[MINUTE.]

In the course of the last year the Colonial Treasurer proposed to the Governor, in private conversation, the removal of the grant in aid of Native Schools from the Civil List, and a provision for them in another way. Frequent conversations were held on the subject at different times; after one with the Colonial Secretary (in which the Governor suggested that it would be right to give the heads of the several religious bodies notice of the intended alterations), Mr. Stafford addressed a circular to these functionaries, stating,—"It is probable that the distribution of that fund will be materially "altered. This intimation is made in order that you may be prepared for any decision which may be "arrived at. I have at the same time to state, that the Government contemplates, should the Native "Fund be devoted to other than educational objects, proposing the appropriation of a sum, for, say, "seven years to the support of establishments for the education of the Native Race conducted by the "several religious bodies who have hitherto received assistance for this purpose from the Civil List."

On the 4th March the Governor was informed by the Colonial Treasurer that Ministers were

prepared to propose to the Assembly measures calculated to maintain the status quo in the relations between them and the Governor; but that they would not venture to propose the removal of the grant to Native Schools from the Civil List; because their doing so would tend to increase the Governor's

The Governor heard this announcement with regret, and not without surprise. He observes that the removal of the grant to Native Schools from the Civil List would in no way alter the present relations, or add to his power. The items which would replace that grant on the Civil List would be taken from the Appropriation Act; they have been previously voted, and (if not on the Civil List), will continue to be voted, unless any popular excitement or pressure of political parties should alter the usual opinions of the members of the House of Representatives.

The items to be placed on the Civil List would also form a subject of consideration and mutual

agreement between the Governor and his advisers.

The Governor further observes that the appropriation of the £7,000 for Native purposes on the Civil List was specially intended by Her Majesty's Government and the Imperial Parliament to render the management of Native Affairs independent of any temporary excitement to which Representative bodies are liable. It was so spoken of, in a recent debate in the House of Commons.

It is not the Governor's intention to discuss the propriety of the mode in which the Civil List was distributed by his predecessor; but he would remark that it was at the earnest request of his present advisers that he consented to devote to the use of Schools the remaining portion of the £7,000 (viz., £1,100) which Sir George Grey had not previously appropriated to them. The Governor made this concession only because the sum was too small to be of importance; and because it was not expended in the best manner: the salary for the Resident Magistrate at Auckland, whose duties are almost exclusively connected with the Europeans, having formed one of the items.

The Governor would regret that any measure proposed by his advisers to the Assembly should risk their tenure of office; but, while he offers no opinion on that subject, he has observed that part of the press at Wellington—usually opposed to his advisers—has always advocated the removal of the grant to the Schools from the Civil List, in order that that the £7,000 might be devoted to more legitimate

objects: assuming that such an alteration would be unpalatable to his present advisers.

Part of the Auckland press advocates the exact measure in contemplation in strong terms. No portion of the New Zealand press has expressed any adverse opinion; and the language of individual members during the last Session frequently indicated a desire for some such alterations as the one ${\tt suggested}.$

In conclusion, the Governor repeats that he observes the change in the opinion of his advisers with regret, which is not diminished by the almost extraordinary unanimity of opinion which has

prevailed between him and them to the present time.

(Signed) T. GORE BROWNE.

Government House, 6th March, 1858.

NATIVE AFFAIRS.

24th March, 1858.

Referring to His Excellency's minute of the 6th instant, Ministers have the honor to submit for his Excellency's approval proposals for a new appropriation of the sum of seven thousand pounds, reserved on the Civil List for Native purposes; and also proposals for a new provision for Native Education.

2. In a correspondence which took place in May, 1853, between the then Governor and the heads of three principal religious bodies, Sir George Crey undertook to recommend the appropriation of the whole of the above-mentioned fund of £7,000 to those bodies for the purpose of Native Education, in the following proportions :-