E.—No. 1A.

"yielded from which are rapidly increasing, the necessity of providing for the support to such establish-"ments from the General Revenue will constantly diminish.

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17. It is not doubted that the hearty concurrence of the members of the three principal Religious Bodies engaged in the work of Native Education will be secured to a scheme, which will make a fairer apportionment, and secure a more efficient application of the funds at the disposal of Government,

than the present plan.

18. Nor do Ministers think that the temporary character of the provision will be generally deemed an objection. It would be monstrous to suppose that the present interest of these establishments in the Fund is a permanent one. The opinion of the originator of the endowment, (as above cited), is entirely opposed to such a notion. But if this view of the availability of the endowments prove oversanguine, and it should happen, that, at the expiration of the grant now proposed, it is still requisite for these institutions to seek the aid of Government,—Ministers feel perfectly well satisfied that the just claim of Native Education will then receive a fair consideration from the Colonial Legislature.

19. Should the foregoing proposals prove, as it is trusted they may, satisfactory to His Excellency there will be no need to make detailed reference to the statements of His Excellency's Memorandum of the 6th instant. Ministers would exceedingly regret that anything should occur in their communications with His Excellency which could possibly be viewed as in any degree a breach of faith. They are unable to admit that anything which has passed, until the date of the present Memorandum can be fairly supposed to have pledged them to advise the changes referred to in His Excellency's Memorandum of the 6th. They beg, with great deference, to represent the inconvenience certain to ensue, if mere conversations with individual Ministers on matters of moment are cited as honourably engaging the Ministry to measures, which when they come to be accurately considered, may be found to be open to strong objection, or to be attended with insuperable difficulty. Not the least evil of such a practice would be that it would greatly fetter that freedom of intercourse with His Excellency, which is so essential under the present form of Government. The danger of constant misunderstanding in such oral communications is exemplified on the present occasion; as the Colonial Treasurer, in his interview with the Governor on the 4th instant, had no intention to convey the meaning imputed by His Excellency, but conceived, on the contrary, that he had with great distinctness informed His Excellency that no positive conclusion had been arrived at by Ministers.

(Signed) C. W. RICHMOND.

## [MEMORANDUM.]

I accept generally the views stated in the Colonial Treasurer's Memorandum of 24th instant, and proceed to remark on some portions of it.

2. In reference to the details contained in paragraph 8,—it will be necessary that I should com-

municate with the Treasurer personally; I will therefore not allude to them here.

3. I do not know if I understand the last part of paragraph 11 correctly:—all departments require approval for their expenditure, and I am not aware that the Native department has been an exception. On a recent occasion an omission in this respect was visited more harshly than I could at all approve; but I allowed it to pass because I recognized the principle. If more than has hitherto been admitted is intended by this clause, I do not assent; as I am not aware of what is required.

4. Paragraph 13. This is a very important point, and may be made to act variously. And first, I should say, that after the positive instructions contained in the last despatches, I could not venture to accept a less term than seven years; second, that I am ready to confer as to the classification of schools and other details,—believing that there is little or no difference of opinion on the subject. The main object to be kept in view being to distribute the £7000 in the most useful manner without reference to sect or denomination.

5. Paragraph 14 (1).—" Government contributions proportionate to the average number of pupils." Here it is of course intended that the pupils should be Native or Half-Caste.

6. (3) In the inspection here provided, it must be clearly understood that I have an active, and

not a passive voice only.

Paragraph 19.—I have carefully read over my minute to which this paragraph refers; and I find in it that "The Governor regrets the *change of opinion* of his advisers;" but I looked in vain for anything to shew that I had viewed or spoken of that change of opinion as in any degree a breach of

- 7. I might with some reason object to the reproof conveyed in the last part of this paragraph, but I prefer asking if it is intended that I should not freely communicate with Ministers on matters discussed only with one. The example quoted appears to me very appropriate; but I do not arrive at the same conclusion. The Colonial Treasurer informed me in a long conversation that the subject in question had been discussed by himself and his colleagues; that they had not arrived at a final decision, but that their opinions were then opposed to the views communicated in former conversations. Upon this I wrote a minute, adverting not only to conversations, but to a circular letter, addressed to official persons, and signed by the first Minister. I addressed that Minute to the Colonial Treasurer, who might have corrected me if I had misunderstood him.
- 8. I should regret as much as my advisers can do, anything which would fetter the freedom of intercourse between myself and them which I believe to have been as useful to the public service as gratifying to myself; but I might ask of what use would such communications be, if they may not be imparted to those who take part, and are equally interested in them.