

Lewis's Despatch No. 65 of the 12th of September 1860, which expresses the opinion of the Colonial Government on the subject.

From that Memorandum, a copy of which is enclosed, and from Mr. Stafford's Memoranda of the 10th and 16th September 1858, it will be observed that Ministers decline to pledge the Colonial funds for the repayment of an expenditure incurred before the Colony was required to meet the cost of constructing Barracks.

Ministers originally proposed to the Imperial Government,—(See Mr. Stafford's Memorandum of 8th September 1858),—that the Colony should pay £5 per annum for each man of all ranks maintained within it, as the whole contribution of New Zealand towards the expenses of its Military Defence. The Imperial Government accept that proposal, to date from the 1st April 1858, but appear to propose to attach to this acceptance the additional condition that the cost of the Barracks erected at New Plymouth in 1855 and 1856 be repaid.

Ministers are not able to accede to this last condition without the sanction of the Legislature to which the question will be submitted in the next Session.

E. W. STAFFORD.

No 5.

COPY OF A DESPATCH FROM HIS GRACE THE DUKE OF NEWCASTLE TO GOVERNOR GORE BROWNE,
C.B.

Downing Street,
26th January, 1861.

NEW ZEALAND.

SIR,—

I referred for the consideration of the Secretary of State for War your Despatch No. 103, of the 2nd October last, in which you forwarded a copy of a Resolution of the Legislative Council, relative to arming the several Ports of the Colony.

I have to inform you that Lord Herbert is unable to authorize compliance with the application for heavy guns and ammunition which is embodied in the Resolution, as his Lordship does not feel justified in recommending that in addition to the large expenditure taking place in New Zealand on account of the Native War, a heavy outlay should be incurred in order to provide against the contingency of an European War.

I have, &c.,

NEWCASTLE.

Governor Gore Browne, C.B.,
&c., &c., &c.

(No. 7.)

No. 6.

COPY OF A DESPATCH FROM HIS GRACE THE DUKE OF NEWCASTLE TO GOVERNOR GORE
BROWNE, C.B.

Downing Street,
26th January, 1861.

NEW ZEALAND.

SIR,—

I have received your Despatch No. 100, of the 29th September last, respecting certain monies drawn from the Commissariat Chest for the pay, allowances, and rations granted to the Taranaki Militia and Volunteers.

It appears that in the first instance you very properly required as a condition of such issues that the repayment of these advances should be guaranteed by the Colonial Government.

But a Memorandum was brought under your notice addressed from the Horse Guards to the Commanding Officers at Foreign Stations, with respect to the issues of money from the Commissariat chest.

There is no appearance that this Memorandum had been submitted for the sanction of the Secretary for War or the Lords of the Treasury, and it provides expressly that the "Clothing, Arms, Rations, and Pay of the Officers and Men" belonging to any Local Force organized by authority of a Colonial Governor should be "subject to such provision as may be made by the Colony in pursuance of any Legislative enactment passed or to be passed for this purpose." It was added, however, that in case of there being no money in the Colonial Treasury to meet such expenditure the Governor might at once require the issue from the Commissariat Chest of such "advances" as might be necessary to defend the Colony from aggression or to preserve public tranquility.

It is plain (as observed in Mr. Stanley Jones' letter of the 10th July) that the authority issuing this Memorandum had no power to determine whether these advances were to be ultimately repayable from Imperial or Colonial funds, and equally clear, I think that the Memorandum contemplates their recovery from the Colony in whose interest the expenditure is made.

However the Under Secretary appears to have inferred from this document that the Home Government was prepared to make advances of this kind to Colonial Governments without a guarantee of repayment, and concurring in this opinion you withdraw your demand for such a guarantee. I am quite unable to imagine the grounds on which this inference rests, and I must express my surprise that you should have assented to it.

(No. 13.)