No. 7.

Copy of a Letter from His Honor H. R. RICHMOND to the Hon. E. W. STAFFORD.

Superintendent's Office,

Now Physical 4th July, 186 (No. 58.)

SIR,-New Plymouth, 4th July, 1866.

I have the honor to inform you that having submitted the correspondence which has taken place between the Colonial and Provincial Governments relative to the management of the confiscated lands, to the consideration of the Provincial Council, the enclosed resolution has been passed by the Council.

It will be seen that the general purport of the resolution is, that the Province having at present so small a population and revenue, would not be justified in offering to take upon itself unknown liabilities, which, if they should prove too great for its resources, must inevitably fall back in one way

or another upon the Colony.

This I think is the proper view to take. The Province is in the position of a trader with small capital, who may properly undertake a large commission trade, but cannot honestly enter on his own account into very extensive speculations. Nevertheless, if the Colonial Government should take a different view of the matter, and should not be disposed to deal with the lands in the manner proposed in the third paragraph of the resolution, any offer which may be made, and which in the opinion of the Colonial Government the Province would be justified in accepting, will receive the earnest consideration of myself and the Provincial Council.

I have, &c., H. R. RICHMOND, Superintendent.

The Hon. the Colonial Secretary, &c., Wellington.

Enclosure in No. 7.

EXTRACT from MINUTES of COUNCIL. New Plymouth, 25th June, 1866.

Resolved-That this Council having been informed by His Honor the Superintendent that it is the intention of His Excellency's Government to submit to the General Assembly the question as to whether the confiscated lands in this Province ought to be handed over to the management of the

Provincial Government, and, if so, on what conditions, resolves,—

1st. That in the opinion of this Council it is very desirable that the administration of the lands in all districts of this Province where they can be peaceably occupied should be in the hands of the Provincial Government, but that it is not desirable that the Province should take over the administration of the lands in districts in which the Natives are still in rebellion, except on a guarantee that possession of the lands will be maintained by the Colonial Forces, or on such terms that the payments to be made in respect of such lands shall be contingent on their being actually surveyed and sold.

2nd. That considering the uncertainty that exists as to the extent of open country comprised in the confiscated districts, and as to the quantity of land required for compensating friendly Natives and locating rebels, and the uncertainty as to the amount of resistance that may yet be made to the occupation of those lands, and taking also into consideration the small revenues of the Province at the present time, the Provincial Government could not, without undertaking liabilities which it might prove unable to discharge, offer to take over the confiscated lands as a whole with any large amount of debt attached to them, upon which interest would be chargeable immediately, except upon conditions

which should render possible the immediate sale and occupation of a considerable portion.

3rd. That in the opinion of this Council, the best course, both for the Colonial and Provincial Governments, would be, that the Colonial Government should hand over to the Province definite portions of the land as they become available for sale and settlement, either at fixed prices, or subject

to the payment to the Colonial Treasury of a definite portion of the land fund.

4th. That in arranging the terms upon which any portion of those lands is handed over to the Provincial Government, regard should be had to the claim of the Province in respect of the unexpended portion of its share of the Land Purchase Fund, and that allowance should also be made for the heavy liabilities which the Provincial Land Fund will have to bear in consequence of the existence of a large amount of unexercised Land Orders and Scrip, which are properly a liability of the Colony and not of the Province.

(True Extract.)

W. M. CROMPTON, Speaker.

No. 8.

Copy of a Memorandum by His Honor F. WHITAKER.

Memorandum as to a loan of £250,000, to be raised by the Province of Auckland for the purposes connected with the Confiscated Lands.

On the 9th of November, 1865, the Colonial Secretary enclosed a copy of the Resolutions passed by the House of Representatives on the 26th of October, 1865, declaring the terms on which the House deemed it expedient that the confiscated lands in the Province of Auckland should be transferred to Provincial administration for the purpose of colonization. The terms were:—

That land should be provided—

 a. For Military Settlers.
 b. For Natives—Friendly and surrendering.

 That all expenses should be paid by the Province, except pay and rations of Military Settlers.
 That after payment of the liabilities stated, the Province, out of future sales, should pay 2s. 6d. an acre.

4. That the Province should pay-