

Ministers do not consider that it will be necessary to interfere with the properties of the Loyal Natives, except in some special cases where they hold lands in common with Rebels, in which cases Ministers propose to make an equitable division according to the rights of the respective parties, and to confirm the Titles of the Loyal Natives to their share by Crown Grants. Already some of the Loyal Natives have expressed a wish to make such an arrangement, and others have agreed to receive money in satisfaction of their claims to land, which they own conjointly with Rebels. Ministers do not anticipate any difficulty in making arrangements with the Loyal Natives satisfactory to them as well as to the Government.

With regard to the other tribes in rebellion residing on the East Coast, Ministers feel great difficulty at present in determining what course it may be best to pursue with them when they desire to make their submission. It would be impracticable to take forcible possession of the land of some of these tribes, and not desirable to attempt to place settlements on the land of any of them. At the same time it is of great importance that some punishment should be inflicted on men who have so wantonly engaged in rebellion. It may be practicable to compel them, as a condition of peace to cede some territory, and this should if possible be done; although the land would at least for a long time to come be of no use to the Government.

In stating their views, Ministers have felt the difficulty they are placed in, when called upon to state what they propose to do at the end of a rebellion, which is certainly at present far from being suppressed. Circumstances may modify their present views, or render it impossible to give full effect to them, or on the other hand the conduct of the Natives may render it just and expedient to go further than is now contemplated. Ministers must therefore reserve to themselves the right to alter or modify their present proposals if circumstances occur which in their opinion justify and require such a course.

FREDK. WHITAKER.

25th June, 1864.

No. 14.

MEMORANDUM by the GOVERNOR.

In considering the Ministerial Memorandum of the 25th June, relative to the confiscation of Native Lands, the Governor has not felt sure that he has rightly understood the terms "Rebel Natives" and "Rebel Land" which are several times used in it.

He would feel obliged to Ministers if they would inform him whether those are to be regarded as falling within the designation of Rebel Natives, who may be tried for and convicted of rebellion, or whether it is intended to include under this term, other and what classes of persons.

G. GREY.

June 30th, 1864.

No. 15.

MEMORANDUM by MINISTERS.

In reply to His Excellency's Memorandum of yesterday's date, stating that "he would feel obliged to Ministers if they would inform him whether those are to be regarded as falling within the designation of Rebel Natives, who may be tried for and convicted of rebellion, or whether it is intended to include under this term other and what classes of persons," Ministers have to state that in their Memorandum of the 25th of June, relative to the confiscation of Native Lands, the term "Rebel Natives" is intended to include all those persons whose lands taken under the New Zealand Settlements Act, 1863, shall be found not to be entitled to compensation.

Ministers may add that practically what they mean by confiscation of lands is the taking of land under that Act without compensation being granted, and in the event of land being included in Proclamations under the Act the owners of which may be afterwards found to be entitled to compensation, Ministers would be prepared to restore the land, except when required for a special public purpose or pay compensation as such owners might elect.

FREDK. WHITAKER.

1st July, 1864.

No. 16.

MEMORANDUM by MINISTERS.

Ministers beg most respectfully to add a few words to what they have already written in reference to what took place at the Executive Council on the 14th of December on the subject of a Frontier Line of Military Settlers.

Previously to attending the Council all the Ministers being then in Auckland, viz.: Mr. Whitaker, Mr. Fox, Mr. Russell, and Mr. Gillies, met for the purpose of deliberating on what advice they should tender on the subject to be submitted to them in Council. At that meeting Ministers came to a conclusion in reference to a Frontier Line, that no reason had arisen for modifying that which had been proposed and discussed in the Assembly, viz.: from Raglan or Kawhia to Tauranga. It was arranged that Mr. Whitaker should state the views of Ministers. Notes were made for his guidance, and in