

FURTHER PAPERS

RELATIVE TO

APPORTIONMENT OF THE PUBLIC DEBT

OF THE

PROVINCES OF WELLINGTON AND HAWKE'S BAY.

(IN CONTINUATION OF PAPERS PRESENTED ON THE 11TH SEPTEMBER, 1860.)

PRESENTED TO THE HOUSE OF REPRESENTATIVES BY COMMAND OF HIS EXCELLENCY.

FURTHER PAPERS RELATIVE TO APPORTIONMENT OF
P U B L I C D E B T
BETWEEN THE PROVINCES OF WELLINGTON AND HAWKE'S BAY.

No. 1.

MR. FITZGERALD TO THE COLONIAL SECRETARY.

Superintendent's Office,
Napier, 9th November, 1860.

SIR,—

In reference to the payment of a proportion of the annual interest on that part of the permanent debt of the Province of Wellington contracted at the time of separation and for which the Government of Hawke's Bay may be liable under the strict legal interpretation of the 15th clause of the New Provinces Act. I have the honor to acquaint you that the Hawke's Bay Government has already made payments on account of the Province of Wellington to an extent of about one thousand pounds, the particulars of which I will supply to you by next mail. Concerning our general liability to the payment of a proportion of interest I would be much obliged by your taking steps to ascertain the exact amount that can by law be demanded from the Province of Hawke's Bay, pending the adjustment of the debt question under the provisions of the New Provinces Act, and the date at which such liability would commence, as I am myself of opinion that we can only be made answerable for a sum of some thirty-five thousand pounds of the Gladstone Loan that was supposed to be raised at the date of separation, the fifty thousand pounds Union Bank Loan not being a permanent debt, and I believe also that the interest can only be demanded from the 1st July, 1859. However the desire of the Hawke's Bay Government is now only to adhere to the strict letter of the law which was so much cried up by the Wellington members in the late session of the General Assembly when they voted against the plan proposed for the general adjustment of the inter-Provincial claims.

I have, &c.,
T. H. FITZGERALD,
Superintendent.

The Hon. Colonial Secretary,
Auckland.

No. 2.

MR. STAFFORD TO THE SUPERINTENDENT OF HAWKE'S BAY.

Colonial Secretary's Office,
Auckland, 6th December, 1860.

SIR,—

I have to acknowledge the receipt of your Honor's letter of the 9th ultimo, relative to the amount of the permanent debt of the Province of Wellington to which the Province of Hawke's Bay may be liable under the 15th clause of the "New Provinces Act, 1858," and, in reply, to inform you that this question is under consideration, but that from want of information as to the amount (if any) paid into the Wellington Provincial Chest on account of the Loan between the 30th September and the 1st November, 1858, and of the balance unexpended on the latter day, there is an uncertainty on the subject. So soon, however, as a decision has been arrived at it will be communicated to your Honor.

(No. 475.)

I have, &c.,
E. W. STAFFORD.

His Honor the Superintendent
of Hawke's Bay.

APPORTIONMENT OF THE PUBLIC DEBT

No. 3.

MR. TANCRED TO SUPERINTENDENT OF HAWKE'S BAY.

Colonial Secretary's Office,
Auckland, 19th January, 1861.

SIR,—

I have to request that your Honor will be good enough to cause to be paid, as early as possible to the Sub-Treasurer at Napier the sum of £5000 in repayment of advances by the General Government to the Provincial Treasury, Wellington, on account of the contribution towards the interest on the Provincial Debt of the Original Province pending the adjustment of the account between the Provinces, namely, £2,500 paid to the Provincial Treasurer, Wellington, on the 19th June, 1860; £2,500 to be remitted by the next Southern Mail.

I have, &c.,

H. J. TANCRED,
(In the absence of Mr. Stafford).His Honor the Superintendent
of Hawke's Bay, Napier.

No. 4.

MR. FITZGERALD TO THE COLONIAL SECRETARY.

Superintendent's Office,
Napier, 5th February, 1861.

SIR,—

I have the honor to acknowledge the receipt of your letter of 19th ultimo, requesting me to pay to the Sub-Treasurer of Napier, the sum of five thousand pounds in repayment of advances by the General Government to the Provincial Treasury, Wellington, on account of the contribution towards the interest on the Provincial Debt of the Original Province pending the adjustment of the account between the Provinces, &c. In reply I have to express my great disappointment at being called on to pay any proportion of the interest until the account is made out and adjusted, when of course no difficulty would be made about paying the proportion that is justly due under the New Provinces Act, but we have already made payments to an amount over one thousand pounds on account of the Wellington Provincial Government for deposits on applications for runs received by them previous to separation and which will have to be placed as a set-off against the interest due. These accounts will be furnished to you up to the 31st December last as soon as they are completed, and I trust that you will at once insist on the Wellington Government furnishing a statement of the sums raised on the Loan that this Province is responsible for previous to separation, so that your Law Advisers may decide to what extent our responsibility extends before any other payments are made.

I have placed the sum now asked for by you on the Estimates for 1861 that are now before the Provincial Council, and will write to you further on the matter in a few days.

I have, &c.,

T. H. FITZGERALD,
Superintendent.The Hon. the Colonial Secretary,
Auckland.

No. 5.

MR. FITZGERALD TO THE COLONIAL SECRETARY.

Superintendent's Office,
Napier, February 11, 1861.

SIR,—

I have the honor to inform you that when the sum placed by me on this year's Estimate for repayment of advances made by your Government on account of interest of Wellington Debt came on for the consideration of the Provincial Council on 9th instant, they rejected it by a large majority, in consequence, I believe, of no account having been furnished showing the extent of our liability. As the Estimates have only been voted for three months, however, I trust you will be able to forward this account in time for the proposed adjourned meeting at the end of March or the beginning of April.

Meantime, I presume no difficulty will be experienced by your Government in replacing any advances you may have made out of the one-sixth of the Land Revenue of this Province, now held by you, until the accounts are adjusted, when they can be made good from the Provincial Chest.

I have, &c.,

T. H. FITZGERALD,
Superintendent.The Hon. the Colonial Secretary,
Auckland.

No. 6.

DR. FEATHERSTON TO THE COLONIAL TREASURER.

Superintendent's Office,
Wellington, 19th December, 1860.

SIR,—

Referring to my letter of June, 1860, and to the promise made by yourself in the House of Representatives at the close of the recent session, I have the honor again to request that you will be pleased to take steps to cause the immediate payment of the large amount due to this Province from Hawke's Bay, on account of its share of the interest on the public debt of this Province as originally constituted.

(No. 266.)

The interest paid by Wellington from the date of the separation up to the present time, amounts in round numbers to between £17,000 and £18,000. According to the rule of apportionment laid down by the New Provinces Act, rather more than half of this amount should be paid by Hawke's Bay.

Hawke's Bay, as you are well aware, has only paid £2,500, leaving a balance due to this Province of at least £7,000.

As I shall have to remit very shortly a further sum of £4,000 for payment of the next dividend, and as you fully recognised the duty of His Excellency's Government in this matter, I trust that you will cause the immediate payment, if not of the whole of this balance, at least of the greatest part of it.

I have, &c.,

The Hon. the Colonial Treasurer,
Auckland.I. E. FEATHERSTON,
Superintendent.

No. 7.

MR. TANCRED TO THE SUPERINTENDENT OF WELLINGTON.

Colonial Secretary's Office,
Auckland, 2nd February, 1861.

SIR,—

In reply to your Honor's letter, No. 266, of the 19th December last, I have to inform you that the Sub-Treasurer at Wellington will be instructed to pay to the Provincial Treasurer the sum of two thousand five hundred pounds, on account of the contribution due from the Province of Hawke's Bay for interest on the Provincial Debt.

(No. 37.)

I have, &c.,

His Honor the Superintendent
of Wellington.HENRY JOHN TANCRED,
In Mr. Stafford's absence.

No. 8

DR. FEATHERSTON TO THE COLONIAL TREASURER.

Superintendent's Office,
Wellington, 22nd February, 1861.

SIR,—

I have the honor to acknowledge the receipt of Mr. Tancred's letter of the 2nd instant, intimating that the Sub-Treasurer had been instructed to pay the Treasurer of this Province the sum of two thousand five hundred pounds, on account of the contribution due from the Province of Hawke's Bay for interest on the Provincial Debt.

(No. 61.)

I must very respectfully beg your attention to my letter of the 19th December, in which I state that the balance due from Hawke's Bay up to the 30th December was £7,000, and that I should have to remit very shortly (in March or April), a further sum of £4,000 to pay the dividends due in London on the 1st July next, of which further sum of £4,000 more than half, under the rule of apportionment laid down, ought to be contributed by Hawke's Bay.

I think you will readily admit that the payment merely of £2,500 of the £9,000 then due to this Province is not a fulfilment either of the promise made by yourself in the House of Representatives, or of the pledge given to the Imperial Government by the Colonial Secretary in the Despatch which accompanied the New Provinces Act.

The injustice done to this Province by His Excellency's Government not enforcing the payment of the full amount of the interest due from Hawke's Bay on account of the Provincial Debt, is too manifest to require comment.

I must, therefore, again request that you will be pleased to order the immediate payment of the balance due from Hawke's Bay to this Province.

I have, &c.,

The Honourable the Colonial Treasurer,
Auckland.I. E. FEATHERSTON,
Superintendent.

No. 9.

MR. STAFFORD TO THE SUPERINTENDENT OF WELLINGTON.

Colonial Secretary's Office,
Auckland, 6th April, 1861.

SIR,—

(No. 192.)

With reference to the subject of your Honor's letter, No. 61, of the 22nd of February last, respecting the contribution due from the Province of Hawke's Bay for interest on the Provincial Debt of the Province of Wellington, I have to enclose for your information a copy of a Memorandum from the hon. the Colonial Treasurer.

I have, &c.,

His Honor the Superintendent
of Wellington.

E. W. STAFFORD.

Enclosure in No. 9.

MEMORANDUM FOR THE HON. THE COLONIAL SECRETARY.

No. 33.)

The Superintendent of Wellington, in his letter of 22nd February last, states that the Balance due from the Province of Hawke's Bay to the Province of Wellington, as the contribution of the former Province towards the interest of the Public Debt of the original Province of Wellington, amounted on the 30th December, 1860, to the sum of £7,000.

This sum is a mere round number arrived at by a series of assumptions, all of which, as will be seen by the correspondence, are contested on the part of the Province of Hawke's Bay.

The several questions raised and still undecided in reference to the apportionment of the Debt, are First: What was the amount of the Debt at the date of separation.

No. 18.
28 February, 1860.

On this point it may be observed that the Superintendent of Wellington has been repeatedly informed that the information afforded by the Provincial Government is insufficient. See my previous Memoranda of numbers and dates cited in the margin.

No. 19.
9 June, 1860.

Secondly: Whether the Loan negotiated by the Union Bank of Australia is to be considered for the purposes of the Act as a part of the permanent debt of the original Province apportionable between the two Provinces.

Thirdly: Whether the contribution of Hawke's Bay commences from the 1st November, 1858, being the date of separation, or from the 1st July, 1859.

A Bill was introduced by the Government in the course of the late Session of the General Assembly which determined the last of these points in favour of the Province of Wellington by enacting, in conformity with what appeared to be the equity of the case, that the apportionment should include the broken financial period from 1st November, 1858, till 1st July, 1859.

The Bill also made provision for the settlement, on an equitable basis, of the general question of apportionment. The Bill was, however, thrown out of the House of Representatives principally in consequence of the opposition of the Wellington Members.

As the questions raised present considerable difficulty, and are of great importance, and as it is certain that neither of the parties in dispute would acquiesce in a decision adverse to its interest by the Executive Government, further legislation appears unavoidable.

Meantime, the General Government has already paid over to the Provincial Treasury of Wellington, on account of the contribution of the Province of Hawke's Bay, a sum considerably in excess of what the Superintendent of Hawke's Bay would admit to be due for interest up to the 30th June, 1861.

No further payment can at present be made on account of interest, but pending a renewed application to the Legislature for the means of deciding the contested points which it is proposed to make in the course of the coming Session of the General Assembly, the sub-Treasurer shall be instructed to advance to the Provincial Treasury of Wellington on the application of the Superintendent, the sum of £3,000, to be debited to the Province in its separate account.

This sum, it is estimated, will cover the contribution of Hawke's Bay up to the 30th June, 1861. even upon the assumption that all the questions above adverted to are decided in favour of the Province of Wellington.

C. W. RICHMOND.

Treasury, 6th April, 1861.

No. 10.

THE SUPERINTENDENT OF HAWKE'S BAY, TO MR. STAFFORD.

Superintendent's Office,
Napier, June 27, 1861.

SIR,—

My attention has been called to a Financial Statement made by the Provincial Treasurer, at the late Session of the Provincial Council of Wellington. It is reported in the "Spectator,"

that he stated with respect to Balance of Interest due from Hawke's Bay that, "they (Wellington) "had actually received two thousand five hundred pounds for interest, and three thousand pounds "on account, and if they only received two thousand pounds more, it would not be so much as is "set down (in the Estimate of Revenue) by two thousand five hundred pounds; but he believed "in fact it would be more." I have been given to understand that eight thousand pounds, in all, has been actually paid to Wellington Government on account of Hawke's Bay out of our share of the overplus one-sixth of the Land Revenue of this Province.

I now beg to call your attention to a letter from this Office, dated February 11th, 1861. You will perceive by this communication, that the Provincial Council during the last Session rejected any sum being placed upon the Estimates until some account was furnished by the Government of Wellington, showing the extent of the liability of Hawke's Bay. In consequence of this, I must protest, on the part of the Government of Hawke's Bay, against any payment being made by the General Government on our account until such time as the Wellington Government has furnished a satisfactory statement of the permanent debt at the date of separation, and the General Assembly has had an opportunity of considering the fairness and equity of such claim when preferred.

I think that the Superintendent of Wellington should be called upon to make a definite statement of accounts on the part of his Province, and when that is placed in juxtaposition with the statements made on the Wellington Debt in a pamphlet by our late Member, Mr. FitzGerald, during the last Session of the General Assembly, the Members of the House would then be in a better position to judge upon the merits of a question involving the vital interests of the Province of Hawke's Bay.

I have, &c.,

J. C. LAMBTON CARTER,
Superintendent.

The Hon. the Colonial Secretary,
Auckland.

