

MEMORANDUM ON THE LOAN ACT, 1862.

3 B.—No. 2.

and to request that you will be good enough to consider this Requisition as covering the advances already made, as well as those hereafter to be made on that account."

I have, &c.,

(Signed) T. GORE BROWNE,

Government House, Auckland, 27th July, 1860.

The Officer Commanding the Troops in the Taranaki Province."

Mr. Commissary-General Jones at the time demurred to this demand, taking the ground that the Circular Memorandum did not give the Civil Governor power over the Military Chest. Upon reference of the question to England, it was shewn that the interpretation sought to be put upon that Memorandum by the Governor could not be admitted, and instructions were consequently given to His Excellency that no advances would for the future be made without an actual promise to pay from the Colony on demand. Nor have any advances been made subsequently to the receipt of that despatch, without such promise to pay having been given. In fact the Colony had no other alternative. Military operations were commenced under the authority of the Governor, who is alone responsible for the tranquillity of the Colony; they were conducted under the authority of Generals and Colonels commanding, who were alone responsible to the Imperial Government for the result of their operations; the Colonial Authorities were unable to interfere, and yet they were placed in such a position that, though they had no voice in the conduct of affairs, the very instinct of self preservation compelled them to agree to whatever was demanded. If under all these circumstances, the Government demands payment in full, the Colony has no option but to pay in full.

With reference to the amount of these demands, the accounts, regularly forwarded as they have been to the Colonial Authorities, exhibit the following statement up the 30th June, 1862:—

Statement of demands, arranged under distinct Heads, made upon the Colony by the Commissariat to 20th June, 1862.

| | | | |
|---|-----------------|-----------|----------|
| Arms and Ammunition supplied from | | | |
| Military Stores | 5,672 | 4 | 8 |
| Pay and contingent expenses for | | | |
| Militia and Volunteers to 31st March, 1862 | 60,273 | 2 | 9 |
| Clothing and Equipment of Militia and | | | |
| Volunteers | 986 | 14 | 4 |
| Rations and Forage | 24,896 | 3 | 5 |
| Hire of Steamers | 16,422 | 2 | 10 |
| Field Defences | 2,126 | 0 | 4 |
| Gratuity to Ships of War | 5,000 | 0 | 0 |
| Secret Service Money | 50 | 0 | 0 |
| Demand of £5 per head for Troops from | | | |
| 1st April, 1858, to 31st March, 1862... | 53,587 | 10 | 0 |
| Barracks at Taranaki | 7,000 | 0 | 0 |
| Estimated demand for Troops to 30th | | | |
| June, 1862 | 6,750 | 0 | 0 |
| Estimated demand for Taranaki Militia to | | | |
| 30th June, 1862 | 3,363 | 0 | 0 |
| | <u>£186,126</u> | <u>18</u> | <u>4</u> |

From this total there are certain set-offs to be made, and against some of these demands grave objections exist—

- 1.—The Colony has actually paid a sum of £2,238 16s. 7d. on account of these expenses, for which the Treasury holds an acknowledgment from the Commissariat.
- 2.—Mr. Richmond agreed under compulsion to defray the expenses of the pay, allowances, and rations of Militia and Volunteers out of the Colonial Chest: and those expenses only.
- 3.—The Colony, under the arrangement existing to pay the sum of £5 per head for Her Majesty's troops stationed in New Zealand, is entitled to a drawback of the amounts paid from the Colonial Treasury on account of Barrack Expenditure since April 1st, 1858.

The Colony consequently is not liable for the several undermentioned charges made against it by the Commissariat.

| | | | |
|--|----------------|-----------|-----------|
| Arms and Ammunition | 5,672 | 4 | 8 |
| Hire of Steamers | 16,422 | 2 | 10 |
| Field Defences | 2,126 | 0 | 4 |
| | <u>24,220</u> | <u>7</u> | <u>10</u> |
| Amount already paid by the Colony ... | 2,238 | 16 | 7 |
| Expenditure by the Colony on Barracks at | | | |
| Napier and other Barrack repairs ... | 7,000 | 0 | 0 |
| Repair of Britomart Battery | 397 | 17 | 11 |
| | <u>9,636</u> | <u>14</u> | <u>6</u> |
| | <u>£33,857</u> | <u>2</u> | <u>4</u> |