The Governor of course cannot tell what are all the cases to which Ministers allude, he can only say that in many cases he has acted contrary to his own feelings and wishes in taking their advice, from a desire of avoiding all difficulties with them, and that in all ordinary matters of administration of the affairs of the Colony, he has never once declined to act on their advice, and has, he believes been far less consulted upon such matters, than the Governor usual is in countries where responsible Government prevails.

In the recent instance in which he sought for time to consider their advice, Ministers without the least previous intimation of their intention, advised him to call the General Assembly at Wellington, at the very moment that they warned him that a very great peril was overhanging this part of the colony. He cannot think that it can be deemed unreasonable that under such circumstances he sought

for time to consider what he should do.

As to any delay in carrying out what the Governor believes to have been the intentions of the Assembly, as those are to be gathered from their enactments, the Governor believes he is not responsible for this delay. For example had the Proclamation he wished to issue on the 6th of September last been issued at that date, he thinks that the whole aspect of the country would have been quite different from that which is now the case, and that after the 22nd day of this month, his

way would in many respects have been quite clear.

The Governor most sincerely thanks Ministers for the expression of their willingness to do their atmost to carry on the business of the country until the Assembly meets. He will in every way in his power aid them in this task. Whenever he thinks it requisite to ask for their advice he will apply to them for it, but he trusts that they will tender it to him at all times they may think it necessary to do so, and he will in all cases carefully consider their advice, for he can assure Ministers that he is quite as anxious as they are that a settlement of the existing difficulties should be come to, and nothing that has passed shall prevent him from co-operating with them in the most cordial and friendly spirit to obtain this end, so long as they hold office.

Government House, Auckland, 17th October, 1864.

G. GREY.

No. 3. MEMORANDUM by Ministers.

In His Excellency's Memorandum of the 17th, in reply to a Memorandum from his Ministers dated the 14th instant, His Excellency is pleased to state that "he believes that in the majority of cases in which he declined to act upon their advice he did so because they advised him to do that which was contrary to law or to equity," and that His Excellency believes "it can be conclusively shewn in such cases as he alludes to that if he had done that which Ministers advised him to do he would have done

that which was wrong and contrary to the enactments of the General Assembly."

Ministers beg most respectfully to appeal to His Excellency's sense of justice to state to them the instances to which he refers when he states that "they advised him to do that which was contrary to Iaw or equity." or "contrary to the enactments of the General Assembly." Ministers regret to have to ask His Excellency to take this trouble, but they feel themselves entirely at a loss on the subject, and they trust that His Excellency will excuse their anxiety in consideration of the gravity of the charges made against them.

It is quite true, as H's Excellency observes, that it was competent for Ministers to have resigned on any occasion on which he declined to follow their advice, and perhaps it is to be regretted that they did not do so, but they from time to time were led on by the hope that the differences between His

Excellency and themselves would be cleared away by the concessions on their part.

With respect to the Finance, Ministers conceive that His Excellency is under a misapprehension. Ever since the last Session of the Assembly no change with the exception of that presently referred to has taken place which ought to or would affect the question of His Excellency being enabled to obtain a new Ministry. It was then clear that the money required for the suppression of the rebellion and for the settlement of the country must be raised under the Loan Act, there was no other resource to look to except the sale of lands under the New Zealand Settlements Act. Unfortunately delay has taken place in realising the loan, and the sales of land have not been effected in consequence of the course taken by His Excellency. The first would necessarily have been an element in the calculation of any gentlemen about to undertake the duties of the Government, but it must be admitted that the latter could not have been anticipated.

In the recent instances to which His Excellency refers, as having taken time to consider the advice of His Ministers, they made no complaint, and did not think it unreasonable; but they certainly have never understood that His Excellency expected that previously to Ministers tendering him advice on any subject that they should intimate to him their intention to do so, nor do they see any advantage

that could arise from so unusual a course.

With regard to the Proclamation, of which His Excellency transmitted an imperfect draft, on the 6th of September, for the consideration of Ministers, they have ever been ready, and have so assured His Excellency, to afford every facility for its publication in the Government Gazette, but they certainly declined to concur in what they believed would be considered by the natives as an additional proof of that vacillation and weakness which has already produced so much contempt, and was therefore, in their opinion, calculated to do still further mischief.

In December last Ministers felt the force of His Excellency's remarks upon offering terms to the rebels, and Ministers still think that the following passage in His Excellency's Memorandum, of the

12th December, 1863, deserves careful consideration:-

"The Governor thinks that any terms with the Natives in arms, which are agreed upon without having been first earnestly solicited by them, and which might, from any action on the part of the Government, appear to have sprung from overtures made by the Government, might prove only temporary and delusive, and might result in a renewed struggle between the two races, at a time when we are less prepared for it than now. He would not for one moment refuse to accept the submission of