colonists for the selection of