



NEW ZEALAND

# GOVERNMENT GAZETTE.

(PROVINCE OF WELLINGTON.)

Published by Authority.

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WILLIAM FITZHERBERT, *Provincial Secretary.*

VOL. VI.]

MONDAY, 5TH SEPTEMBER, 1859.

[No. 20.]

**S**PEECH OF HIS HONOR THE SUPERINTENDENT of the Province of Wellington, delivered at the opening of the Second Session of the Second Provincial Council, August 30th, 1859.

MR. SPEAKER AND GENTLEMEN OF THE PROVINCIAL COUNCIL,—

Having prorogued you, by Proclamation, on the third of last September, I have convened you to-day, in obedience to the Constitution Act, which requires that a session of the Provincial Council shall be held at least once in every year.

You are aware that since the commencement of 1858, the expenditure of some portion of the Provincial Revenue has been effected without the sanction of an Appropriation Act. It is unnecessary now, I hope, to refer to the circumstances which led to that course, further, than may be requisite to place the events on record, in order that the responsibility may attach in the proper quarter.

When I met the Provincial Council, after the general election of its members, and of the Superintendent in 1857, it became evident, that the constituency had made a mistake, either in the election of a majority of the Council, or in the

election of the Superintendent. For while the principles on which I had offered myself for election, and had been for the second time elected, were well understood, I found a majority of the Council, elected immediately afterwards, directly opposed to those principles.

My Executive advisers, in consequence of some of them having failed to secure seats in this Council, tendered their resignation, when I invited, as you will remember, the leader of the majority to form a ministry:—a task which he vowed himself unable to accomplish, unless I would consent to a legislative alteration in a fundamental law, by which the form of Provincial Government had been settled in 1853,—a proposal to which I felt myself compelled to refuse my assent.

The difference between the Council and myself on this and other matters appearing irreconcilable, I conceived it to be my duty, to afford to the constituencies of the Province the opportunity of declaring whether the mistake had been, in the election of myself or of the opposing majority; and I therefore resigned my office and offered myself for re-election.

I was opposed by a candidate who had the full support of the majority referred to—who appeared in the field as *its* candidate, and the exponent of *its* policy. I shall not further allude to the result than to observe, that the issue

was decided in my favour, in a manner which could leave no shadow of doubt in my mind, that a very large majority of the electors endorsed my policy, and approved of the course I had hitherto pursued.

I will confess, that I had hoped, that after the result of the election for the Superintendency, the opposing majority would have followed my example, and by resigning their seats, have afforded the electors the opportunity of reconsidering the circumstances of their election.

As they however did not consider it expedient to take this step, and as on the re-assembling of the Council after my re-election, I could perceive no indication of any more harmonious feeling existing—a course being pursued by them which I could only regard as equivalent to a refusal to vote the necessary supplies, I prorogued the Council and requested His Excellency the Governor to exercise that power of dissolution, which is placed in his hands by the Constitution Act.

His Excellency declined to accede to my application. The purport of his reply was, to invite further conflict between the Council and myself. It appeared to him, that the events of the previous six months did not afford sufficient proof, that we had arrived at an issue of that irreconcilable character, which demanded the interference of the "Deus ex machina," provided by the Constitution. For my own part, I could see no advantage to any one from a prolongation of the conflict; I could see nothing but damage to the Province—damage to the public character of all parties concerned—damage to the prospects of self government in this Colony,—and I therefore declined to act on his Excellency's recommendation, that I should renew the contest and push it to further extremities,—preferring rather to carry on the government of the Province, by virtue of the powers vested in me by the Constitution and Acts of the local legislature, in conformity with a policy which I was satisfied by my repeated elections was in unison with the views and wishes of a great majority of my constituents, and to expend the revenue as nearly as possible in accordance with existing and previous appropriations.

If his Excellency had granted the dissolution I requested, he would at once have put an end to this unfortunate "dead-lock," for either I should have found a majority of supporters in the new Council, or failing to do so, I should have resigned my office finally and unconditionally.

While I regret as deeply as any one, the difficulties which have thus occurred, in the way of carrying out the system of responsible government, I must remind you, that these very difficulties were clearly foreseen and foretold by those who inaugurated it in 1853.

I myself have always held, and still hold, the opinion, that the success of responsible government in the Provinces, must necessarily be exceedingly problematical, unless the power of dissolving the Council at least once, be vested in the Superintendent. The exercise of such a power would generally, if not always, solve such difficulties as have existed in the present case. If, indeed, it is argued as it has been (in a neighbouring Province), that such a proposal does not meet the case of a Council desiring its own dissolution, while the Superintendent refused to dissolve, I would reply, that resignation is

always within the power of the members of that body, who could by such a course test the confidence of the electors; or if this is not considered a sufficient safeguard—a bare majority of the Council can by the Constitution, call on the Governor to remove the Superintendent; and there still remains the further power of dissolution of the Council and Superintendent vested in the Governor by the Constitution, of which I would not propose to deprive him, and which he would be at liberty to exercise on the petition of a majority of the Council. But while the existence of responsible government, without a power of dissolution, (absolute or limited as to the number of times for which it might be exercised), vested in the chief of the Executive, is an anomaly, I must repeat, that such a power would in most instances, prove an effectual remedy for such political differences as would be likely to arise between Superintendents and Provincial Councils. And in saying this, I am simply expressing the opinion of the members of the first Provincial Council of this Province. For if you will refer to the proceedings, you will find that during the first Session, a Resolution on this very subject, was moved by Mr. Edward Gibbon Wakefield and seconded by Mr. Samuel Revans—no mean authorities on questions of Constitutional Government. The Resolution was:—

"That in order to complete the system of Responsible Government in this Province, the Superintendent ought to be empowered to appeal to the electors by means of dissolving the Provincial Council."

That Resolution was passed unanimously.

I will only add, that until the power of dissolution be vested in the Superintendent, Responsible and Parliamentary Government cannot be regarded as synonymous terms; for you may have an Executive responsible in the fullest sense to the people—enjoying in the fullest manner the confidence of the electors, as testified by their repeated re-elections,—and yet that Executive may not command a majority in the legislature. Having exhausted all the constitutional means in my power to restore harmony between the Executive and the Legislature, I am obliged to content myself with thus indicating the remaining constitutional remedy.

Since this Council was prorogued, a large and important section of this Province has been severed, and erected into a separate Province—an event of too much importance to be passed over without comment.

The manner in which this separation has been effected, is, I will venture to assert, unprecedented in the history of any Country. It is a common event in the great confederacy of North America, that the growth of population has rendered expedient the creation of new territories, and the introduction, into the confederacy, of new States. But in no instance, of which I have ever heard, has the subdivision of States or the erection of new ones within the jurisdiction of existing States, been attempted without the consent of the Legislatures of those concerned; nor, indeed, could it be done without infringing the fundamental principles of the Constitution. Much less has the power of affecting these, or analogous objects, been entrusted to the sole discretion of the Executive Government.

On the contrary, the Federal or General Legislature has always retained in its own hands the right, and recognised the responsibility of dealing with each case on its own individual merits and in reference to its individual exigencies.

By the New Provinces Act of the last Session, the Assembly of this Colony vested a general power of subdividing the existing Provinces of New Zealand in the Governor of the Colony, acting under the advice of the Executive Government of the day—thus abdicating one of its most important functions, and placing in the hands of a Government, whose existence depends on temporary, political, and external support,—an immense engine of corruption and intimidation. Such a course is, I repeat, unprecedented in the history of any country similarly situated, and unjustifiable by reference to any principle, on which equal political justice between different portions of a community ought to be administered under the institutions of self-government.

But, though the Act in question was general in its operation and apparent intention, it was, in fact, passed for no other purpose, than to meet the individual case of Hawke's Bay. *This was its foregone conclusion*; though it is not improbable that a centralizing ministry, bent on the destruction of the Provincial element of our Constitution, congratulated itself on the machinery which was thus placed in its hands all-powerful to effect such an end.

In tracing the history of the Act, I will not do more than allude to the efforts which the Prime Minister of the Colony made, during a visit to Hawke's Bay, to fan the smouldering flame of disaffection towards continued union with Wellington. Nor need I remind you, of the circumstances attendant on the transmission of the writs for the election of the Wellington members, so timed as regards the date of their return, as to result in the failure of the elections and the certain absence from the Assembly of six of the Wellington Representatives till at least the very close of the Session. Nor is there occasion to mention more particularly, the illegal return of a member for Hawke's Bay and Wairarapa, so managed that the latter district knew nothing of the election till it was over, while the pretended representative was allowed to take his seat in the House without remonstrance, and to use exertions towards the passing of the Act, of the efficiency of which he has publicly boasted.

Of course we are bound to believe, that all those events were fortuitous, but certainly, if ever accident had the semblance of design, it was when so many fortuitous circumstances resulted in all that the most skilful designer could have planned,—in the absence of those interested in opposing the measure, and the presence of those whose business it was to advocate and support it.

By one means or another, however, the Bill passed and became law. And here I cannot help remarking on the grave responsibility which rests on his Excellency the Governor personally, in reference to the manner in which the royal assent was given to this Act. If the Act was only what it professes to be, an Act of a general character and intent, it at least involved a principle of the greatest constitutional im-

portance; for it not only provided for the alteration of the territorial and political divisions of the Colony established by the Constitution Act; but contrary to all precedent, it vested in the Executive Government the right of altering those from time to time without any reference to the Legislature.

If this important Act was then merely general in its intent, where was the urgent necessity for its immediately receiving the royal assent? Was it not precisely one of those occasions, when the Governor was bound to exercise the privilege vested in him by the Constitution, of reserving the Act for her Majesty's assent?—a privilege vested in him for the protection of the Constitution itself, as well as of Imperial interests—a privilege which he possesses altogether independent of ministerial control,—in fact a sort of tacit appeal against ministerial pressure.

On the other hand, if the Act, though general in its terms, were in fact passed to meet the individual case of Hawke's Bay, and to enable his Excellency's advisers to purchase political support, or to triumph over political opponents it amounted to a *practical fraud*; against participation in which, to reserve the Bill, would have been a self-respecting protest on his Excellency's part. The unseemly haste with which the Royal assent was given, under circumstances of which even in the obscurity of Ministerial Responsibility, his Excellency could hardly be ignorant, leaves a personal responsibility on him, from which he will not easily free himself, while this Act remains on the statute-book of the Colony.

Additional reasons for the prudential exercise of the privilege referred to, might have suggested themselves to his Excellency on the most cursory perusal of the Act. It makes only an ambiguous provision for charging new Provinces with any part of the indebtedness of the old one, incurred before the separation—an ambiguity of which I perceive the Superintendent of Hawke's Bay is already availing himself in an attempt to repudiate all liability for any portion of the debts of this Province! Yet these debts, for which the Revenue and Lands of the united Provinces were pledged, were incurred under the sanction of his Excellency himself, who might have found in the imperfect provision made for their security—not to say the opportunity for their evasion afforded by the new Provinces Act, another reason for withholding the Royal Assent. So also the inexcusable blunder—if indeed it be a blunder, by which the Reserves situated within the now Province of Wellington are vested in the Superintendent of Hawke's Bay—an indication of haste and precipitancy which might have at least suggested caution in him, who had to bring the law into operation.

The Act having thus passed, and thus received the Royal assent at his Excellency's hands, no time was lost in pressing forward the severance of the Hawke's Bay District. It will perhaps surprise those who hear me when I inform them, that the first official intimation which I received from his Excellency's Government, of its intention to divide the Province of Wellington, was derived from his Excellency's proclamation declaring Hawke's Bay a separate Province, which met my eye in the *Government Gazette*, transmitted to me in the ordinary course by post,

after the separation had been completed. I make no complaint of the want of personal courtesy to myself, nor of the want of respect manifested towards the Province, of which I was the official head,—but I would point to the extreme unfairness of this proceeding on the part of his Excellency's Government.

Nearly a third part of the territory of the Province of Wellington, is handed over to little more than a tenth of its population, on the petition of that tenth alone;—and no intimation whatever of the transaction is given to the rest of the Province, till the affair is concluded, past all remonstrance or suggestion. No attempt is made to consult the wishes of the other nine-tenths (whom his Excellency had succeeded in disfranchising in the General Assembly)—no means taken to ascertain their views as to boundaries or other ingredients of the separation—no investigation as to the state of financial accounts between the separated district, and that from which it is cut off—still less any provision for adjusting such accounts, or making the new Province bear any part of the burdens of the old one, of which it formed a part when they were incurred.

This entire ignoring of the feelings and rights of the old Province—this neglect even of the commonest courtesies—could not have occurred, had the General Assembly not abdicated its functions, and handed over its powers to the Executive Government. For if the specific question, of the separation of Hawke's Bay from Wellington, had been brought before the House of Representatives, there can be no doubt that the various questions, which might have arisen between the old Province and the intended one, would have been referred to a Select Committee, and all those points, on which both had a right to be consulted, would have been adjusted, first preliminarily in such Committee, and then finally, after open discussion in the House; not by the arbitrary fiat of a secret Ministry, without any investigation—nay without any communication whatever, with nine-tenths of those, whose rights and interests were so deeply affected.

Had these numerous objections to the Act been brought under the notice of her Majesty's Government, before it had taken effect in the Colony, it is far from improbable, that it would not have received her Majesty's assent. At all events, it was only fair, that those who had been deprived in the Colony, of the opportunity of resisting the passing of the measure, should have been allowed the opportunity of an Appeal, such as the reservation of the Bill would have afforded, and from availing themselves of which, the haste with which his Excellency gave his assent to the Act, effectually prevented them.

As regards the administration of the Waste Lands, changes have occurred in that department which it is necessary to mention.

After the Act of the General Assembly of 1856 was passed, the entire administration of the lands including the receipt and control of the revenue, was formally handed over to the Provinces, in accordance with a policy, in which every political party in the Assembly concurred, and which formed a fundamental principle of the Sewell, and almost the only avowed principle of the present ministry.

The entire transfer of the proceeds of the land sales to the provinces, was one principal basis of compromise, under which the Northern Island consented to relieve the Southern from its liability to contribute towards native land purchases.

This basis has, however, since been departed from, and the compact arrived at by the various interests represented in the Assembly in 1856, has been deliberately violated by an Act of the last Session, which enables the General Government to take, from the 1st January, 1858, one-sixth of the land fund of the Northern Island towards the future land purchases of that Island, already provided for by a portion of that heavy loan, for which the colony at present pays interest.

This violation of public faith has, I need not inform you, tended very considerably to embarrass the financial arrangements of this Province, by withdrawing a large portion of the revenue, which, relying on the pledges given in the Assembly in 1856, I had every right to anticipate.

When the Waste Lands were transferred to the Provinces in 1856, the Receivership was included, and though nominally under a General Government Commission, was accepted, without salary, by Mr. Fox, the Provincial Commissioner, under the new arrangements, on the distinct understanding, that he was not under any official control from the General Government. Subsequently the General Government very peremptorily asserted a right to issue instructions to him, on which he resigned that office; and it was, after personal negotiation between the Colonial Treasurer and myself conferred (without salary) on Mr. Fitzherbert. Mr. Fitzherbert was subsequently removed from the office, on the express ground, that he was politically opposed to his Excellency's present Ministry; and another gentleman (to whose competency I bear a willing testimony), was appointed in his place, with a salary of £150, which with other expenses, he is instructed to deduct from the proceeds of the Land Sales.

The receipt and control of the Land Revenue has thus been resumed by the General Government contrary to the arrangements of 1856.

In 1858, a new Ministerial office was created by the General Government, in connexion with the Waste Lands—that of Chief Secretary of that department—to whom it appeared to be the intention of the Government to subordinate the Provincial Commissioners. It was the interference of this officer with the Wellington Commissionership, and the dilatory and unsatisfactory progress of the extinction of the Native Title which led to Mr. Fox's resignation—in reference to which some correspondence will be laid upon your table.

But the most important event in connexion with the Waste Lands, is the disallowance by her Majesty of the Act of 1858, following the disallowance of that of 1856. The result is the remission of the Colony to the law of 1854—under which the administration of the Waste Lands remains with the General Government; but the regulations, under which their sale or lease is effected, originate with the Superintendent and Provincial Council, becoming law by his Excellency's confirmation. The Amended Regulations of this Province passed in 1855, were framed under the Act of 1854, and I shall

propose to you some further amendments, to which I shall presently allude.

In noticing the state of business in the land department, I have to express my regret that the two main impediments to its satisfactory progress (to which I have adverted on previous occasions) still remain. I refer to the backward state of the surveys, and the absence of direct official correspondence with the land purchase department. The first impediment has existed for many years, was inherited from former Governments, and was brought under the special notice of the first Provincial Council, during one of its early sessions, by Commissioner Bell; and I fear, in spite of the heavy expense we have incurred in surveys during the last few years, (amounting to between six and seven thousand a year) that some time will yet elapse before the arrears are brought up. I am glad, however, to be informed that there is a prospect that one great desideratum will shortly be supplied by the Survey Office to the Land Department, by the completion of a connected map of the important district of the Wairarapa.

With reference to the other impediment, it can only be a matter of regret that the jealousy of the General Government should have forbidden that responsible relationship between the Land Purchase and Land Sale Departments, the want of which is felt by the latter department as a practical obstruction to its efficiency. From a schedule I shall lay before you, you will perceive that the only blocks of land within the present limits of the Province handed over since 1855 are, a block at the forty mile bush, purchased I believe, in Sir G. Grey's time, and the block known as the other day, of 34,000 acres in the Waikanae District—showing a neglect to the interests of this Province as unsatisfactory as it is unaccountable.

I am, at the same time, happy to inform you that, through the recent exertions of Mr. Commissioner Serancke, the following blocks have been acquired,—the Manaia, containing about 5,500 acres, the Tauhangī (near the forty mile bush), of 2,000; the Puripuri, of 35,000; two blocks at the Manawatu, of about 34,000 acres each; the Popawai, of about 15,000; the Waiohini, of 30,000 acres; and that Mr. Commissioner McLean has, I understand, paid an instalment of the purchase of a block at the Waitotara, estimated to contain about 50,000 acres. There is no doubt that a considerable revenue will be derived from the sale of these blocks, as soon as they are placed at the disposal of the Government; but still you must look for your future land revenue mainly to the sale at 5s. an acre, of the three or four million acres in your Province, which never can be available for agriculture.

After the reports which have been recently circulated respecting hostile movements on the part of the aboriginal natives—reports which have created considerable alarm in the minds of the settlers in outlying districts, I am glad to avail myself of this opportunity to declare, that after having caused enquiries to be made, I see no ground for these apprehensions—no reason for anticipating any disturbance of the friendly relations which have hitherto subsisted between the two races. At the same time, there is no denying the fact—that for some months past the natives have been busily em-

ployed in arming themselves, and that considerable excitement and disaffection at present exist among them.

Sir George Grey shortly after his arrival in the Colony, caused ordinances to be passed placing stringent restrictions on the importation and sale of arms and ammunition, and by a subsequent proclamation (dated the 24th January, 1846), he absolutely prohibited their sale to the natives. No difficulty was experienced in enforcing these restrictive laws,—they were acquiesced in by the Europeans as wise and salutary precautions—and submitted to by the natives without the slightest reluctance or even murmuring. It must be admitted by all, that as far as this Province is concerned, Sir George Grey's scheme of disarming the natives, was successful to a degree which he himself could not reasonably have anticipated; for, three or four years ago, the natives were to all intents and purposes disarmed:—their muskets, from the difficulty of getting them repaired, had become unserviceable,—their stores of gunpowder were either expended or spoilt, so that another native war was rendered well nigh impossible.

Unfortunately, for reasons which it is difficult to conceive, his Excellency the present Governor by a proclamation dated the 25th June, 1857, superseded Sir George Grey's regulations, and substituted other provisions in their place.

Whatever may have been the intention of his Excellency in issuing that proclamation, the interpretation put upon it by all parties seems to have been—that Sir George Grey's restrictions if not repealed, were at any rate relaxed. And that the proclamation on the face of it fully justified this construction, is clear, from the report of the Select Committee of the House of Representatives appointed to inquire into this matter in 1858, for their report simply was, that while "it would be injudicious to make any attempt to reimpose the former restrictions in the sale of arms and ammunition it would not be expedient further to relax existing regulations."

The result has been, that the fruits of Sir George Grey's wise and beneficent policy have been entirely thrown away; for the natives at this moment are better armed, and more amply supplied with the munitions of war, than at any previous period of the history of this Colony. And while I repeat that the recent alarms are groundless, still it is impossible not to perceive, that with the natives thus armed and in a state of uneasy agitation, the merest accident might endanger the peace of the whole Colony; and it is with the object of impressing upon my fellow settlers the necessity not merely of avoiding all cause of dispute—of cultivating the same kindly relations they have hitherto maintained—but of doing their utmost to dispel the suspicions which I fear designing persons have recently been endeavouring to instil into the minds of the natives, that I have alluded to this topic.

Understanding that the question of Education will again be brought before you, I have called for and will shortly lay upon your table returns of the several schools receiving Government aid. From those returns you will learn, that at present there are 10 schools subsidized by Government—that the number of children on their rolls exceeds 300—that the school fee varies from 3d. to 1s. a week, and that the whole of the schools, with one exception, are established

in Country districts, but you will not gather the slightest information respecting the qualifications of the teacher, or the amount or character of the instruction given. While I admit that these returns are in some respects unsatisfactory, still they show that the apathy which has hitherto prevailed in regard to education, has been to some extent overcome, and that a sense of the duty and importance of educating their children has been awakened in the minds of parents; by taking advantage of which, you may reasonably expect to spread the blessings of education throughout every part of the Province. Premising that the question of Education is an open one with the members of the Government, that the members of the Government—as a Government—neither insist upon, nor oppose, any particular scheme, I do not hesitate to express my own belief, that the present system is acceptable to the large majority of the inhabitants, and that no other would, *ceteris paribus*, have produced equal results; and I shall therefore regret any material modification of the principle on which it is based. At the same time I so fully concur in the opinion expressed by all parties, that no system without a constant and vigilant supervision of schools can ever realize our expectations, or yield its legitimate fruits, that I am prepared to make provision on the Estimates for an Inspector, who will be required not merely to superintend the schools already established, but who will be specially charged to organize schools in each district—to impart, if needful, to teachers the method of instruction—and to make periodical reports of the state of each school. And here I cannot refrain from recording my opinion—that limited as the funds necessarily are, that can be appropriated to Education,—Government assistance ought to be confined almost exclusively to schools in country districts—that schools in towns, where there is a considerable population, ought to be self supporting, or that if government aid be afforded, it should only be for a limited period—and further that the amount of Government aid should vary according to the number and means of the settlers in each district. Unless some such rule as this be adopted, I fear, that we shall expend our funds in supporting schools in towns—in educating the children of those who ought to repudiate eleemosynary aid—that in short, we shall pauperize education in the towns, and then be obliged to starve it in the country.

You will be gratified to learn that the Revenue for the year ended the 31st Dec. 1868, fully realised my expectations; the receipts from all sources having amounted to £63,831. I need not say, that had it not been for the severance of the Hawke's Bay district—and the stoppage of the sale of the Reclaimed Land, my estimate of £64,000 would have been exceeded by at least £15,000. The Expenditure for the year was £87,722. The chief items of which were—on Roads 34,803—on Bridges £4,253—on public Buildings including the Lighthouse £6,983—on Immigration £4,014—on Surveys £6,224—on Reclaimed Land £3,726—on Steam, Mail Service, Education, and other public undertakings, £5,745.

The expenditure on public works and undertakings, has from the establishment of the Provincial Government up to the present time, been

in round numbers £230,000,—thus proving that a much greater amount of that expenditure has been defrayed out of your Surplus Revenues than out of the Loans.

It must be equally satisfactory to you to learn, that, with two or three exceptions, all the Public Works we ever proposed, or for which appropriations were made in previous Sessions, have been executed. Since I last addressed you, the Ohariu, the Ngabauranga, the Greytown, the 5 Mile Bush, the Masterton, the Morrison Bush Road, the Turakina and the Wanganni Roads have all been completed. The Wangaeahu Bridge which was swept away by a flood last year has been rebuilt; the Waiwetu and Turakina Bridges which met with a similar fate have also been replaced—the latter bridge consisting of a single span of 130 feet. The Hutt bridge has been repaired and extensive works constructed for its protection, at an expense which can only be justified by the works proving adequate for the purpose for which they were designed. The Waiohine bridge the length of which is 390 feet, was opened a few weeks since, thus removing the chief impediment to free communication between Wellington and Masterton, and lastly (not to enumerate other smaller works) the Wanganui Bridge—the bridge of the greatest magnitude yet undertaken in the colony its length being 890 feet, was commenced last June, and should no unforeseen difficulties occur, there is every reason to anticipate that we shall celebrate its completion in the course of the next twelve months.

But of all the works completed, there is none to which I refer with greater gratification, than the Lighthouse at Pencarrow Head—which was lighted for the first time on the 1st of last January—and which as regards the character of its light, is I believe second to none in the Australian Colonies. By the erection of this light, you have not only rendered this harbour accessible at all times, and to steamers in all weathers, but you have conferred an inestimable boon on all vessels passing through Cook's Strait.

It is almost unnecessary for me to refer to the recommendation I made to you last session on the subject of steam communication with Victoria, to the fact of my having proceeded to Melbourne, and there made an arrangement (mutually advantageous) by which steam was at once established and has been maintained for the last ten months between this Port and Port Phillip, for unfortunately, I have to express my regret, before announcing the success of my negotiation, that the arrangement ceases with the present trip of the *Boomerang*, in consequence of the Legislature of Victoria having declined to sanction it. The advantages however which it has already conferred on both Colonies are so manifest—the returns shew so clearly that while a large part of the Australian trade with this Port has by means of that communication been diverted from Sydney to Melbourne, we ourselves have derived a considerable influx both of capital and labour, that I do not despair of seeing it very shortly re-established.

With regard to the Expenditure for the current year, I estimate the ordinary expenses of Government at £12,600; of the Surveys, Land, Road Department at £5,100; Interest on Loans, £8,000; you will find placed on the

estimates for Immigration, £3,000; Education, £700; Subsidy to *Boomerang* £2,100; to *Wonga Wonga*, £500; for Ferries, Local Posts, &c., £626; for Lighthouse, £1,750; for additions to Gaol, Government Offices, Furniture, &c., £340; for Turakina Bridge, £1,500; Hutt Bridge and Breastworks, £3,200; Wanganui Bridge (being the probable amount required this year) £2,500; Waiohine Bridge, £2,250; Taueru Bridge, £80; for Repairs of North Western and North Eastern Roads, £2,000; widening Petoni Road, £130; Road from Mungaroa to Featherston, £650; Featherston to Masterton, £1,000; Featherston to Te Kopi, £1,200; Ngahauranga and Ohariu, £200; Karori Road, £1,000; Porirua, £150; Beach and Thorndon quay, £500; Rangitikei—Wanganui, £2,200; No. 3 Line, Wanganui, £880; Buoys, at Manawatu, £100; making (with some other items unnecessary to specify) a total estimated Expenditure of £56,427; in addition to which, there may be a claim on account of the *Ann Wilson's* immigrants, should the award of the arbitrators to whom I have proposed referring the case be adverse to the Province.

You will be prepared for a far less flattering statement of your future financial prospects, than it has hitherto been my pleasing duty to lay before you; for, in addition to the loss of the proceeds of the greatest part of your unsold estate—an estate which you had rendered valuable by colonizing it,—in addition to one sixth of your remaining land revenue being under the "Land Revenue Appropriation Act" of 1858, taken away, under the plea, that funds may some time or other be required to extinguish the native title, his Excellency's Government have, (the Act in question being retrospective in its operation) called upon you to refund one-sixth of your territorial revenue for the year ended the 31st Dec. 1858, or rather, without giving the slightest notice of their intention—without the slightest regard to your financial engagements—have impounded one third of your land revenue, until one-sixth of the land receipts for the past year, amounting to between six and seven thousand pounds, has been repaid. Nor is this all: in 1856 a Committee of the House of Representatives was appointed to lay down the principles upon which the accounts between the several Provinces, and between them and the General Government, were to be adjusted; the Committee's report having been adopted by the House, the Auditor General adjusted the accounts. According to his statement, there was a balance due to this Province for the period ended 31st Dec. 1855, of £3,319;—that balance was not only admitted by his Excellency's advisers, but a pledge given that it should be paid as soon as the accounts had been laid on the table of the House of Representatives.

Previous, however, to the meeting of the Assembly in 1858, his Excellency's ministers readjusted the accounts in such a way that, while they converted the debt of £4,012 due to the General Government from the Province of Nelson into a balance in its favour of £1,800, they reduced the balance due from the General Government to this Province from £3319 to £512. They effected this by simply declaring that a sum of £10,000 paid for the purchase of

lands in Nelson in 1855-56 ought not to be treated as revenue of that year—the year in which it was paid—but should be regarded as revenue of the following year—1856-57. By this arrangement the Province of Nelson became entitled to the whole £10,000, and the surplus distributable amongst the provinces was reduced by the same amount.

Nor is the course pursued by his Excellency's Government in withholding a balance of £1988 due to this Province on account of the ordinary Surplus Revenue of the year ended the 30th June, 1858, less open to animadversion. You will remember, that his Excellency's Government, after declaring in a letter, dated the 31st October, 1857, that the presence of a military force at Napier, was *in their opinion*, absolutely necessary for the protection of the lives and properties of the settlers there, intimated that they would not send the force, unless I would at once guarantee to provide funds for the erection of barracks. You will remember further, that when that threat was made, the Council was not in Session, and that I had therefore no alternative but to comply with this demand; but you will be surprised to learn, that although I gave that guarantee, as Superintendent of the Province of Wellington as then constituted, his Excellency's Government, three months after Hawke's Bay had been created a separate Province, sent in a claim for £1870 on account for the Napier Barracks, with an intimation that the balance of £1988 would be withheld until the claim was settled. The fact that his Excellency's Government have within the last few days ~~waved this monstrous claim~~, only renders its injustice the more palpable. But though they have paid the balance of £1988, they have compelled me to pay the interest and sinking fund of monies expended in the purchase of lands in Hawke's Bay, which have only recently been handed over to that Government. With these facts before you, it will, I fancy, be difficult for you to come to any other conclusion than that his Excellency's present advisers have done their utmost to involve this Province in financial difficulties, and to check its progress.

Your financial position on the 1st of January, 1859, was as follows:—Balance in hands of the Treasurer, £2777; due from the General Government, £1988; at the credit of the Province in England, after paying £3082 for interest due on that day, £23,789; giving a total balance at the credit of the Province on the first of the year of £28,554. I estimate three-eighths of the gross Customs receipts at £14,000; Licenses (publicans' and auctioners') £178; Registration of Deeds, £500; Pilotage, £450; Fees and Fines, Sheep Assessments and other incidental receipts (including Immigration Promissory Notes), at £1075; the Territorial Revenue, including rates on Land, Pastoral Licenses, and two-thirds of Land-Sales, at £14,000; proceeds of sale of reclaimed land, £8000; making the receipts for the year (assuming that the reclaimed land will be sold) £39,805; which, with the balances already specified, will give a total sum of £68,359, available for the current year. To this will have to be added, the amount that may be recovered from the Hawke's Bay Government on account of interest on the Loans. From this statement you will perceive that while the Revenue (ex-

clusive of the proceeds of the reclaimed land) will be sufficient to enable us to carry out existing contracts—to complete works in progress—still that we cannot undertake fresh works unless further funds are provided. Some amendments (which have been already published) to the existing Land Regulations will be brought under your consideration. That which refers to free grants of land to military and naval settlers, will, I trust, meet with your support, inasmuch as it simply confers upon non-commissioned officers and privates, the same privileges given to military and naval officers under the regulations now in force.

The most important amendment is that relating to land not worth 10s. an acre, or unavailable for agriculture. At present any intending purchaser may (under clause 8) call upon the Land Commissioner to certify, that land is not worth 10s. an acre, and on receiving the Commissioners certificate to that effect, may have the land put up to auction at 5s.; but there is no power given to the Government to call for such certificate, or to put up land at 5s., unless it be first moved thereto by an intending purchaser; the result is that the 8th clause of the existing regulations is, to all intents and purposes, a dead letter; and that some three million acres in this Province, which never will be bought at 10s. nor can be used for agricultural purposes, are locked up against purchase. It is therefore proposed that the Government shall be empowered, without waiting for an application from an intending purchaser, to proclaim all lands, which may from time to time be certified by the Commissioner as not worth 10s. an acre, or as being unavailable for agriculture, open for sale at 5s. an acre; to place, in fact, such land, as far as its sale is concerned, on precisely the same footing as 10s. land at present is; so that any party may on the day on which a block of such land is notified as open, purchase the whole or any portion of it without its being put up to auction,—except, of course, in the case of simultaneous applications. But with respect to similar land on runs held under license from Government, and fully stocked, we propose that it shall only be sold by auction, after three months' notice of the intended sale shall have been given to the runholder. So that the runholder will always have an opportunity of competing—and can never have his run bought over his head (for the purpose, it may be, of compelling him to sell his stock at a mere nominal price) without due notice.

By these modifications of the 8th and 14th clauses of the present Regulations—I believe, that (amongst other advantages) the Government will be enabled to sell a considerable quantity of land—probably from 100,000 to 200,000 acres a-year, of land that never would be sold at 10s.—that the Land Revenue would not merely be increased, but would be rendered certain for many years to come; that these lands by becoming freehold, would be so improved as to carry a much heavier amount of stock than they at present do—and that in the course of no long time the most inaccessible and worthless lands of the Province would be converted into profitable sheep-walks. Should you adopt this modification, I shall propose that a clause be added to the effect, that the expense of the survey of all land sold at five shillings shall be defrayed by the purchaser.

The proposal to make provision for the ultimate extinction of the public debt of the Province, cannot, I think, be regarded otherwise, than as calculated to restore the confidence of the public creditors of this Province, whose interests were so recklessly disregarded in the "New Provinces Act." And whatever difference of opinion may exist, as to the soundest basis, on which to extinguish the public debt, the proposal laid before you in the amended Land Regulations, of devoting a special portion of the public estate to the liquidation of the debt, will afford the best guarantee that the Province of Wellington will be an accomplice in no act of repudiation.

I mentioned in my address last year, that in consequence of the doubts raised by the Governor's disallowance of the Act authorizing the loan of £25,000, the directors of the Union Bank, though they had brought the loan into the market at the same time as the loan of £50,000, had yet thought it prudent to suspend the sale of the bonds of the former until those doubts were quieted. I have now to inform you that the Bank having called upon me to place them in a position to dispose of the remaining bonds, a Bill with that object, confirming the Loan Act of Sess. IV, No. 9. will be laid before you. As the only ground upon which his Excellency was advised to disallow the Act, viz:—because it appropriated a certain sum towards building a lighthouse, has been removed, and as all the other works, for which the loan was authorised to be raised, with the exception of the Wanganui Bridge now in progress, have been completed by means of funds diverted from other public works of almost equal importance, I can scarcely anticipate, that his Excellency's Government will persist in offering any further impediment to the disposal of the bonds of this £25,000. The Loan Bill will have to be reserved for his Excellency's assent.

The question of subsidizing the *Wonga Wonga* will again be brought before you. As long as it was employed in keeping up communication between the extremities of the Province and the capital, there could be little doubt as to the expediency of granting such a subsidy, as would afford the shareholders a reasonable dividend upon their investment. Accordingly a subsidy was paid from August, 1857, to August 1858, at the rate of £2,500, and from that date up to the end of last March, at the rate of £1,250 a-year. But the circumstances under which it was agreed to subsidize the vessel are entirely changed, for not only has the Coleman line of steamers been established, by which a tolerably regular and constant intercourse is maintained between Wellington and the other Provinces, but it is now proposed to run the *Wonga Wonga* between this Province and that of Hawke's Bay. You will, therefore, have to consider, whether it is expedient to retain her services, and if so, what portion of the subsidy of £1,500 claimed by the Company should be borne by this Province. The Hawke's Bay Government have consented to pay, on certain conditions, £500 a year, or rather, I believe, £20 for every trip the vessel makes to Napier, and the Company backed by the Chamber of Commerce, request you to contribute £1,000. It appears to me that the Directors of the Company in making, and the Chamber of Commerce in supporting, such an application, have left out of their consideration

the important facts,—that by the dismemberment of the Province, you have been stripped of the greatest part of your land revenue, that the whole cost of the General Government (including the large subsidy paid to the Coleman steamers) is a charge, not upon the territorial, but exclusively on the Customs revenue—and that the expense of the General Government is increasing at such a rate, as to threaten, before long, to absorb the whole of the Customs, leaving the Provincial Governments dependent on their Land Revenue alone. Now, when I consider, that while the Land Sales of Wellington (after deducting the one third impounded by the General Government) cannot be estimated at more than £14,000 for the present year, those of Hawke's Bay are estimated at £20,000—~~that while Wellington contributes out of the Customs Receipts at least £22,500 towards the expense of the General Government, Hawke's Bay does not contribute more than £2000, I must say, that in my opinion, it is neither fair nor reasonable, to call upon this Province to pay a greater portion of the subsidy than may be contributed by Hawke's Bay.~~

While I congratulate you upon having completed in this Province about 130 miles of metalled roads, I cannot conceal from you that the expense of keeping the trunk lines in repair, is becoming so serious an item in the annual expenditure, amounting to several thousands, that it is absolutely necessary to devise some means of relieving the revenue of some portion of this charge, if we are desirous of meeting the demands made upon us in every part of the Province, for assistance in making district roads. A general land tax has been suggested by some, but the difficulty and expense of its collection, and the unfairness of calling upon those who are obliged to tax themselves for district roads, to pay an additional tax for the maintenance of trunk lines, are grave, if not fatal objections to such a plan. By others it has been proposed that the land within a certain distance of the trunk lines only should be taxed for their repairs, but I doubt, whether even if we overcame the difficulty of defining within what distance of the road, lands should be taxed, an amount at all adequate for the purpose, or even worth the cost of collection, could be thus raised, without imposing a far heavier rate than the settlers would submit to. It seems to me, that the plan of taxing those who use the trunk lines by levying tolls, is not only the most just in principle, but will also be the most productive. From a return of traffic taken at Kaiwarra, it appears that by a moderate scale of tolls, a revenue of from £1500 to £2000 a year might be raised,—I purpose, therefore, submitting a Bill authorizing the establishment of a Toll-gate at Kai Warra Warra.

The importance of a deep water wharf is so fully recognized by all classes, and has been so forcibly urged upon the Government, that I feel assured, especially with the prospect of Wellington being made the Port of call for the Panama line of steamers, if proper facilities are afforded, that you will readily co-operate with me in giving effect to so unanimous an expression of opinion.

You are aware that after a portion of the reclaimed land had been sold, some of the purchasers raised a question as to the power of the

Government to sell it, and obtained a decision of the Supreme Court in their favour. In consequence of that decision, with one or two exceptions, the purchasers have declined to complete their purchases and the Government have been precluded from offering the remaining portion for sale. Since then the matter has been still further complicated by a blunder in the New Provinces Act,—by which the Reserves of this Province have been vested in the Superintendent of Hawke's Bay. Until, therefore, this blunder be remedied by an Act of the General Assembly the Provincial Government cannot give a perfect title. But as there is not the slightest doubt that this flaw will be cured at the next Session of the Assembly, I do not apprehend, that it will in the slightest degree, either depreciate the value of the property or operate against its sale, if the Council sanction it. It is my intention, therefore, to lay before you a bill—authorizing the Superintendent to sell the land already reclaimed,—to go on with the reclaiming—and further empowering him to raise money for the purpose on the security of the land—the money so raised to be paid off out of the first proceeds. If this Bill pass—even if the late purchasers decline to pay their purchase monies until their title is perfected, there will be no difficulty in selling the remaining portion, or in raising the funds necessary for carrying on the reclaiming, on a much more extensive scale than hitherto.

But at the same time that we proceed with the reclaiming, we propose building a deep water wharf, which will, I need not say, so enhance the value of the adjacent lands, that its cost estimated at £10,000 will probably be defrayed out of the profits accruing from the sale of the reclaimed lands, without necessitating any appropriation out of the Provincial Revenue.

As the proceeds of the sale of the lands already, or to be reclaimed, are thus proposed to be devoted to the construction of a work, the necessity of which, all classes are urging—as employment will at once be afforded to a large number of the working class—and as this Town will reap the chief advantage of the consequent large expenditure, I am not without hope, that those, who have hitherto objected to the sale of the land in question, will be induced to withdraw any further opposition. A Bill will be submitted authorizing the erection of a deep water wharf, and the levying of dues.

Although under the Amended Land Regulations of 1855, the Superintendent is authorized to attach to the Small Farm Settlements, land for pasturage purposes, no machinery has been created, by which the commonage land can be managed, except by the creation of the settlement into a Hundred—a system to which I find a very general aversion, as being too complicated to meet the requirements of Small Farm Settlements. I propose therefore introducing a Bill, to confer the necessary powers upon Wardens elected under the Public Boards Act, Session III., No. 3.

The Society of Odd Fellows having with the sanction of the Government (so far as it could legally be given) reclaimed a piece of land, on which they are at present building a Hall, which it is intended shall be available for public purposes, I shall ask your sanction to a Bill

empowering the Superintendent to convey the land in question to the Society upon certain trusts, as soon as he is in a position to give a title.

Should you assent to the proposals made for liquidating the public debt, it will be necessary to pass a Bill authorizing the appointment of Commissioners, and defining their powers and duties.

Bills for facilitating the transfer of Publicans' Licenses—for making certain amendments in the the Highways' Act—for legalizing the expenditure of last year—for appropriating the revenue of the current year—for extending the time of hearing claims to compensation—for amending the Registration Ordinance, will also be laid before you.

As the income of the Province will, both for the current and ensuing year, being in a great measure contingent upon your adoption of the proposals I have made in regard to the reclaimed land, to selling land at 5s., and to the loan, I am, until I know your decision, necessarily precluded from proposing any other public works than those I have specified. Should you, however, agree to my suggestion, I shall be prepared, at once to place sums on the estimates, for carrying on the works at present in progress on the Te Kopi line—for extending the Ohariu and Makara roads—for converting the Belmont and Wai-nui-o mata bridle tracks into dray roads,—for continuing the Wanganui-Rangitikei trunk line to the Waitotara block,—for forming a road into the valley recently discovered near Mungaroa (a valley estimated to contain some three or four thousand acres of rich and finely timbered land),

—for completing the road from Featherston to Masterton, and continuing it thence to the 40-mile bush; all works of urgent importance, and which would have been completed by this time, had it not have been for the disallowance of the Loan Act.

In conclusion, I venture to express a hope, that all parties, both in the Council and out of it, will unite in an attempt to maintain the Province of Wellington, in the high position to which it has already attained, and from which, if its colonists be but true to themselves, neither partial dismemberment of its territory, nor the determination of the General Government to create financial difficulties, will be able to reduce it. The noble harbour which we possess, our central position with regard equally to the trade of America, Europe, and the Australian Colonies, as well as to communication between the several Provinces of the Colony,—the abundance of land yet available for settlement, whenever the deliberate tardiness of the General Government shall place it at our disposal,—the energy of the colonists schooled by the experience of twenty years, render the future prosperity of Wellington (under Providence) a matter of such certainty, as may well encourage us to struggle with and overcome any temporary difficulties, which an unfriendly General Government, or the mutability of seasons and events may from time to time place in the path of our advancement.

I. E. FEATHERSTON,

Superintendent.

COUNCIL CHAMBER,  
Wellington,  
30th August, 1859.