

P A P E R S

RELATIVE TO

M I L I T A R Y E X P E N D I T U R E

I N T H E C O L O N Y .

PRESENTED TO THE HOUSE OF REPRESENTATIVES BY COMMAND OF HIS EXCELLENCY,
SEPTEMBER, 12TH 1862.

MILITARY EXPENDITURE.

No. 1.

THE DEPUTY COMMISSARY GENERAL TO THE PRIVATE SECRETARY.

Commissariat, Auckland,
11th December, 1862.

SIR,—

In reply to your letter of this date, and in accordance with the request of His Excellency the Governor, I do myself the honor to hand you herewith a duplicate of my letter of the 2nd September, 1862, to the Private Secretary, with copies of the enclosures relative to the stoppages of all further advances from the Treasury Chest under my charge, for Colonial purposes.

(No. 3056c.)

I have, &c.,

H. STANLEY JONES,
Deputy Commissary General.The Private Secretary,
&c., &c., &c.,
Auckland.

No. 2.

THE DEPUTY COMMISSARY GENERAL TO THE PRIVATE SECRETARY.

Commissariat, Auckland,
2nd September, 1862.

SIR,—

I do myself the honor to hand you herewith, for the information of His Excellency the Governor and the Colonial Government, copy of a communication from the Secretary to the Lords Commissioners of Her Majesty's Treasury, number and date as per margin, together with an extract from the Treasury Minute conveying their Lordships' orders prohibiting me from making any further advances from the Treasury Chest either "for carrying out the scheme for the pacification of the Native Districts proposed by Sir George Grey, or for any other Colonial purpose."

Treasury Chambers,
13th June, 1862
16956, 16960, 1861.

I am, however, directed to remit all claims against the Colony for such portion of the Colonial contribution of £5 per man for its Military defence as may be shewn to have been expended in each of the three years commencing 1st January, 1862, for Native purposes over and above £26,000 per annum of Colonial funds; but this concession is coupled with the provision that the existing debt due for Militia and other advances is previously repaid into the Treasury Chest.

The sums expended in this Colony, as shewn by statements already rendered to the end of October last, and the contribution of £5 per man to 31st March, 1861, amounted to £123,710 18s., but the Treasury claim is for £193,180 5s. 6d.

I can only account for this extra charge by the supposition that the Treasury have added the cost of the Iron Barracks at Taranaki omitted in my former statement of charges, the expenditure incurred in bringing Troops to the Colony, and other services not paid for here.

The sums disbursed by me between October, 1861, and the 30th June last, together with the contribution of £5 per man to 31st March, 1862 only, amounted to £76,450 16s. 10d., as shewn by the statements rendered. The debt therefore of the Colony on the 30th June last amounted to £269,631 2s. 4d., exclusive of payments not made in this Colony (since 29th October, 1861).

As per accompanying
statement.

I also do myself the honor to hand you herewith copy of a letter from the Assistant Military Secretary conveying the Lieut.-General's directions for the immediate discontinuance of all payments on behalf of the Colony.

30th August, 1862.

It is therefore my duty to stop all further advances for Militia purposes at Taranaki, all issues of allowances to that Force, and the working pay of small Military parties still employed on the Great South Road, and according to the concluding paragraph of the Assistant Military Secretary's letter, I respectfully solicit information as to the mode of payment proposed by the Colonial Government for such small amounts as are now due for the parties working on the Great South Road.

I have, &c.,

H. STANLEY JONES,
Deputy Commissary General.The Private Secretary,
&c., &c., &c.,
Wellington.

Enclosure 1 in No. 2.

SIR F. PEEL TO THE DEPUTY COMMISSARY GENERAL, NEW ZEALAND.

Treasury Chambers,
13th June, 1862.

SIR,—

I am directed by the Lords Commissioners of Her Majesty's Treasury to acquaint you that my Lords were obliged to postpone any answer to your letters of the 23rd August, and 6th September last, pending the consideration of Her Majesty's Government of the general question of the claims upon the Colony of New Zealand, on account of charges for Military Expenditure during the late war.

I am, however, to state that my Lords entirely approve of the manner in which you have discharged your duties as Controller of the Treasury Chest, in relation to the claims upon the Colony, and I am to transmit for your information and guidance, extracts from the Treasury minute of the 24th May last, on the subject of those claims.

You will observe that Her Majesty's Government have agreed to the diversion to local objects during a term of three years, of a portion of the Military contribution, at the rate of £5 per man, which the Colony is under engagement to pay to the Treasury Chest in aid of Military Expenditure, and it will be your duty to require an account of such temporary application of part of the fund in question, and to claim payment of the balance thereof according to the amount of Military Force in the Colony.

You will also observe that the aid to be afforded from Imperial resources is to be confined to a waiver for a time of the full claim upon the Colony in respect of the Military contribution, and that you are not authorised to make any payment direct from the Treasury Chest (by way of loan or otherwise) to supply any deficiency of Colonial funds for carrying out the scheme for the pacification of the Native Districts proposed by Sir George Grey, or for any other Colonial purpose.

I am, &c.,

F. PEEL.

D. C. G. Jones,
Commissariat,
New Zealand.

Enclosure 2 in No. 2.

Extracts from Treasury Minute dated 24th May, 1862.

(No. 5762.)

“Write to Sir F. Rogers for the information of the Duke of Newcastle that, on full consideration of the difficulties with which the Governor of New Zealand has to contend, my Lords are of opinion that it would be wise policy on the part of Her Majesty's Government to allow him much discretion in working out the scheme which he has proposed for the pacification and government of the Native Districts, and that, although he has assumed to himself the disposal of funds belonging to the Imperial Government without authority, it would be inexpedient to incur the responsibility of hampering his operations by requiring the present fulfilment of the engagement of the Government of New Zealand for the very moderate contribution of £5 a head for the troops employed in that Colony. Their Lordships on these grounds concur in the proposal of the Duke of Newcastle, that Sir George Grey should be left at liberty to apply such portion of the money, which will be due to this country during the next three years on account of that contribution, as may be required to complete the funds required for carrying out the proposed scheme.

“The despatch of Sir George Grey does not afford accurate data from which the amount of the aid to colonial funds to be derived from this source can be conjectured.

“He appears to estimate the total expenditure to be ultimately incurred for his plan at £50,000 a year, and he proposed to apply towards the expense the sum of £26,000 at present appropriated from colonial revenues for Native purposes.”

“The understanding, therefore, on which my Lords consent to an appropriation of a portion of the military contribution for three years towards the expense, is that the sum of £26,000 shall first be expended from colonial funds, and that such additional funds as may be required during the said limited term may be supplied from the contribution. It is unnecessary to define the amount to be derived from the latter source, because, on the one hand, the amount of the whole of the fund in question depends in each year on the number of troops retained in New Zealand; and on the other hand, as my Lords consider that the whole responsibility of the scheme for the settlement of the Native Provinces should rest with the Government of New Zealand, it does not appear to them to be desirable that Her Majesty's Government should attempt to limit the total expenditure to be incurred for the purpose. The sole conditions to be insisted upon are that the aid from Imperial sources should be restricted absolutely to a sum within the amount of the contribution to the extent which may be required after the expenditure of £26,000 from colonial funds, and that such aid shall not be continued beyond a term of three years.

"An account should be furnished to the Controller of the Treasury Chest of such application of the contribution, for the information of Her Majesty's Government and Parliament; and it should be expressly understood and enjoined upon the Governor that no advances are to be procured from that chest nor any other of its funds than those military contributions due from the Colony employed towards paying the expenses of the scheme.

"It will, of course, be understood that, although the calculations on which this arrangement is based, are founded on the present amount of military force in New Zealand, it will not interfere with the discretion of Her Majesty's Government regarding the force which shall be retained in the Colony; and, further, that in giving up for a limited time the claim of this country to a portion of the military contribution at the rate of £5 per man, no pledge is to be implied of the continuance of that contribution as a permanent arrangement, but that the aid to be required from New Zealand for military protection shall remain subject to any general measure which Parliament may adopt with regard to the maintenance of Her Majesty's troops in the Colonies.

"My Lords concur with the Duke of Newcastle that the concession of the diversion of a part of the military contribution to Colonial objects, should be accompanied by the requirement of the payment of the large debt due to the Treasury Chest on account of advances for the militia and other purposes, which amounted on the 29th October last to £193,180 5s. 6d.

"With regard to this claim, their Lordships would wish that Sir George Grey's attention should be called to the passage in the Colonial Treasurer's financial statement of the 23rd July, 1861, in which, in reference to the demands properly made against the Colonial Government by the Commissariat, he observed that 'he had no hesitation in stating that they are most unfairly charged against the Colony at the present time,' and to the very strong animadversions made in the Colonial Legislature on the conduct of the Commissariat officer in bringing forward these claims in the simple discharge of his duty to this Board. They have no doubt that His Grace will concur with them in opinion that the disposition shewn to avoid the recognition of pecuniary obligations to this country ought to be checked rather than encouraged by the Governor."

Enclosure 3 in No. 2.

Statement of Claims by the Imperial Treasury against the Government of New Zealand to 30th June, 1862.

Particulars.	Amount.			Total.		
	£	s.	d.	£	s.	d.
Amount due to 29th October, 1861, as per Treasury Minute ...				193,180	5	6
Pay of Militia for October, 1861.....	2658	16	6			
Underpaid to R. Parris in May, paid 14th November, 1861.....	27	0	0			
Pay of Militia for December, 1861.....	2351	8	1			
Enrolment of Pensioners at Auckland, paid 13th Dec., 1861 ...	37	0	0			
Cost of Rations Taranaki Militia for December quarter, 1861...	2297	16	1			
Pay of Militia for November, 1861.....	1350	0	0			
Pay of Taranaki Militia for quarter ending 31st March, 1862...	4578	15	2			
Cost of Rations Taranaki Militia for quarter ending 31st March, 1862	1082	2	11			
Pay of Militia at Taranaki for quarter ending 30th June, 1862	1840	10	0			
Sums due in December quarter, 1860, omitted to be charged in statements rendered	55	6	2			
Cost of Rations Taranaki Militia for quarter ending 30th June, 1862.....	115	9	6			
				17,394	4	5
Contribution at £5 per man for year ending 31st March, 1862				27,718	15	0
Expenses of Great South Road, including extra cost of provisions, &c.				31,337	17	5
Total.....				269,631	2	4

Commissariat, New Zealand,
Auckland, 1st September, 1862.

H. STANLEY JONES,
Deputy-Commissary General.

MILITARY EXPENDITURE.

No. 3.

THE DEPUTY-COMMISSARY GENERAL TO THE ASSISTANT MILITARY SECRETARY.

Commissariat, Auckland,
29th August, 1862.

SIR,—

No. 2329c.

3th June, 1862.

I have the honor to submit for the perusal of the Lieutenant-General Commanding, copy of a letter from the Lords Commissioners of Her Majesty's Treasury, enclosing extracts from Treasury Minute, dated 24th May, 1862, from which it will be seen that I am "not authorized to make any payment direct from the Treasury Chest (by way of loan or otherwise) to supply any deficiency of Colonial Funds for carrying out the scheme for the pacification of the Native Districts, proposed by Sir G. Grey, or for any other Colonial purpose."

I therefore request I may be favored with the Lieutenant-General's instructions on the subject of services, for which payments are now in the course of being made, viz. :—

The advances for the Taranaki Militia, sanctioned by your letter, No. 1531, dated 15th ult., and guaranteed by His Excellency the Governor up to the 30th September next.

Rations to that force issued by this Department and paid for by the Military Accountant, and the pay lists for working parties on the Great South road (£44 6s. 10d.), has been paid for this purpose during the current month.

I would respectfully suggest that all these payments be discontinued at once, and all future claims be referred to the Colonial Government for payment.

I have, &c.,

H. STANLEY JONES,
Deputy-Commissary General.The Assistant Military Secretary,
&c., &c., &c.,
Auckland.

No. 4.

THE ASSISTANT MILITARY SECRETARY TO THE DEPUTY-COMMISSARY GENERAL.

Head Quarters,
Auckland, 30th August, 1862.

SIR,—

No. 1664.

In reply to your letter of the 29th inst., I am directed by the Lieutenant-General Commanding to inform you, that in conformity with the instructions contained in the Treasury Letter and Minute you have transmitted, you will cease to make any further advances on account of the various services enumerated in the 2nd paragraph of your letter; and will place yourself in communication with the Colonial Government with a view to arranging how these payments are to be made in future.

I have, &c.,

G. S. WHITMORE, Major,
Assistant Military Secretary.Deputy-Commissary General Jones,
&c., &c., &c.,
Auckland.