60 A.—3a.

asserted by Sir George; while, if we take the southern province alone, the contribution of those classes

was only one-eighth part of the whole.

9. We are prepared with further calculations in corroboration of the foregoing, but it is unnecessary to trouble your Lordship with them, since a less complete scrutiny than we have already given ought to suffice as an answer to an unproved assumption such as that on which Sir George rests his case. But as we have already quoted Sir George's opinion of our fitness for self-government in 1846 to confute his opinion in 1849, we may on this question of revenue also call him as a witness to contradict his own statement. If your Lordship will be pleased to refer to Sir George Grey's despatch to yourself, dated the 17th March, 1848, you will there find him dilating on the increasing prosperity of the several European settlements, and citing as a proof of that prosperity the revenue levied in each, without hinting for a moment that "by far the larger" (or indeed any) portion of it was contributed by soldiers, sailors, and Natives. [I should have thought that barbarous tribes submitting to taxation, and largely contributing to the revenue, was a great proof of the prosperity of the country; if I omitted these subjects in the one despatch mentioned, I am sure I have often alluded to them.—G. G.] And we may also refer your Lordsbip to the official returns for 1842 and 1843, when not a single soldier and we may also refer your Lordsoip to the official returns for 1842 and 1843, when not a single soldier or ship of war was in the province, when the Natives had scarcely acquired the habit of consuming any imported goods, and when the settlers were comparatively ill off. In those years the revenue of this province amounted to £13,154 and £12,592 respectively. The European population is now more than a third larger than at these dates; it is very much wealthier than then, as proved by Government returns of agriculture and stock; and yet Sir George Grey would persuade your Lordship that its contributions to the present revenue of, say, £21,000, are very much smaller than they were seven years ago; for on no other supposition can be give his statement the semblance of truth. [That is usual in the first years of a colony but the revenue subsequently much degreesed—G. G. 7. Supposing usual in the first years of a colony, but the revenue subsequently much decreased.—G. G.] Supposing that their contribution to the revenue has only increased in the proportion in which the population has increased, they must now contribute at least £17,000 towards a total of £21,000, leaving only

£4,000 for the military, navy, and Natives, a sum very far from representing by far "the larger part."

10. But indeed if his statement had been correct, it would not demonstrate the inexpediency of giving the colonists self-government. For the question is not whence does the revenue arise, but how may it be spent most beneficially for the colony? Will it be more beneficially expended by a Governor wielding despotic power and having no personal stake in the colony, or by the elected representatives of the colonists, whose welfare depends in a great degree on its right expenditure, and who are awake to all those local interests a consideration of which is likely to lead to its judicious application? Sir George's argument proves too much, for, if the colonists have no right to administer funds which they did not contribute, whence arises his right and that of his nominees to do so? The revenue was certainly not contributed by him or them. According to Sir George's views, the soldiers, sailors, and Natives are the parties entitled to expend it. But it is unnecessary to expose the fallacy of his conclusions, when we have already refuted the premises on which they rest.

11. It is with difficulty that we have been able to control the feelings of indignation with which we read the tenth paragraph of this despatch. Parading the existing tranquillity of the colony, for which Sir George always takes exclusive credit to himself, attributing it in no degree to the good feeling of the colonists towards the Native race, he says, "Past events have shown the disasters and expenditure which may result from arousing the Natives. The question, therefore, naturally arises, what advantage will be gained by immediately introducing representative institutions amongst so small a European population, which would be commensurate to the risk incurred by such a proceeding?" This clearly intimates that self-government would risk a war with the Natives, who would be "aroused" by the intimates that self-government would risk a war with the Natives, who would be "aroused" by the colonists. [I am sure I shall not be expected to reply to this ungenerous remark. The most cursory perusal of my despatches would show that I have never attempted to take such credit to myself.—G. G.] Why, we would ask, should such a result occur, and how is it consistent with "past experience"? Had we representative institutions when Heke destroyed the flagstaff, when Wanganus was sacked, or the Hutt occupied by a military force? Who "aroused" the Natives on those occasions? Was it colonists governing by representative institutions, or Governors and their nominees? colonists may well make it their boast that the necessity of employing military force against the Natives in New Zealand, which has occurred on three occasions in different parts of the Islands, has in no respect been attributable to themselves, but rests solely with the Government. The first occasion was in 1845, when Heke cut down the flagstaff at the Bay of Islands as an overt act of rebellion against British authority, which he followed up by sacking and destroying that settlement. No differences about land or anything else existed between the colonists and the Natives. Heke expressly declared that what "aroused" him was the presence of Government authorities at the bay. The second occasion when the sword was drawn was at the Hutt, when the Government undertook to experential Natives from land of which they had repeatedly admitted they were not the owners, and for which the true owners had been three times paid. They were in no respect "aroused" by the colonists. whose forbearance with their aggressions was most praiseworthy and remarkable. [The writers have omitted to mention the first occasion when the sword was drawn, at the Wairau, in June, 1843.— The third occasion was at Wanganui, where the necessity of employing the military originated in the barbarous murder of the Gilfillan family by five Natives, as a retaliation for an accidental wound inflicted on a Native chief by a midshipman of the "Calliope" amusing himself with a pistol. And yet Sir George alludes to "past experience" as a proof of the danger of intrusting the colonists with the management of their own affairs. If he had referred to it as a proof of the mischief which irresponsible Governors and nominee Councils might be the cause of, he would have been nearer the mark

12. And as to this part of the subject, we feel bound, most respectfully but most earnestly, to invite your Lordship's particular attention, for the argument which of all others seems to have had most weight with the English public, and which Sir George has taken good care to urge constantly in his correspondence with your Lordship, though he has never dared to advance it in the colony, is the danger of permitting the colonists to legislate for the Natives, and the importance of adhering to the