

3. I subsequently heard that the Minister for Colonial Defence had been twice privately spoken to on the subject of the sale of some of these buildings at two of the points named, viz.:—at Patea and Tauranga.

4. I enclose, for your Grace's information, a letter I have received from the Minister for Colonial Defence, in which he tells me that no formal official reference was ever made to the Government on the subject of the sale of these buildings, nor did the Colonial Government suggest that they should be sold, but that in casual conversation, Deputy-Commissary General Strickland, in September or October last, asked the Minister for Colonial Defence whether the Colonial Government would be disposed to take any of the Imperial huts or other buildings at Patea at fifteen per cent. below their actual cost price, and that he told Deputy-Commissary General Strickland that he did not know whether the Colonial Government would require any of them, and that it was not disposed to take any at that rate, but that if they were sold by auction the Colonial Government might take that opportunity of securing any that would suit it.

5. And that at Tauranga, at the commencement of this year, the Minister for Colonial Defence was asked by Colonel Hamilton (it is believed, he said, at the instance of the Commissariat) if the Colonial Government would buy any of the huts occupied by the troops at that station, when a similar reply to that given at Patea was returned to Colonel Hamilton's question; but that afterwards the Colonial Government agreed to purchase a small magazine at Tauranga, which it urgently required, at such price as might be fixed by the Commissariat.

6. With regard to the third point (the Waikato River), I am assured by the Colonial Government that all the knowledge they have of the sale of military buildings there is contained in the enclosed extract from one of the local papers, from which it appears that the huts there had all been sold, and that buildings, which are believed to have averaged a cost of £40 each, sold for from £1 to £3 each.

7. This additional information does not alter the views I have expressed on this subject. Such a step as the destruction of military buildings, immediately following upon the withdrawal of troops from the posts they held in the face of a barbarous enemy with whom we were even at the moment, in some points, still engaged in a warfare which had been of a determined character and of several years' duration, was a step which, in my belief, ought not to have been ventured upon without the sanction and concurrence of the officer whom Her Majesty had appointed to govern the country, and who was the person immediately responsible to the nation for the safety of this part of the Queen's possessions, and for the welfare and security of the British subjects who inhabit New Zealand.

8. I still fear that the manner in which the troops were withdrawn and the posts abandoned and buildings destroyed, will entail serious evils on this Colony; and I trust that the military authorities here may not be borne out in so acting independently of the Governor to gain so trifling a sum for Great Britain.

I have, &c.,

His Grace the Duke of Buckingham and Chandos.

G. GREY.

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Enclosure 1 in No. 48.

Colonel HAULTAIN to Governor Sir GEORGE GREY, K.C.B.

MY DEAR SIR GEORGE GREY,—

In casual conversation with Mr. Strickland, in September or October last, he asked me whether the Colonial Government would be disposed to take any of the Imperial huts, or other buildings, at Patea, at fifteen per cent. below their actual cost price. I told him that I did not know whether we should require any of them, and that we were not prepared to take any at that rate, but that if they were sold by auction we might take that opportunity of securing any that would suit us. And when at Tauranga, at the commencement of this year, I was asked by Colonel Hamilton—I think he said at the instance of the Commissariat—if the Government would buy any of the huts, &c., occupied by the troops at that station, I returned a similar reply; but afterwards agreed to take a small magazine, which we urgently required, at such price as might be fixed by the Commissariat.

No formal official reference was ever made on the subject, nor did the Colonial Government suggest or express any wish that the buildings should be sold at all.

I have, &c.,

T. M. HAULTAIN.