temporary measure of defence; the object the Governor had in view, as stated in that Memorandum, which was corrected by His Excellency himself, and in some part written by himself, was to bring the Waikato tribes to terms before conclusively settling the difficulties at Taranaki, and the Waikato tribes referred to are clearly those who expelled Mr Gorst from Awamutu, who drove away Europeans married to Maori women, who kidnapped their wives and half-caste children, who were the promoters of the murders at Oakura, and who adopted the cause of the murderers, and who had organised "a general conspiracy to expel or murder the European population throughout the Northern Island," or, in other words, the Ngatimaniapoto tribes under Rewi. These people were engaged all through the Waikato war; they are now in the South threatening Taranaki and Wanganui; they formed the very head and front of the rebellion, but they do not own an acre of land within the limits delineated on Plan No. 1, attached to the Governor's Memorandum. The other Waikato tribes implicated in the war chiefly resided to the south and east of the blocks marked by the Governor, and certainly nine-tenths of their territory would be untouched by the confiscation proposed by the Governor. In a proclamation issued July 11, 1863, by the Governor himself, addressed to the chiefs of Waikato, he states,—"Those who were at war against Her Majesty, or remain in arms threatening the lives of Her peaceable subjects, must take the consequences of their acts, and they must understand that they will forfeit their right to the possession of their lands guaranteed to them by the Treaty of Waitangi, which lands will be occupied by a population capable of protecting for the future the quiet and unoffending from the violence with which they are now so constantly threatened.

On the 31st July Ministers wrote a Memorandum, suggesting the introduction of 5,000 Military Settlers, "to be located on the land taken from the enemy,"—that enemy being Ngatimaniopoto and other inhabitants of Southern Waikato—"on military tenure," in accordance with certain regulations which accompanied the Memorandum, securing to the settlers land varying in quantity from 400 acres to 50 acres each. This plan was approved by the Governor in his Despatch to the Secretary of State, of August 29th, 1863. In that Despatch His Excellency states that the proposed plan is "based upon that which he adopted in British Kaffraria"—that "the land upon which it is proposed to locate these Military Settlers it is intended ultimately to take from the territories of those tribes now in arms against the Government," and these tribes mainly were the Ngatimaniopoto and other tribes residing South of Ngaruawahia, the Taranaki and Ngatiruanui tribes, and that he "had acquiesced, until the General Assembly can meet, in the proposed arrangement, to the extent of raising 2,000 men for active

service.''

His Excellency goes on to state that he "can devise no other plan to provide for the permanent peace of the country, than by locating large bodies of European Settlers, strong enough to defend themselves in those natural positions in this Province which will give us the entire command of it."

The Assembly met, and confirmed the plan, not only to the extent of 5,000 men but to 20,000. His Excellency immediately after the Session made personal application to General Cameron to allow Lt.-Col. Pitt to proceed to Melbourne, Adelaide, and Sydney, to raise the full compliment of 5,000 Military Settlers, and himself gave instructions to the Colonial Treasurer to proceed to England to organize a system of emigration to the Northern Island of the Colony, with a view to locating Settlers under the New Zealand Settlements Act, 1863. \*Copy of letter attached. He assented to the Loan of £3,000,000, out of which provision was made to the extent of £300,000 for the purpose of obtaining these settlers and immigrants. Nothing could be clearer than the propositions of the Government or more complete than the arrangements made for carrying them out. In the concluding part of the financial statement to which the Colonial Treasurer referred in his Memorandum of September 29th, but which His Excellency has not quoted, is the following passage: -- "The interest and sinking fund of this loan will be in the first instance, of course, charged upon the general revenue of the whole Colony, but when the lands in rebel districts are taken and sold, the loan itself will be a first charge upon the proceeds of the sale thereof. Exactly what amount of land will be available it is difficult to say; but if we take all the land that belongs to the rebel Natives in the Thames and Waikato, at Taranaki and at Wanganui, I think there will be nearly, after locating the settlers upon it, a balance of something closely approaching to 2,000,000 acres. And we consider that though it will be impossible to realize upon that all at once, yet before very long the proceeds of these sales will repay the whole of the expenditure that we now ask the House to grant." In his speech in the House of Representatives, on the second reading of the Loan Bill, as reported in the Southern Cross newspaper, and substantially correct, the Colonial Treasurer said-" If we take the whole area of land in the rebel districts, it will be found that it amounts to eight and a half million acres, and we have obtained information from persons well acquainted with the districts and the quality of the land, that one half of it will be available for settlement; therefore we have for settlement -4,250,000 acres. If we deduct from that the quantity required for the location of European Settlers and Natives, there will be a balance of 3,000,000 for sale, reserves, and for the preservation of the territory of those loyal Natives who may not be desirous of disposing of their lands. I said there was a balance of 3,000,000 of acres, and supposing we set apart 500,000 acres for roads and reserves, and 1,000,000 for land that may be retained by loyal Natives, it will still leave 1,500,000 acres for sale. Of course it would not be desirable, if it were even possible to dispose of this land at once; but by bringing it into the market judiciously, it appears to us that 1,500,000 acres economically dealt with and properly sold will realize at the very least£2 per acre, and £3,000,000 will be obtained at the time these arrangements are completed."

In Mr. Fox's Ministerial statement in the House of Representatives, at the time when he assumed the office of Colonial Secretary and leader of the House, there is the following passage: "The policy we would adopt would be mainly that developed in a Memorandum by the late Ministry on the military defences of the Colony, forwarded to the home Government in a Despatch of His Excellency, dated July 31st. It would consist in the establishment of villages held upon a certain description of military tenure, by men armed and prepared to defend themselves, in various parts of the Colony, in such positions as the Government may think it most advisable to locate them. There were already about 3,000 Military Volunteers who had been introduced under this system satisfactorily so far, well selected, and now on the frontier engaged in the defence of the country. It was the intention of the