NEW ZEALAND GOVERNMENT GAZETTE

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By His Excellency's Command,

ANDREW SINCLAIR, *Colonial Secretary.*

VOL. II.] AUCKLAND, THURSDAY, SEPT. 7, 1854. [No. 25.

Colonial Secretary's Office, Auckland, 6th Sept., 1854.

HIS Excellency the Officer Administering the Government directs the publication for general information, of the following correspondence which has passed between His Excellency and the Houses of the Legislature.

By His Excellency's command,

ANDREW SINCLAIR,
Colonial Secretary.

To His Excellency, Lieutenant-Colonel, R. H. WYNYARD, C. B., the Officer administering the Government of New Zealand.

May it please your Excellency:—

We, the Legislative Council of New Zealand, desire respectfully to address your Excellency in reply to the speech with which your Excellency has been pleased to open the second Session of the General Assembly, and to assure your Excellency, that whatever Measures may be brought before us by your Government, or by the House of Representatives, will receive our most careful consideration.

(Signed) W. SWAINSON,
Speaker.

Legislative Council Chamber,
Auckland, 1st Sept., 1854.

TO HIS EXCELLENCY THE OFFICER ADMINISTERING THE GOVERNMENT OF NEW ZEALAND.

We, the Commons of New Zealand, assembled in the House of Representatives, acknowledge with great respect the address delivered by your Excellency to this House at the opening of the present Session.

Heartily concurring in the wish expressed by your Excellency, to avoid reference to past differences between your Excellency and this House, and anxious to devote the small space of time which remains available of the session before us to measures of immediate importance, we respectfully point your Excellency's attention to the fact, that a large proportion of the Members of the Legislature drawn from the southern parts of the Colony have already been detained from their homes, some upwards of five months, none for a less period than three months and a half, and that they will be obliged to return thither by the next steamer, which may be expected to leave Auckland probably within a few days from this time.

It being obvious that, under these circumstances, it would be impossible to give adequate consideration to all the Measures proposed in your Excellency's address, this

House can only state that it recognises the practical utility of many of them. It must at the same time add, that as to a large proportion of those measures, it is of opinion that they involve questions of policy of such magnitude that they ought to be submitted to a Session of the General Assembly with ample time before it for deliberation, and then only by a Government enjoying the confidence of the Legislature, and responsible to it for the proper administration of whatever Measures may be adopted.

But that which appears to this House to be its most urgent and imperative duty, is to provide supplies for the public service—a matter to which it would be its anxious wish to devote its first and most careful attention.

Whilst the House thankfully acknowledges the desire expressed by your Excellency to give effect to the principle of Ministerial Responsibility in the conduct of Legislative and Executive affairs, it cannot refrain from expressing its regret that your Excellency should have deemed yourself to be in such a position as to be unable to concede its immediate and complete establishment.

During the necessary interval which must elapse before this object can be attained, this House ventures to submit to your Excellency its deliberate judgment, that such a partial application of the principle as is proposed by your Excellency will fail in its object, and be attended with detriment to the public service.

A mixed Executive as now constituted, composed in part of irresponsible Officers and in part of members drawn from a small minority of this House—a minority constructed on a delusive theory of representation of Provincial interests, is a form of Government in which the House declares its absolute want of confidence.

During the interval of suspense which we fear is inevitable before the establishment of Ministerial Responsibility, this House reluctantly expresses its opinion that the Executive Government of the Colony should be continued, as formerly, under the exclusive management of those public Officers who at present derive their authority from, and are responsible to Her Majesty.

This House has already conveyed to your Excellency its opinion as to the expediency of such a change; but as a choice of evils, it deems it best to submit for a short space of time to that alternative.

This House is ready to grant supplies to a Government conducted by the old Executive Officers, and it humbly prays your Excellency to lay before it the necessary Estimates at the earliest possible moment.

Further, this House begs to assure your Excellency that it will devote the small space of time during which it is possible for Members to remain together, to the work of forwarding such Legislative Measures as are of the most urgent importance, and as can be passed through the requisite stages within the allotted time; and under the pressure of existing circumstances, it will by all means in its power facilitate the passage of such public business.

(Signed) CHARLES CLIFFORD,
Speaker.

House of Representatives,
New Zealand, 1st Sept. 1854.

MESSAGE No. 4.

On the 2nd instant, the Officer administering the Government, received an address from the House of Representatives in answer to the Speech with which he opened the second Session of the General Assembly.

In order that no time might be lost in obtaining for the people of New Zealand, the establishment, by competent authority of Ministerial Responsibility in the conduct of the Government, the Officer Administering the Government fulfilled without delay his promise given to the House, and urgently pressed the subject upon the consideration of Her Majesty's Government, and at the same time, expressed his own earnest hope that the wishes of the Assembly might have received Her Majesty's gracious approval; and that he might, ere long, have the pleasing task of conveying to the inhabitants of these Islands, the gratifying intelligence that the boon has been conceded by the Crown and Parliament.

In the meantime, and with a view to secure for the people of New Zealand, the practical acknowledgement of the principle of Ministerial Responsibility in the conduct of the Government, the Officer Administering the Government, added to the Executive Council some Members having seats in the Assembly with the twofold object of strengthening the General Government, and of securing a due representation of the various Provinces in the Executive Government of the Colony; and he laid before the Assembly in his opening Address, the course of policy which the Government thus constituted were prepared to pursue.

The Officer administering the Government learns with regret that these Measures which he believed to be calculated to give contentment to Her Majesty's subjects in the Colony, have not received the approval of the House of Representatives.

Looking to the inconveniences suffered by the greater number of the Members of the Assembly, from an already protracted absence from their homes, the Officer administering the Government cannot expect that the House should be willing to prolong their attendance, so far as to be able to give effect to any general course of policy which might now be submitted for their adoption. He has deemed it expedient, therefore, to propose that the business of the Session should be confined to the appropriation of the Public Revenues, and to the passing of a few Measures of immediate practical importance not likely to lead to lengthened discussion.

The Officer administering the Government, will cause to be immediately laid before the house, a carefully prepared statement of the financial condition of the Colony, accompanied by an Appropriation Bill, and by an explanatory minute. The public accounts have been made up to the 1st July last, and it will appear from the statement in question that there was on that day a clear available balance of cash in the Colonial Chest of £50,081 (Fifty thousand and eighty-one pounds.)

The Constitution Act provides, as the House is aware, for the distribution of the surplus Land Revenue, and of the surplus of the Revenue to

arise under any Act of the General Assembly; but no provision has been made by the Act for regulating the appropriation of the Customs Revenue already arising under Colonial Ordinances. In the absence of any special enactment by the Assembly, the surplus of Her Majesty's Customs Revenue would not be payable into the several Provincial Treasuries, but would remain to the credit of the General Government. It is proposed for the consideration of the House, that, subject to the charges necessary for the maintenance of the Civil Establishments, the surplus of the present Customs Revenue should be divided amongst the various Provinces in the proportion prescribed by the Constitution Act in respect of the Revenues to be raised under the provisions of an Act of the Assembly, and the Bill for appropriating the Public Revenues, has been framed with a view to carry that object into effect. With respect to the ultimate distribution of the surplus *Land* Revenue, it may be a question deserving consideration whether it would not be more generally satisfactory to the Colonists, that a separate account of the Land Revenue should be kept for each Province, and that as far as may be practicable the ultimate sum to be paid into each Provincial Treasury, should be determined by the amount of the Land Revenue actually received and expended within each Province in the course of the preceding year.

The ordinary Establishments of the General Government, and the salaries of the Officers have been placed upon the Estimates at the same rate at which they were originally fixed, and at which they have for some time been paid; considering the continued high price of every description of labour, and the cost of the necessaries of life, the House will doubtles be of opinion that the Public Officers are at present inadequately paid. The Officer administering the Government will be glad to concur with the House in making any general augmentation of their salaries which may appear to be reasonable and just; with respect to the salaries, charges, and expenses, now for the first time brought into the Estimates, and to the amount to be reserved for General Public Works, &c., he will be glad to be guided by the recommendations of the House.

During the short period which appears to be remaining at the disposal of the House, it can hardly be expected that the Assembly should exercise the power granted to them by the Constitution Act of regulating the disposal and management of the Waste Lands of the Crown.

Believing that the maintenance of uniformity in the mode of disposing of the Public Lands is not of essential importance, and indeed that no general system can be equally well adopted, or can long remain suited to the various and varying conditions of a country like New Zealand, the Officer administering the Government suggested for the consideration of the Assembly, in his opening address, whether it might not be expedient for the Assembly to delegate to the Provincial Legislatures the power of making laws for regulating the sale, letting, disposal and occupation of the Waste Lands of the Crown, and he would have been prepared at once to submit to the Assembly, a Bill to carry that object into effect. It may well deserve consideration however, whether any Act to be passed by the Assembly to authorize the Provincial Councils to legislate on this subject, should not, in order to secure to the General Government an efficient controlling power, contain a provision that no Ordinance to be passed by any Provincial Council, relating to the Lands of the Crown should come into actual operation until it shall have received the Governor's assent. Looking to the magnitude of the interests at stake, it may also be a wise precaution to enact, that the power of regulating the disposal and management of the Waste Lands of any Province, shall not be exercised by the local Legislature until there shall have been a new Election of its Members.

Until the Assembly shall Legislate on the subject, it will be competent for the Governor by virtue of the provisions of the Constitution Act, to regulate the sale, letting, disposal, and occupation of the Demesne Lands of the Crown. Pending legislation by the Assembly and aided by the best information which local knowledge and experience can supply, the Officer administering the Government will be prepared, as occasion may require, to adapt the existing general regulations to the particular requirements of the various Provinces, and as far as may be consistent with the interests of the Colony at large, in conformity with the wants and wishes of their several inhabitants, many of the subjects of the most pressing importance have already for some time been under the consideration of the house. Amongst the Measures which will probably engage their attention with a view to immediate legislation, are the Secondary Punishment Bill, the Naturalization Bill, the Dower Bill, the Nelson Trust Fund Bill, &c., &c.

With a general desire to work together, with a view to promote the interests of the Colony, the Assembly will be able by a close attention to the actual business of legislation to turn even a short Session to profitable account, and the Officer administering the Government in conclusion, has to assure the House of his most earnest wish cordially to co-operate with them, during the short period which may yet remain at their disposal, in the endeavour to secure for the people of New Zealand, the greatest possible measure of useful Legislation.

R. H. Wynyard,
Officer Administering the Government.

Government House, Auckland,
4th September, 1854.

MESSAGE No. 5.

The Officer Administering the Government transmits to the House of Representatives the Financial Statement and the Estimates referred to in his Message No. 4.

R. H. WYNYARD,
Officer Administering the Government.

Government House, Auckland,
4th Sept., 1854.

In presenting a statement of the financial position of the Colony it is necessary to refer to the receipts of the period subsequent to the 30th of Sept., 1853, and to the amount of expenditure maintained in carrying on the many important branches of the public service, I have accordingly directed a comprehensive statement of the whole of the receipts and expenditure of the Colony for the period alluded to to be prepared, and it will be laid on the table of the House as soon as possible.

Although the prosperity of the Colony is such that we might confidently trust on the increase of its revenues, I have not thought it advisable, in preparing the Estimates, to

assume any increase of the ordinary revenue over that estimated for the year ending the 30th of Sept., 1854.

It will be seen from the annexed statement—which for all practical purposes may be taken to be correct—that the estimated public balances in hand on the 31st July last were as follows:—

At Auckland	£35,671
Wellington	18,000
Canterbury	31,000
Nelson	600
Amounting altogether to ..	£85,271

Deducting from this balance the "Deposits unavailable," the New Zealand Company's fourth, and the Loans to be repaid out of the first receipts of the Land Fund at Wellington, there remains the sum of £50,000 available for the current expenses of the Government.

The net Revenue for the year, after deducting the costs of collection, is estimated at £146,315, and the Expenditure, exclusive of the costs of collection, at £37,329 leaving a balance of receipts over expenditure of £108,986.

If to this balance on the year now estimated for be added the available balance on hand on the 31st of July last, there will be a total sum of £159,067 unappropriated.

Out of the unappropriated balance of £159,067 it will, however, be necessary to set aside a considerable sum for future land purchases; but I have not included any sum for this purpose in the Estimates, as I wish to take the recommendation of the House as to the amount. During the last twelve months large sums of money on this account have been disbursed, but the late increase of the Land Deposits at Auckland has enabled the Government to complete the purchases without disarranging the finances of the Colony.

I need not dwell on the benefits which arise to the country from the extension of the Public Demesne. Nothing indeed could have justified the Government if it had overlooked the pressing necessity of extinguishing the Native title to large tracts of lands in the vicinity of our settlements. Altogether the sums expended on this service during the last year amount to about £40,000. Five million acres of Native lands at Otago have been purchased for £2,600. At Wellington about two million acres have been purchased at an expense of about £24,000, of which sum £18,000 have already been paid to the Natives, and the liquidation of the balance provided for in yearly instalments, to be completed in the month of May, 1858. At Auckland £16,000 on this account have been expended.

These extensive purchases have been made without any important increase of the Land Purchase Department; and so far from their having disarranged in any way the finances of the Colony, the Government has been able to fulfil the whole of the undertakings to which it was pledged in the Civil Secretary's Circular Letter of the 8th August, 1853.

For instance, at Auckland there has been paid into the Provincial Chest out of the General Revenues, on account of the three quarters ended the 30th June last, the sum of £32,020 13s. 4d., including £5,690 12s. for Immigration Purposes. The total appropriation of the Province for the whole year being £32,262 1s. 9d., the advances issued out of the General Chest on account of the year ending 30th September, 1854, exclusive of those for Immigration, will greatly exceed the sums required to meet the Provincial appropriations.

At Wellington, the quarterly payments of two-thirds of the net Customs Receipts average about 4,300*l.*; so that the sums paid into the Provincial Chest on the termination of the year in accordance with the terms of the Circular Letter alluded to, will exceed 17,000*l.* Estimating the Provincial receipts from other sources of Revenue at 2,000*l.*, the balance of receipts in excess of the Provincial appropriation will be about 1,000*l.*

At Canterbury, the sums appropriated by the Provincial Legislature amount to 19,000*l.* The Land Fund Receipts now lying in the General Chest at Canterbury exceed 30,000*l.*, of which 22,500*l.* would be payable into the Provincial Chest under the Government Regulations, had the Superintendent been prepared to give the guarantee that the money should be appropriated in accordance with the scheme of the Canterbury Association. Putting out of consideration the Land Fund receipts and the appropriations of the Provincial Legislature for Public Works and Immigration—which appear to have been made in anticipation of the available balance of the local Land Fund receipts being paid into the Provincial Chest—the remaining appropriations will be fully met by the sums provided by the General Government.

It is impossible indeed to have anticipated a more favourable state of the Public Finances.

In reference to the distribution of the Land Fund, it will be seen by the Regulations of Governor Sir George Grey dated 8th August, 1853, that after certain deductions have been made, the balance of the Land Fund is to be divided into two equal parts, one for Immigration Purposes, the other for Public Works; both being payable into the Provincial Chests. With the exception of the Province of Canterbury this regulation has been carried out in each instance where a surplus has arisen.

By the provisions of the Constitution Act, however, the whole of the proceeds of the Land Fund are chargeable with the expenses of the General Government, in the same manner as any other portion of the Queen's

Revenues in New Zealand. But the House will perhaps agree that there is no fairer mode of apportioning the amount of general contribution to be furnished by each Province, than making it depend on the respective amounts of the Customs' collection. These are a tolerably good exponent of the wealth and number of the inhabitants of each Province, and the share of the general burden ought to be mainly dependent on these two conditions. It has moreover been the tendency of legislation in these Islands to appropriate the Land Revenues as much as possible for the benefit of the locality in which they were raised: and I do not think the House can legislate more beneficially for the Colony in respect of them, than to appropriate as large a portion as possible of the net receipts to Provincial purposes.

In reference to that part of the arrangement detailed in the Civil Secretary's Letter of the 8th of August, 1853, in which allusions are made to the probability that the proportion of the Customs Revenue payable to the Provinces, would eventually exceed two-thirds of the collections, it is necessary to remark that the annual expenses of the General Government were estimated by the Governor on the 8th of August, 1853, to be about 21,000*l*, including the expenditure on account of the Civil List. Had this calculation proved correct, a considerable addition to the proportion of two-thirds of the Customs' Receipts would have been available for Provincial purposes. But the Civil List alone being 16,000*l*., this calculation allows only 5,000*l*. for defraying the other expenses of the General Government—a sum quite inadequate for the purpose. The expenses of the General Assembly, exclusive of the building of the House, are estimated at 5,000*l*.; the interest on Debentures, exclusive of that on the Wellington Land Debentures, amounts to 2,225*l*. 17*s*. In fact, the charges on account of the Civil List and the Departments of the General Government amount to 37,329*l*. 3*s*. 10*d*., inclusive of all expenses on account of the Aborigines. Of this sum 13,000*l*. are exclusively required for departments of the General Government not provided for in the Civil List. Even this, I think, will be found insufficient to conduct efficiently the present Establishments. Since the passing of the last Appropriation Ordinance, on which the present expenditure has principally been based, the prices of the necessaries of life have nearly doubled. Pressing applications have been received from nearly every department of the public service, calling the attention of the Government to the extraordinary increase of the cost of living, and the difficulty of retaining the services of the present holders of subordinate offices on the existing scale of remuneration, when those employed in other pursuits are so exceedingly well paid, and are enabled from their savings to make comfortable provision for the future. Looking, therefore, to the probability that the more meritorious and experienced officers may be induced to leave the services of the Government, unless some additions be made to the present rates of salary, it will be consistent with a proper regard to the public interests, in a time of great prosperity, to satisfy the urgent claims which have been made for a fitting remuneration of those employed in the public service of the Colony. I have made no addition to the Estimates on this account, as I prefer leaving these claims to the justice of the House.

The proportion which the general charges, as shown in the Estimates, bear to the net ordinary Revenue of Customs is as 1 to 2½ nearly, instead of 1 to 3. It is evident; therefore, that instead of the proportion of the Customs' Revenues at present paid to the Provinces being increased, it will be necessary to decrease it, unless a portion of the general charges, especially those on account of the part maintenance of Hospitals and other aboriginal expenses not included in the Civil List, should be made a charge on the General Land Fund of the Colony.

On reference to the Estimates, it will be found that the sum of 2,223*l*. 15*s*. has been included for the Land Purchase Department. It was proposed to increase the cost of this department considerably. At present, however, nothing can be gained by unusual exertions on the part of the Government to hasten the extinguishment of the Aboriginal titles to land. The Native mind is disturbed by the extent of territory which has lately been added to the Crown Demesne, and the Commissioner is of opinion that these feelings of alarm should be allowed to subside by abstaining for a time from active negotiations.

A portion of the purchase money for Native land, partly situated in the Province of Canterbury, and obtained by the Government in the month of August, 1853, equivalent to that portion of the lands belonging to the Province of Canterbury, is ultimately to be paid from the Land Fund of the Province of Canterbury into the Land Fund chest at Nelson. I propose at once adjusting this claim out of the large proceeds of Land Sales now lying in the General Treasury at Canterbury, and to devote the sum payable into the Nelson chest in part payment of the expense of completing the extinction of the Native titles to land in the Province of Nelson.

The contributions towards the expenses of the Nelson steamer, which have been guaranteed by the Provincial Governments, will be placed on the Supplementary Estimates as soon as the House has signified its wish that the amount should be defrayed out of the General Funds of the Colony.

I have called upon the Commissioner of Crown Lands at Wellington to furnish a full report on the arrangements made in concurrence with the New Zealand Company's agent for the purchase of Scott's grant, by which Debentures for the sum of 3675*l*. 16*s*., bearing interest at the rate of 8 per cent., have been issued to the Trustees of Scott's estate. It having been left for future adjustment

whether the Debentures should be a charge on the Colonial Revenues of New Zealand, or form a deduction from the New Zealand Company's Debt.

The interest of these Debentures is borne on the Estimates; and I am of opinion that until the question of debt is settled, it should be defrayed out of the Land Fund of the Province of Wellington.

A Despatch from the Secretary of State dated 29th December, 1853, will be laid on the Table of the House, together with one from Sir George Grey, in which His Excellency reported to the Home Government that in pursuance of instructions conveyed by Lord Grey in his Despatch of the 19th of March, 1851, he had incurred an expenditure of £10,520 18s. 11d. on account of the fulfilment of the contracts of the New Zealand Company towards the Wellington settlers, and that he had called upon the Officer in charge of the Military Chest to advance to the Colonial Treasurer the sum of 7620*l.* 9s. 8d, part of that amount.

On reference to the Secretary of State's despatch it will be seen that Her Majesty's Government disown any liability on account of the advance of 7620*l.* 9s. 8d. and has directed that one-sixth of the land revenue which may have accrued in the several New Zealand Company's Settlements, since the date of Sir George Grey's despatch, and which may not have been absorbed by their current expenses, should be applied to the reimbursement of the Commissariat Chest for this advance.

There has also been laid on the Table of the House a copy of the despatch of the Secretary of State enquiring whether any further payments have been made to the Military Chest in reimbursement of the advances which have been made by Her Majesty's Government on account of the New Zealand Fencibles. The expenditure on account of this service was incurred principally for the purpose of reducing the military expenditure in the Colony and at the same time of benefitting the Colony by giving an increased value to the Crown Lands in the neighbourhood of the Pensioner Settlements. A demand amounting to 6113 5s. 8d. made upon the Colonial Treasury, has been discharged as being the portion of the claim which is fairly chargeable for Emigration Purposes, and therefore the only claim to be made on the Revenues of the Colony for the increased value given to land in the neighbourhood of the Pensioners' settlements.

R. H. WYNYARD.

ESTIMATE OF THE AVAILABLE BALANCE IN HAND, JULY 31st, 1854.

	£	s.	d.		£	s.	d.
Deposits unavailable	3,600	0	0	Cash at Auckland	35,671	10	11
New Zealand Company's one-fourth—				Canterbury	31,000	0	0
At Auckland	9,690	0	0	Nelson	600	0	0
At Canterbury	7,700	0	0	Wellington	18,000	0	0
At Wellington	7,000	0	0				
Loans to be repaid out of first receipts of Land Fund at Wellington	7,200	0	0				
Balance available	50,081	10	11				
	£85,271	10	11		£85,271	10	11

(Copy.)

Government House,
Wellington, June 24th, 1853.

MY LORD DUKE,—I have the honor to state that Lord Grey in his Despatch No. 32, of the 19th March, 1851, informed me in reference to the Nelson Settlement, that Her Majesty's Government in the opinion of the Law Officers of the Crown, stood to the settlers in the same relation as the New Zealand Company did before the surrender of its charter; and his Lordship instructed me to create for the purpose of carrying on the functions of the Colony an Establishment similar to that created by the Company for the purpose of fulfilling its contracts with its settlers, the expenses of which Establishment being thrown upon Her Majesty's Government, I was informed was also to be borne by it.

No. 71 Financial.

2. In his Lordship's Despatch No. 33 of the same date, he pointed out to me that Her Majesty's Government was placed in the same position with respect to the settlements of Wellington and New Plymouth as it was to that of Nelson, and he directed me to consider the instructions issued by me in relation to the Nelson settlement as being appli-

cable also to the settlements of Wellington and New Plymouth.

3. In the same Despatches Lord Grey instructed me to draw for the necessary expenses on the Commissariat Chest, and to pay into it from time to time any monies that might be received for lands sold, and his Lordship further directed me to keep the expenses of the settlements by all reasonable endeavours within the amount of one sixth of the sums realized from the sale of Lands, which were under the arrangements of the Company chargeable with such expenses, and the Lords Commissioners of the Treasury in their letter No. 319, of the 13th March, 1851, directed to the Officer in the charge of the Commissariat in New Zealand, to carry out these arrangements by receiving such sums as might be tendered on account of the several settlements of New Zealand, and in making such payments as might be directed by the Governor, under Lord Grey's instructions.

Enclosure No. Comparative statement enclosed in Mr. Bell's letter to the Civil Secretary, dated June 28, 1853.

4. I now beg to enclose for your Grace's information a comparative statement of the expenditure on Fixed Establishments created by the New Zealand Company in their several settlements, and of the expenses of the local Government on the same establishments in those Settlements, together with explanatory remarks thereon by Mr. Bell, Commissioner of Crown Lands, formerly the New Zealand Company's Resident Agent at Nelson, from which it will be seen that the Establishments I created under Lord Grey's instructions were on a much more frugal scale than those created by the New Zealand Company, and that I in this respect effected a considerable saving.

5. I then beg to state to your Grace that in the case of the Settlement of Wellington I continued from time to time to pay, from advances from other funds at the disposal of Government, or from advances from the Commissariat Chest, the expenses incurred in completing the contracts of the New Zealand Company, and that I hoped that I might ultimately from the sale of Crown Lands under the Regulations established by the New Zealand Company, as also from the proceeds handed over to the Government by the Company's Agent, have replaced the advances thus made.

6. I regret, however, to state that the whole proceeds received from the New Zealand Company's Agent in this settlement amounted to no more than one hundred and twenty-five pounds, and that no statement of the amount the Company would have to pay was furnished until recently, and that owing to the nature of the land regulations of the Company, not one acre of the land was sold up to the time when I was permitted by instructions from Sir J. Pakington to alter those regulations; that is up to the 4th of last March.

Since that date a considerable quantity of land has been sold. The Government will henceforth, I hope, have from the land Sales the means of defraying the expenses of fulfilling the Company's contracts, and as the lands have now come under the control of the Colonial Government I presume that it is intended, in assuming the control of the lands, it should also assume the charges to which they are subject.

7. I have therefore had prepared the enclosed account, shewing the expenditure and receipt by the Local Government of New Zealand, in fulfilling the contracts of the New Zealand Company in the settlement of Wellington from the fifth of July, 1850, to the 4th of March, 1853, from which it will be seen that the amounts received amounted to £393, 10s. whilst the expenditure for the same period of time amounted to £10,520 18s. 11d., leaving a balance of £10,127 8s. 11d., due to the Local Government. I think it right to add, lest any surprise should be created at the smallness of the proceeds of the sales of land in the settlement of Wellington, that for the three years preceding the dissolution of that body they only realized the sum of £942, for the sale of lands at Wellington. Enclosure No. 2. Enclosure No. 3.

8. Of the above balance of £10,127 8s. 11d. it will be found from the enclosed letter from the Commissioner of Crown Lands that the sum of £7,620 9s. 8d. is to be defrayed from the Commissariat Chest under Lord Grey's instructions; but in the hope that the whole amount might not, for the reasons I have before stated, be required from the Military Chest. I thought it better during the preceding year to apply for an advance in excess of the Parliamentary Grant for that year of £2000, and during the present year a further advance of the sum of £1000 has been made from the Military Chest, making a total sum of £3000 thus advanced, and leaving a balance of £4,620 9s. 8d. due from the Commissariat Chest to the Local Government of this Colony. Enclosure No. 4. The Commissioner of Crown Lands to the Civil Secretary, June 22, 1853.

9. I have therefore requested the Officer in charge of the Military Chest to pay over to the Colonial Treasurer the sum of £7,620 9s. 8d., to enable him to repay the advances of £4,620 9s. 8d. which they have made from other funds.

10. I trust that with care and economy the Local Government will under the new land regulations be able to defray the large amount still to be found for the fulfilment of the Company's contracts in this settlement, and I see every reason to hope that they will be able to do so, as land is now again being readily sold. Your Grace will observe from the papers I have enclosed, that whilst only a sum of £7,620 9s. 8d. has been drawn for the

purpose of defraying the expenses for the fulfilment of the contract of the New Zealand Company in the Wellington Settlement alone, it is estimated that those expenses willnot fall below the sum of £10,000.

I have &c.,

(Signed) G. Grey.

His Grace the Duke of Newcastle,
&c., &c., &c.

(Copy.)—No. 98.

Downing Street,
29th December 1853.

Sir,—I have to acknowledge your despatch No. 71 of the 24th of June last, in which you report that in pursuance of the instructions conveyed by Lord Grey in his despatches of the 19th of March 1851, you had incurred an expenditure of 10,520*l.* 18s. 11d. between the 5th of July 1850, and 4th of March 1853, on account of the fulfilment of the contracts of the New Zealand Company towards the Wellington settlers; and that you had called on the Officer in charge of the Military Chest to pay over to the Colonial Treasurer the sum of 7,620*l.* 9s. 8d. part of this amount.

The despatches of my predecessor to which you have referred, informed you that under the provisions of 10 and 11 Victoria Chap. 112, Session 19, the Crown took the lands of the Company on the 5th of July 1850 subject to any contracts which might be then subsisting in regard to any of the said Lands. And thereupon he instructed you that the ordinary land expenses of the Settlements must be borne by Her Majesty's Government, with as much regard to economy as practicable, Government receiving the one-sixth on Land Sales which according to theterms of purchase constituted the Vendor's Fund.

Accordingly I find from the account enclosed in Mr. Bell's letter of June 22nd (enclosure No. 2, of your despatch) that 2,295*l.* 9s. 3d. had been expended in accordance with those instructions, within the period named, on "general charges" on account of the Settlement; and I am glad to learn from that gentleman's report that considerable reductions had been made in the scale of Establishments previously maintained by the Company.

The remainder of the expenditure making up the total sum of £10,520 18s. 11d., consists of items for which, as far as the correspondence now before me shows, you had received no authority whatever.

Of this sum 3140*l.* 0s. 2d., is charged to a re-survey of the Wellington District and the purchase of land at Rangitikei. You have given me no explanation respecting these amounts, I can only conjecture that their expenditure was considered necessary in order to fulfil some contracts for compensation of disappointed land purchasers which had been entered into by the Company, or by its Agents in New Zealand. All that I am told respecting them is, that in Mr. Bell's opinion they were exclusively chargeable to the fulfilment of the contracts of the Company.

The further expenditure of 5,087*l.* 9s. 6d. has been incurred in respect of payments for the acquisition of the Ahuriri District, "in order to satisfy contracts for re-selection and compensation entered into by the Company with its purchasers in its agreement of the 6th of October 1849, which could not be fulfilled fairly within the Districts attached originally to the Wellington Settlements," as to which Mr. Bell reports that "in his opinion, it must to a considerable extent be charged to the fulfilment of those contracts."

The Agreement of 8th of November 1849, was made subsequently to the Act of 1847, and therefore subject to the approval of Her Majesty's Commissioner and I cannot find that Her Majesty's Commissioner sanctioned anything beyond an arrangement by which the Company offered 75 acres, out of their own Estate at Wellington on every 150 originally bought. I am not aware of any sanction whatever having been given by Her Majesty's Government to the acquisition of a new tract of land, part of its own demesne (for the purchase was made after the 5th of July 1850) in order to fulfil an engagement thus limited in its origin. If that purchase was made under the authority of a report of the Legislative Council, this furnishes no additional reason for fixing any liability on Her Majesty's Government in respect of it.

In all these cases (except the maintenance of the land Establishments as to which you had definite instructions) the question, whether a particular engagement made by the Company's Agents in the Colony, was or was not a "contract" for which the Crown was rendered liable under the Act, was obviously a legal one, and involving questions to which it was absolutely necessary that legal consideration should be applied. It was therefore plainly the proper course for you, before defraying any liability in respect of such supposed contracts out of the Commissariat Chest, to apply for instructions from Home. If the exigencies of the question rendered such a reference impossible (although I am not aware that this was the case in any of the instances before me) you were at least bound in prudence to fortify yourself with the opinion of the law advisers of your own Government.

Instead of this, you appear to have been guided in these appropriations by nothing whatever except the opinion of Mr. Bell, and the grounds on which that gentleman had formed his judgment are not stated in his letters or in your despatches.

By this course of proceeding you have placed Her Majesty's Government in considerable difficulty, as I understand Mr. Bell's letter, he estimates the total expense of the "fulfilment of the Company's contracts" (himself being the judge of what falls properly under the designation of contracts) at 10,000*l.*, over the realized and probable receipts for which he credits Her Majesty's Government. And however this may ultimately turn out, it appears at all events that

you had drawn on the Commissariat Chest for 7,620*l.* 9s. 8d. at the date of your despatch, by far the greater part in respect of expenditure for which you had no instructions, and for which Her Majesty's Government on the scanty information as yet before it, can acknowledge no liability.

My first instruction must necessarily be to stop all demands whatever on the Commissariat Chest in respect of supposed contracts of the Company, either at Wellington, or in any of their other Settlements specified in Lord Grey's despatch of 19th of March 1851, except for the maintenance of the ordinary land Establishments, as distinctly pointed out in those despatches.

In the next place to apply the sixth of the land revenue which may have accrued in the several settlements since the date of your despatch, and which may not have been absorbed by their current expenses, to the reimbursement of the Commissariat Chest for these advances.

And lastly to furnish me with a full statement of the grounds on which these unauthorized items of expenditure have been regarded by you as chargeable to contracts of the Company which Her Majesty's Government were bound to fulfil, in order that I may obtain if possible a clear legal understanding of the liabilities thus created, and may ascertain whether it is competent to Her Majesty's Government to charge them, or any portion of them, on the sum payable under the 10th and 11th Victoria, Chap. 112 to the New Zealand Company.

I have the honour to be, &c.

(Signed) NEWCASTLE.

Governor Sir George Grey, K.CB.,
&c., &c., &c.

True Copy.
A. J. RICHMOND,
Assistant Private Secretary.

MESSAGE No. 1.

The Officer Administering the Government received from the Legislative Council on the 2nd instant, an Address in answer to the Speech with which he opened the second Session of the General Assembly conveying to him the assurance that the measures that might be brought before the Council by the Government or by the House of Representatives would receive their most careful consideration.

In order that no time might be lost in obtaining for the people of New Zealand, the establishment, by competent authority, of Ministerial Responsibility in the conduct of the Government, the Officer administering the Government fulfilled without delay his promise given to the House of Representatives, and urgently pressed the subject upon the consideration of Her Majesty's Government, and at the same time expressed his own earnest hope that the wishes of the Assembly might have received Her Majesty's gracious approval, and that he might, ere long, have the pleasing task of conveying to the inhabitants of these Islands the gratifying intelligence that the boon has been conceded by the Crown and Parliament.

In the meantime, and with a view to secure for the people of New Zealand the practical acknowledgment of the principle of Ministerial Responsibility in the conduct of the Government, the Officer administering the Government added to the Executive Council some members having seats in the Assembly with the twofold object of strengthening the General Government and of securing a due representation of the various Provinces in the Executive, and he laid before the Assembly in his opening Address the course of policy which the Government thus constituted were prepared to pursue.

In consequence of the decision of the House of Representatives upon the Address moved by Mr. Forsaith in reply to the Speech of the Officer administering the Government Mr. Forsaith, Mr. E. J. Wakefield, Mr. W. T. L. Travers, and Mr. J. Macandrew in conformity with the principle of Ministerial Responsibility at once tendered their resignations and with the advice that they should be accepted: and the Officer administering the Government has now to inform the Council that the resignations thus tendered have been accepted.

The Officer administering the Government believes that the Council will be satisfied that he has now used his best endeavours to give practical effect to the wish expressed by them in their Address of the 10th of August, and that they will make such arrangements as may be necessary for the convenient conduct of the public business in the Council during the brief remainder of the Session.

Looking to the inconveniences suffered by the greater number of the Members of the Assembly from an already protracted absence from their homes, the Officer administering the Government cannot expect that the House should be willing to prolong their attendance so far as to be able to give effect to any general course of policy which might now be submitted for their adoption. He has deemed it expedient therefore to propose that the business of the Session should be confined to the appropriation of the Public Revenues, and to the passing of a few Measures of immediate practical importance not likely to lead to lengthened discussion.

The Officer administering the Government has caused to be laid before the House of Representatives a Statement of the financial condition of the Colony, accompanied by an explanatory Minute. The Public accounts have been made up to the 1st of July of the present year. It will be found from that statement that there was on that day a clear available Balance of £50,081.

The Constitution Act provides, as the House is aware, for the distribution of the surplus Land Revenue and of the surplus of the Revenue to arise under any Act of the General Assembly, but no provision has been made by the Act for regulating the appropri-

ation of the Customs Revenue already arising under Colonial Ordinances. In the absence of any special enactment by the Assembly the surplus of Her Majesty's Customs Revenue would not be payable into the several Provincial Treasuries, but would remain to the credit of the General Government. It is proposed for the consideration of the House, that, subject to the charges necessary for the maintenance of the Civil Establishments, the surplus of the present Customs Revenue should be divided amongst the various Provinces in the proportion prescribed by the Constitution Act in respect of the Revenues to be raised under the provisions of an Act of the Assembly. And the Bill for appropriating the Public Revenues has been framed with a view to carry that object into effect. With respect to the ultimate distribution of the surplus Land Revenues it may be a question deserving consideration whether it would not be more generally satisfactory to the Colonists, that a separate account of the Land Revenue should be kept for each Province, and that as far as may be practicable the ultimate sum to be paid into each Provincial Treasury, should be determined by the amount of the Land Revenue actually received and expended within each Province in the course of the preceding year.

During the short period which appears to remain at the disposal of the Council, it can hardly be expected that the Assembly should exercise the power granted to them by the Constitution Act of regulating the disposal and management of the Waste Lands of the Crown.

Believing that the maintenance of uniformity in the mode of disposing of the Public Lands, is not of essential importance, and indeed that no general system can be equally adapted, or can long remain suited to the various and varying conditions of a country like New Zealand; the Officer administering the Government, suggested for the consideration of the Assembly, in his opening address, whether it might not be expedient for the Assembly to delegate to the Provincial Legislatures, the power of making laws for regulating the sale, letting, disposal, and occupation of the Waste Lands of the Crown. And he would have been prepared at once to submit to the Assembly, a Bill to carry that object into effect. It may well deserve consideration, however, whether any Act to be passed by the Assembly, to authorise the Provincial Councils to legislate on this subject, should not, in order to secure to the general government an efficient controlling power, contain a provision that no Ordinance to be passed by any Provincial Council relating to the Lands of the Crown should come into actual operation until it shall have received the Governor's assent.

Looking to the magnitude of the interests at stake, it may also be a wise precaution to enact, that the power of regulating the disposal and management of the Waste Lands of any Province shall not be exercised by the local Legislature until there shall have been a new election of its Members.

Until the Assembly shall legislate on the subject, it will be competent for the Governor, by virtue of the provisions of the Constitution Act, to regulate the sale, letting, disposal, and occupation of the Demesne Lands of the Crown. Pending legislation by the Assembly, and aided by the best information which local knowledge and experience can supply, the Officer administering the Government will be prepared, as occasion may require, to adapt the existing general regulations to the particular requirements of the various Provinces, and as far as may be consistent with the interests of the Colony at large, in conformity with the wants and wishes of their several inhabitants.

Many of the subjects of the most pressing importance, have already, for some time been under the consideration of the Council. Amongst the measures which will probably engage their attention, with a view to immediate legislation are, the Secondary Punishment Bill, the Naturalization Bill, the Dower Bill, the Nelson Trust Fund Bill.

With a general desire to work together, with a view to promote the interests of the Colony, the Assembly will be able, by a close attention to the actual business of legislation, to turn even a short session to profitable account; and the officer administering the Government, has to assure the Council, in conclusion, of his earnest wish, cordially to co-operate with them during the short period which may yet remain at their disposal, in the endeavour to secure for the people of New Zealand the greatest possible measure of useful legislation.

R. H. Wynyard,
Officer administering the Govt.

Government House, Auckland,
4th Sept., 1854.

Colonial Secretary's Office, Auckland,
2nd September, 1854.

HIS Excellency the Officer Administering the Government directs it to be notified for general information that the under mentioned gentlemen have this day resigned their seats in the Executive Council.

Thomas Spencer Forsaith, Esq.,
Edward Jerningham Wakefield, Esq.
William Thomas Locke Travers, Esq.
James Macandrew, Esq,

By His Excellency's command,
Andrew Sinclair,
Colonial Secretary.

Colonial Secretary's Office, Auckland,
5th September, 1854.

HIS Excellency the Officer Administering the Government has been pleased to direct that the following Despatch from Her Majesty's principal Secretary of State for the Colonies should be published for general information.

By His Excellency's command,
Andrew Sinclair,
Colonial Secretary.

CIRCULAR.

Downing-street,
15th May, 1854.

SIR,—The Queen having been pleased to direct that the Consular Authorities of the Emperor of all the Russias, should no longer be recognized in Her Majesty's Dominions, I have to desire that you will inform any person who may be acting as Consul for Russia, in the Colony under your Government that Her Majesty's Government cease to acknowledge the Consular character of himself, and of any subordinate Consular Officer who may have been appointed by him.

I have, &c.

NEWCASTLE.

The Officer Administering the Government of New Zealand.

Colonial Secretary's Office, Auckland
6th Sept., 1854.

HIS Excellency the Officer administering the Government directs the publication of the following "Notice to Mariners," to be published for general information.

By His Excellency's command,
ANDREW SINCLAIR.
Colonial Secretary.

NOTICE TO MARINERS.

EXHIBITION OF A NEW REVOLVING LIGHT AT NORTH RONALDSHAY, AND ALTERATION OF THE START-POINT LIGHT FROM A REVOLVING LIGHT TO A FIXED LIGHT.

1. NORTH RONALDSHAY LIGHTHOUSE.

The Commissioners of the Northern Lighthouses hereby give notice that a Lighthouse is being built upon the Island of North Ronaldshay in Orkney, the light of which will be exhibited on the night of Friday the 1st September, 1854, and every night thereafter, from the going away of day-light in the evening, to the return of day-light in the morning.

The following is a description of the Lighthouse, and the appearance of the Light, by Mr. David Stevenson, Engineer to the Commissioners :—

The Lighthouse is in N. Lat. 59° 23' 15", and W. Long. 2° 23' 38". It stands on the Northern point of the Island of North Ronaldshay, and by compass it bears from Moul-head of Papa-Westra W.N.W. ¼ North, distance 15 nautic miles; and from Start-Point of Sanday Lighthouse, S.S.W. ¼ West, distance 6½ miles.

The North Ronaldshay Light will be known to Mariners as a "Revolving Light," producing a bright flash of the natural colour once in every 10 seconds. It will be visible all round the compass. The Lantern is elevated 140 feet above the level of the sea; and the light will be seen at the distance of about 18 nautic miles, and at lesser distances, according to the state of the atmosphere.

2. START-POINT LIGHTHOUSE.

The Start-Point Light, which is 6½ miles from North Ronaldshay Light, being at present a Revolving Light, producing a bright flash once in every minute, the Commissioners further give notice, That on and after the night of Friday, the 1st September, 1854, when the new Revolving Light at North Ronaldshay is to be exhibited, the present Revolving Light at Start-Point will be changed to a Fixed Light of the natural colour.

By order of the Board,
(Signed) ALEX. CUNINGHAM,
Secretary.

Northern Lighthouse Office,
Edinburgh, 13th April, 1854.

Commissioner of Crown Lands' Office,
Auckland, 7th September, 1854.

I, FRANCIS DILLON BELL, a Commissioner duly appointed by virtue of the Ordinance No. 15, Session xi of the Legislative Council of the Islands of New Zealand, to hear and decide claims to land by persons claiming title from, through, or under the New Zealand Company, report that the claims of the persons whose names appear in the schedule hereunder having been duly referred to me by the Governor, I do hereby decide the said persons to be severally entitled to the Land or Government Scrip set opposite their respective names.

F. D. BELL,
Commissioner.

No. of Report.	Name of Claimant.	Commissioners Decision.
895	Sylvester John Brown and Edward Jones Brewster.	Entitled to Government Scrip to the amount of one hundred and twelve pounds ten shillings (£112 10s.)
905	Ditto.	Entitled to Government Scrip to the amount of two hundred pounds (£200).

F. D. BELL,
Commissioner.

NOTICE.

Custom House, Auckland,
6th September, 1854.

THE undermentioned condemned goods will be sold by public Auction, at this Port on Friday, the 15th September, 1854. at 12 o'clock.

49 7-16 lbs. snuff,
116 lbs. wrapping paper,
12 reams foolscap paper,
5 do. printing do.
40 quires letter do.
2 reams satin wove do.
12¾ do. note paper,

ERRATUM.—In the "Confidential Memorandum," No. 7, or A, printed in the *Government Gazette* of the 9th ultimo, No. 19, on the 104th page, 14th line of the 1st column, instead of "The result of the proceedings of a Committee of the House on the subject of the Public Revenues and Expenditure since the expiration of the last Appropriation Bill, ten months ago," etc, read "The result of the proceedings of a Committee of the House on the subject of the Public "Finances and [the] statement of the Public" Revenues and Expenditure since the expiration the last Appropriation Bill, ten months ago, &c."

Printed by WILLIAMSON & WILSON, for the New Zealand Government.