I now learn, for the first time, that there is some difficulty in supplying me with them, in consequence of the Survey Department not having been officially handed over to you. I regret that your Honor has not brought this plea under my notice before. Up to the present time, I have considered that Department, so far as concerns the settlement of the immigrants, to be practically under your Honor's control, (21) in accordance with the tenor of our correspondence of January last; and here I may add, that it has been a source of great disappointment to the Government that the work of this Department has not been brought to a close. Three months from the commencement of the year was the period within which I was led to expect that the surveys would be completed, (22) and the settlers and immigrants located on their land. I may call your Honor's attention to the fact that the cost of the Survey Department for the months of February, March, and April, actual and estimated, amounts to £19,885 14s. 8d. (23) I must also observe that, as regards the Tuakau Block, (24) the sale has been delayed by the negotiations pending between your Honor and the General Government for the purchase of such block.

The non-receipt of the necessary information from your Honor, and the great anxiety of the Government to bring the available land without delay into the market, had, with other considerations, before the receipt of your Honor's letter, induced the Government to decide on sending Dr. Knight to

Auckland with a view to expedite the matter, and he will proceed thither for the purpose.

Referring to a former paragraph in my letter, in which I stated my belief that the General Government, in issuing the notice for the 30th of April, might, under all the circumstances of the case, fairly claim to have fulfilled its obligation towards the located immigrants, I am nevertheless prepared to assure you, that the Government, impressed with an earnest desire to mitigate, and, so far as possible, avert individual disappointment and distress, has given instructions to Dr. Knight to extend the period for pay and rations to located immigrants until the 31st of May next.

That officer has at the same time been requested to inform the emigrants, that in the event of there being no employment for them, either on Provincial public works or under private employers in your Province, they will, upon application, be provided with a free passage to some (25) other settlement in New Zealand where better prospects of employment may present themselves,—and that such removal will not debar them from their title to their land.

And I may add, that it is a matter now under consideration, whether instructions ought not to be given authorising similar offers to be made to the immigrants expected to arrive. FRED. A. WELD. I have, &c.,

His Honor the Superintendent, Auckland.

Enclosure 2 to No. 39.

FINANCIAL STATEMENT made by Mr. Carleton to the Auckland Provincial Council.

Mr. Carleton, said: Mr. Speaker, the motion that we do now go into Committee of Supply need not be prefaced by many words from me. I have already taken occasion to observe to this Council that the financial statement for the year 1865 had already been delivered to this House by my hon. friend the member for Raglan. Sir, I trust that the whole Council will join in my estimate of that financial statement ("No," from Mr. King.) The hon. member opposite cries "No." (Hear, At all events I trust he will not expect a better one from me; and if I may express my own opinion, that hon. member does not expect a better. (Mr. King: I expect a full explanation.) Sir, in order not to waste the time of the Council, I shall avoid travelling over the same ground that my hon. friend has already travelled over. I shall content myself with supplementing that statement, and with indicating the points of variation, for the present estimates, as you will all see the estimates both of supply and of revenue, of ways and means, are not altogether as they were originally brought down by him. The mode of presenting the accounts, in the first place, is somewhat varied, and a few alterations are made with regard to the estimates of expenditure. I may take occasion to say, that it is not my intention to go at present into the estimates of expenditure at all. My main business before the Council is now to indicate, as far as I am able, the sources of supply. In order, Sir, to make clear the variations we have adopted, I would request hon members to take in hand, if they have them before them, the estimates brought down by my hon friend, Mr. Newman. I speak of the estimates of revenue which were brought down in October last, and I think, by adopting those estimates as a text, pointing out the variations between those estimates and those I have already brought down, I shall be

The General Government will bear in mind that when I undertook to assist them in placing the immigrants on their lands, not one lot had been surveyed, nor had any preparation whatever been made. The Colonial Secretary calls for tracings, without having stated which block of land he is willing to allow the sale of first, and without having stated what quantity of land will be required for friendly natives. The General Government calls for information, but supplies none.

⁽²¹⁾ Had the Survey Department been under my control, I should have placed some of the surveyors who are surveying upon the Waikato, on the land intended for location of immigrants. (See Major Heaphy's report.) That portion of the work is not yet completed, though every available surveyor has been engaged. It is necessary that the land for location should be surveyed before the land for sale. The General Government appear to be under the impression that the surveys for location and for each sales can proceed simultaneously. But the requirement for immigrants must be exhausted before the boundaries of lands for cash sales can be determined on.

⁽²²⁾ By whom was the Colonial Secretary led to expect that the surveys would be completed, and the immigrants located in three months? I was never consulted as to the time that would be required. The proper officer to consult was the Chief Surveyor; but I feel confident that he could never have expected to complete the surveys within that time.

⁽²³⁾ Including surveys for the whole of the Waikato Militia Regiments, &c., with which the Provincial Executive are not concerned.

⁽²⁴⁾ The negotiation in question amounting to this:—To an inquiry whether the General Government would be willing to dispose of the Tuakau block at a fair price? The General Government, however, seem not to be aware that no survey of that block has been undertaken, consequently no sale could have taken place.

⁽²⁵⁾ This is a question for the sole consideration of the General Government. I may, however, be allowed to observe that if the immigrants be removed from the Auckland Province, it cannot be held that any expenses hitherto incurred in their location are of the nature of sums expended for the permanent advantage of this Province, to be charged, under the Loan Appropriation Act, against the revenue of the Province.