

59. The House of Representatives, in granting so permanent a supply for native purposes, has done so, upon the express agreement that the several sums into which the £7000 per annum reserved by the Constitution Act is proposed to be divided, shall be applied only for the purposes expressed in the above detailed appropriation: provided that, with the consent of Ministers, the appropriation may from time to time be varied. Ministers will thus have an effectual voice as to the application of savings on the several services. Without such a concession, the seven years' grant for the schools could never have been obtained, it being obvious that the grant was virtually not to the schools, which were safely provided for on the Civil List, but for general native purposes. The increase on former years can only be ascribed to increased confidence in the due administration of the supplies under the present system of Government. If, in former years, the votes were less ample, it was because the House was little satisfied with the mode in which they were spent.

60. Throughout the whole of the financial arrangements which have been detailed, it has been the steady purpose of ministers to place the administration of native affairs on a sound and permanent basis—secure, as far as may be, against capricious or sudden changes at the hands of either Governor or Ministry. And, whilst leaving his Excellency's powers of Administration unfettered, they have desired to establish a Conservative influence over Policy. Had it formed a part of their plans to encroach upon the Governor's due influence in Native affairs, a very different course was open to them. But they are satisfied with such an arrangement as they now understand to exist, and have laboured faithfully to restore to Native policy that stability which was compromised by the entire alienation of the funds specially applicable to Native uses. Ministers entertain a firm reliance that the simple facts of the case, as above detailed at some unnecessary length, will satisfy the Secretary of State at once of the liberality and the moderation of the House of Representatives.

Σ.—Probable Amount of Maori Contributions to Revenue considered.

61. In connection with the subject of the last preceding division of this Memorandum, it appears desirable to examine the question of the amount contributed by the Maories to the Colonial Revenue, or, which for this purpose may be considered as the same thing, to the Customs Revenue.

62. In order to arrive at this amount, a process of the following nature has been sometimes adopted. The native population of the southern island is very small—its numbers probably not exceeding 2000 souls—and is also very poor. Its inconsiderable contribution to the revenue of the southern island must be more than equalled by the amount of duty received in the port of Wellington (in the northern island) on duty paid goods, shipped coastwise for consumption in the southern island; so that the whole amount of the duties collected in the southern ports may, for the purpose of the following calculation, be considered as paid by the European population. On this assumption (which is, no doubt, substantially correct), and on the further assumption that the amount of duty paid by the respective European populations of the two islands is in the same proportion as the numbers of the two populations, it is of course possible to compute the European contribution to the Customs of the northern island; and the balance is taken to be the contribution of the Maories in the same island.

63. A very slight consideration, however, is needed to shew, that up to quite a recent period such a calculation would be most fallacious, because it overlooks the very different state of the two divisions of the Colony. The northern island contains the seat of government, the two largest towns, the centres of densest population, and all the military garrisons. Its settlements are the oldest and the most advanced, and living is on a more expensive scale. A proportionately larger population afloat in the ports (and, of course, not included in the Census returns) swells the amount of its consumption.

64. A comparison of the consumption of ardent spirits in the two islands, relatively to the numbers of the European population of each, confirms the anticipation raised by the foregoing general considerations. This article furnishes the best test of the difference between the rate of contribution of the two European populations: because the sale of ardent spirits to Maories is prohibited, and, although they are illicitly supplied with such liquors to a considerable extent in the port towns, the Maori population, as a whole, does not consume them. After allowing an ample margin for the existence of such an illicit consumption, it seems, from the best available data, impossible to state the average consumption of spirits by the European population of the north during the four years 1853 to 1856 as

of native expenditure, I will compare the expenditure under the old system with that under our scheme.

"On the Government scheme you have—

"Civil List	£7000
"Schools	7000
<i>"Native Department—</i>	
"Civil List	1200
"Estimates	600
	<u>£15,800</u>

"In 1856 the Provision was—

<i>Civil List—</i>	
"Native Secretary	£ 300
"Magistrates	1400
"Schools	7000

On Estimates—

"Native Secretary's Department	1500
"Resident Magistrates' do.	882
"Hospital, &c.	2540
"Pensions and Entertainment	550
"Additional	500

£14,672

"By Resolution of the House..... 1,000

£15,672

"A few of the services included in this latter sum are, it is true, now recognised as general colonial services. You will observe that we consider the native department as part of the ordinary machinery of Government, and accordingly do not propose to charge the cost on the sum of £7000, which we conceive is properly applicable to exclusively native purposes."