and that he has directed Lieut.-Colonel Trevor to move against the Natives at Waitotara, where Kereti was murdered.

I shall feel obliged by your Excellency communicating to me your wishes (with reference to my letter of the 11th instant, and the late proclamation of peace) as to whether you desire the operations. now being undertaken, to be limited to the localities specified.

I have, &c., J. CHUTE, Major-General.

His Excellency Sir George Grey, K.C.B.

Enclosure to No. 11.

Brigadier-General Waddy to the Deputy Quartermaster-General.

SIR,-Wanganui, 13th October, 1865. I have the honor to acknowledge the receipt of your letter of 11th instant, together with copy of a letter addressed to the Major-General commanding the forces by His Excellency the Governor, dated 11th instant, relative to the murder of Kereti (a Native policeman), and the supposed murder of Mr. Charles Broughton; and with regard to these matters, I beg to state that after the proclamation of peace had been issued, I did not feel justified in undertaking any operations against the rebel Maoris without instructions to do so, and, for that reason, I wrote to you on 30th September for the orders of the Major-General commanding the forces with regard to the employment of the troops under my command. Had I attacked the Maoris since the proclamation of peace, it might have been said my act was calculated to exasperate them, and to plunge the Colony into another war—all past offences were pardoned, and I might have attacked and killed men who had every intention of submitting to the Queen's authority. My private feelings would have led me to inflict punishment at once on the late repeat after the murder of Kereti, and the supposed murder of Mr. Charles Broughton; and I trust the Major-General commanding will do me the justice to believe I would have employed the troops under my command in active operations at once, had I thought it would have been right to

I beg further to say I shall proceed to-morrow, if possible, or the next day, to the Patea, to commence operations against the Natives near Kakaramea, where Mr. Charles Broughton was last seen, and I shall direct Lieut.-Colonel Trevor, 14th Regiment, to move from the Wereroa to attack those who are on the Waitotara. I have, &c.,

The Deputy Quartermaster-General, Wellington.

R. WADDY,

Brigadier-General, commanding Wanganui District.

No. 12.

Major-General CHUTE to His Excellency the GOVERNOR.

Sir,-Wellington, 10th October, 1865. I have the honor to submit for your Excellency's consideration, the copy of a communication

I have received from Commissary-General Jones, C.B.

As I find that Mr. Jones had, previous to my arrival in the Colony, forwarded a copy of this letter to the Lords Commissioners of Her Majesty's Treasury, I feel that your Excellency should be made acquainted with its contents. I have, &c.,

His Excellency Sir George Grey, K.C.B.

J. CHUTE, Major-General.

Enclosure to No. 12.

Commissary-General Jones, C.B., to the Assistant Military Secretary.

Commissariat, New Zealand, Auckland, 20th August, 1865.

Having become acquainted with the correspondence recently published by the Colonial Ministers as parliamentary papers by seeing them reprinted in the local newspapers of this place, it occurs to me that I should be wanting in my duty as Controller of Army Expenditure were I to omit placing upon record and submitting my opinion of the same, as far as regards expenditure (in connection with existing circumstances) for the information of Major-General Chute, as soon as he assumes the command of Her Majesty's forces serving in this Colony.

Several despatches of Mr. Cardwell, distinctly convey the repeated directions of Her Majesty's

Government to the effect that the Imperial troops are not to be employed either in conquering new territory, or in defending that already conquered, and leaves the General Officer Commanding wide discretionary power in the employment of the troops.

The local portion of this correspondence shows that the employment of Her Majesty's troops in the Wanganui campaign, was forced upon Lieut.-General Cameron, K.C.B., in opposition to his remonstrances and better judgment, and further, he did not concur in the expediency of occupying the upper portions of the Wanganui River; but, within a very few days after his leaving the command, Her Majesty's troops are ordered to occupy a line of eighty miles along the banks of that river.

I presume it is scarcely necessary for me to remark that these operations are enormously costly, but the Major-General should, I think, be informed that the whole of that cost has hitherto fallen mainly upon Imperial funds; that the Wanganui and Taranaki Militia are now paid out of funds advanced from the Imperial Treasury, and rations of provisions, forage, fuel, and light, are issued by the Commissariat out of army funds for the Colonial Militia and Military Settlers in Auckland, Taranaki, Wanganui, Napier, and Tauranga.

Nearly the whole cost of the war is thus borne in the first instance by the Home Government, but under existing arrangements, these advances to Militia and Military Settlers are added to the debt due by the Colony to the Imperial Treasury, thus incurring new liabilities to the extent of about

£16,000 per month.

SIR,-