stand from the Governor's minute of October 17th, in answer to theirs of the 14th, that he accepted the offer which they then made. They rather gathered from that Memorandum that the great difficulty in the way of the Governor forming a new Ministry arose, in his opinion, from the view he took of the state of the finances, and they thought it right when all fear was gone of the financial difficulties occurring which the Governor had anticipated, again to request to be relieved from the anomalous position which they hold.

Now that they understand that the Governor desires it, His Excellency may rely on Ministers fulfilling the duties they then offered to continue to discharge until the meeting of the General

Assembly.

October 31st, 1864.

FRED. WHITAKER.

MEMORANDUM by Ministers on Secretary of State's Despatch, 20th August, 1864.

In a despatch from Her Majesty's Secretary of State for the Colonies, to His Excellency the Governor, dated the 20th of August, 1864, No. 85, the following passages occur:—"I have read with great regret the continuation, which has reached me by this Mail, of the correspondence between yourself and your Responsible Advisers on the subject of Terms of Peace proposed, or to be proposed, to the Natives; and of the extent to which the principle of confiscation ought to be carried." And "I do not collect with certainty what Proclamations have been actually issued."

The passages quoted are in answer to the despatch of the Governor's of the 7th of May, 1864, No. 71, to the Secretary of State, the enclosures to which consisted of Memoranda between His Excellency and Ministers from the 3rd to the 25th of May inclusive, upon the subject of the terms to be offered to the rebel Maoris, and the extent to which the principle of confiscation should be carried.

His Excellency's Despatch, though dated on the 7th of May, was forwarded to England by the mail of the 8th of June, and it would of course be inferred that the whole, and not a part only, of the correspondence on the same subject between those dates had been transmitted: but such was not the fact. On the 30th May, Ministers replied to His Excellency's Memorandum of the 25th of May—the document of the latest date forwarded by His Excellency on the 8th of June; but Ministers' reply, in which Ministers deferred to His Excellency's opinion and accepted His Excellency's views, and which was absolutely necessary to a clear understanding of the result of the discussion that had taken place between His Excellency and his Ministers, was kept back till the 3rd of September, when it was made an enclosure to a despatch of that date, upwards of three months after it was placed in His Excellency's hands.

Ministers can feel no surprise at the remarks made by the Secretary of State. For themselves they will, in deference to His Excellency's position, refrain from comment; but they beg respectfully to express their conviction that it will be vain for the Government and Colonists of New Zealand to hope to have their acts and opinions understood by the Imperial Government so long as documents of importance to the comprehension of these acts and opinions are dealt with as in this and other instances, in which Ministers have had reason to complain.

Ministers would feel obliged by His Excellency transmitting a copy of this Memorandum to the

Secretary of State for the Colonies by the first opportunity.

Auckland, 1st November, 1864.

FREDK. WHITAKER.

MEMORANDUM by MINISTERS.

The Colonial Secretary begs to forward to His Excellency a letter from Mr Stewart, the Resident Magistrate of Waikato Heads. Similar letters have been received from Mr Mainwaring and other Resident Magistrates. The fact which they establish is, that natives who have been for months in rebellion, or among the rebels, are returning into the settled districts on terms not in conformity with the Proclamation lately issued by His Excellency, neither giving up arms nor ceding land to the satisfaction of His Excellency and the General.

The Colonial Secretary proposes to write a circular to all Resident Magistrates in native districts directing them not to act, on this subject, on any instructions furnished hitherto, but to refer all natives of the class above mentioned to His Excellency and the General.

Auckland, 3d November, 1864.

WM. Fox.

MEMORANDUM by MINISTERS on the Governor's Despatch to the Secretary of State (dated 8th October 1864).

Ministers respectfully request that His Excellency will be pleased to transmit to Her Majesty's Secretary of State for the Colonies the following observations on His Excellency's Despatch of the 8th of October, 1864, No. 144.

In this Despatch His Excellency states that he and General Cameron would only have fixed a cession in each case, after hearing and considering the opinion of Ministers. Ministers deemed it altogether inconsistent with their position, and an abandonment of their functions and duty, to be parties to a document, in the most authentic form, declaring the authority of His Excellency and the General at their own pleasure, without reference to Ministers, to deal with one of the most important questions in which the Colony is interested; nor would their conduct in placing themselves in so false a question have been excusable, even though it might be the intention of His Excellency, as he states a question have been excusable, even though it might be the intention of His Excellency, as he states in his Despatch that it was, to go through the formality of hearing and considering their opinion. Sir George Grey, backed by an army of 10,000 men, may assume—as he has assumed, in defiance of the Constitution—absolute power; but this, in the opinion of Ministers, is a less evil than that those who have been entrusted by the General Assembly with the guardianship of the rights of the Colony should deliberately consent to renounce their trust. Where there is the power, there must rest the Responsibility. The Governor has assumed the power, and thereby released the Ministers, the General Assembly, and the Colony from Responsibility. Whatever may be the results of the policy adopted and acted on by Sir George Grey against the protests of the Representatives of the Colony, be these