Excellency's information that I examined the banks and course of the first named river above Te Rore, in company with Colonel Haultain and Mr. Cadell, on the 14th and 15th instant, and that Colonel Haultain selected the point just below the falls, about four miles above Te Rore, for the site of one of the two settlements to be formed by the 2nd Regiment Waikato Militia, under his command. I have therefore sanctioned a detachment of 400 Waikato Militia being stationed there, and they will be employed in throwing up a work on each bank of the river for their protection, until a stockade can be

I would observe that the Waipa was not navigable during the summer above Te Rore for the "Avon," or for steamers of even lighter draught, and that only a few days ago the "Avon" went aground two miles above Te Rore. Unless the navigation of the river can be very much improved, supplies will, therefore, have to be conveyed to the settlement by land from Te Rore during a great part of the year.

I have made arrangements for moving the remainder of Colonel Haultain's Regiment to the front,

to enable him to form the other military settlement at Kihi Kihi.

In regard to the settlement on the Horotiu, to be formed by the 3rd Regiment Waikato Militia, Colonel Haultain has been assured by Mr. Cadell that that river is navigable as far as Maungatautari, about six miles above Pukerimu. He has, therefore, fixed upon that point as the site of the settlement, and I propose moving a detachment of the 3rd Waikato Militia there as soon as practicable.

I beg to observe that I was informed by Commodore Sir William Wiseman that the Horotiu could

not be navigated with safety higher than Pukerimu.

I have the honor to be, Sir,

D. A. CAMERON, Lt.-General.

## MEMORANDUM by MINISTERS.

With reference to the Lieutenant-General's letter to His Excellency, of the 25th June, 1864, upon the subject of the sites of the military villages on the Waipa and Horotiu (Waikato) Rivers, Ministers beg respectfully to inform His Excellency that, upon a subsequent and more successful examination of the Waikato River, between Pukerimu and Pukekura, it has been found that though the river is easily navigable to a point about four miles above Pukerimu (the place to which Sir W. Wiseman first took the "Avon"), from that point to Pukekura the navigation is difficult and dangerous, and would greatly retard the progress of a settlement at Pukekura. Under these circumstances, Ministers deem it advisable to establish the village sites of the 3rd regiment on both the banks of the river, at the point mentioned below Pukekura, and they have accordingly given the necessary directions for the survey of the sites.

His Excellency is requested to inform the Lieutenant-General accordingly.

T. Russell.

COPY of a Letter from Colonel HAULTAIN to COLONIAL DEFENCE MINISTER.

Auckland, 11th July, 1864.

Sir,-

In reply to your letter No. 1868, of the 10th June, directing me, on behalf of the Government, to confer with the Lieutenant-General, and fix the precise spots for the location of the military settlers on the Waipa and Waikato Rivers, I have the honor to report that I returned without delay to Te Awamutu, and visited with the Lieutenant-General and Captain Cadell the country near the junction of the Punui and Waipa, and also the neighbourhood of the rapids on the latter river, when it was decided that the most eligible place for settlement would be on both banks of the Waipa, a little below the rapids, near the old native pah at Matakitaki, and about three miles above Te Rore, beyond which point Captain Cadell considered that steamers could not pass.

The land on the eastern bank is a flat about a mile deep, 80 or 100 feet above the bed of the river,

and extending from the Punui to Te Rore, intersected by the Mangapiko, which runs at the bottom of a steep gully, and falls into the Waipa just below Matakitaki; it is generally of very good quality, dry, and well suited for settlement, and with a good supply of wood on the eastern bank, and an abundance, though less accessible, on Pirongia Mountain, the base of which reaches the left bank of the

river.

The distance from Te Awamutu is between eight and nine miles, with an excellent line of road, presenting no difficulties in the shape of swamps or gullies, and the greater part of the road is suitable for settlement. On the western bank there is also some flat land for the township, on which the rich slopes and spurs from Pirongia abut, and it is at this point that the Kiwiroa road from Raglan will terminate; and I am informed that some of the best land in the district will be found along the portion

of this line that traverses the base of Pirongia.

Captain Cadell having then proceeded to the Waikato River, and reported that steamers could get up that river as far as our advanced posts at Pukeokura, the Lieutenant-General requested me to go over and ascertain whether there was a suitable site for a settlement in that neighbourhood: I accordingly did so, accompanied by Mr. Todd, and we were quite satisfied that, presuming Captain Cadell to be correct in his views, this spot would be a preferable centre for location to any point lower down the river, the rising ground and slopes from Maungatautari being very superior to the sandy flats towards Pukerimu. The river runs at the bottom of a deep cleft 150 feet or more below the level of the surrounding country, but there would be no difficulty in cutting a road down to the landing place. The distance from Rangiawhia is about 12 miles, and the land in that direction is reputed to be of very good quality. There is a considerable extent of flat country on the cartery side which are of very good quality. There is a considerable extent of flat country on the eastern side, which appears to be good, but I was not able to examine it myself.