residue of controlling authority which it may be requisite to retain within the limits of this country, although I think its exercise may be no easy task for the immediate servants of the Queen I doubt whether it would be found when it had been formally intrusted to the New Zealand Company either less difficult or less invidious.

"With respect to the establishment of Representative Institutions in the Colony, Her Majesty's Government regard it with so much desire, that I should approach with very favourable predisposition any plan which should promise to organize them on an efficient footing. For as relates to the government of the British settlers, which I have already taken occasion broadly to separate from the regulations of our relations with the native race, although it may be attended with much difficulty, even when placed on that basis, I cannot but perceive that it is the only basis on which it is in any manner to be hoped that full justice can be done to the capabilities of the colony, and that the work of well rearing it in its earliest stages, arduous to persons on the spot, becomes, if the springs of action are to be moved from this distance absolutely impracticable. A large confidence in a well chosen head of the Executive Government is the best and safest rule which can be applied to the proceedings of this department in reference to New Zealand, and in the Island a similar confidence should be reposed by that Government in the colonists, and a regular and constitutional resort should be had to their aid, in the mode of which, as to their substance this country affords a pattern available with just modifications, for such colonies as New Zealand.

In my Despatch of the 31st January, I alluded to the division of political functions between principal and central bodies, but there is a further addition to which I may now advert, not as of certain advantage, but as probably deserving consideration. If a regular trade should be likely to arise within a short period between Auckland and Cook's Straits, the obstacle which their distance offers to unity of Government, may be mitigated or overcome. Even if we have no such remedy in prospect, I can conceive it possible that arrangements may be made, which by entrusting much to municipalities, and leaving less than is usual to a General or Central Legislature, may at once put out of view the alternative which I am about to name. Yet, upon considering how few of the conditions either of physical or moral unity between the Northern and Southern settlements can be said at present to subsist, I cannot exclude the supposition that it may possibly be found expedient to resort to a division of the Colony, which should give one tolerably complete organization to the Northern part of the Northern Island, with Auckland for its Capital; and should make Cook's Straits the centre of another, attaching to it the Southern Districts of the Northern Island, or any portion of them, and probably the whole of the Middle Island. If such an arrangement should be found advisable, I consider it most likely that Her Majesty's Government would also find reason to conclude that the two Bodies of Colonial Institutions thus established ought not to be absolutely co-ordinate and independent one of the other, but that there should be at least an Executive attached to one of them, which should be, in some sense, the head of the other; while the mother country would of course retain its position in relation to both. Simplicity is a great advantage in the institution of any, and especially of a small the community; still it is often found that complex.

The Native Trust Ordinance, dated 29th June, 1844, contains a clause, No. 14, enabling the community; still it is often found that complex.

ity of structure, if the parts be well adjusted. affords the best security for ease in operation, and therefore is best entitled to the praise of real

simplicity.
At this distance, writing at a time when possibly your mind may already have arrived at a mature judgment on the question to which I refer, and I must also add having these subjects before me in a confused mass, without any such clue to the regular connection and clear apprehension of them as I trust your reports will afford, it is less injurious to leave you in suspense, by avoiding the communication of definite conclusions, than to run the risk of embarrassing or obstructing you by their premature announcement. this ground you will readily account for the indeterminate and simply suggestive character of this Despatch. It will afford me sincere gratification if I should hereafter find that your own thoughts, guided by experience, have taken a direction so far corresponding with that of mine as to afford me the assurance that this Communication may, at the least have tended in no degree to aggravate the difficulties of the office with which you are charged."

I have the honor to be, Sir, Your obedient humble servant, W. E. GLADSTONE. (Signed) To G. GREY, Esq., Governor, &c.

> No. 20. Downing Street, 13th August, 1845.

SIR,—Among the Acts passed by the Legis-lature of New Zealand in the year 1844, there are three to which it seems to me necessary to direct your particular attention.

The Ordinance for establishing a Supreme Court, dated the 30th of January, 1844, by the 6th and 7th clauses, constitutes that Tribunal an Instance Court of Vice Admiralty, and gives to the Court, cognizance of all crimes and offences committed within the Jurisdiction of the Vice Admiral of New Zealand, as fully as it such crimes had been committed on the land, within the limits of the Colony. As long as these clauses shall continue to form part of this Act, it will not be in the power of Her Majesty to confirm it. No power, except that of the Sovereign, acting with the advice and consent of Parliament, is competent to confer on any Court with-in the British Dominions jurisdiction over crimes committed on the high Seas. This follows not only from the reason of the case, and from the inextricable difficulties, which must result from conflicting legislation, in the different Colonies of this Kingdom, on the same subject matter, but also from the terms of the Acts of Parliament by which the Crown is authorized to constitute Courts in any British Colony for this purpose. Those Acts expressly declare that the jurisdiction of those Courts is to be exclusive, and that no other criminal Tribunals may assume or exer-

In like manner the creation of Courts of Vice Admiralty is a branch of the Royal Prerogative never delegated to any Colonial Authority, It is exercised by the Queen, on the Advice of the Lords Commissioners of the Admiralty, and may not be lawfully exercised in any other manner.

You will therefore propose to the local Legislature the Repeal of clauses 6 and 7 of