

2. Anxious to meet any just liability against the Province, I would again repeat that several efforts have been made on behalf of Hawke's Bay to adjust the claim advanced against it by the Province of Wellington. Commissioners were appointed by an Act of Council and terms of compromise were proposed by them, one of such terms being, that in the event of their proposals not being acceded to the whole matter should be referred to arbitration. These proposals were in effect entirely rejected.

3. After the conversations on this subject which took place between us during your late visit to Auckland, I was under the firm impression that no further payment would be made on account of the interest of the debt before mentioned to the prejudice of this Province.

4. For the reasons given in the previous correspondence, I now protest against all payments made by the Colonial Government on account of the interest in question, and in particular against the last payment of £1,250, which has been made in opposition to the repeated objections urged against such payments, and contrary to what I was led to expect would have been the action of the General Government under the circumstances.

I intend to have a meeting of the Provincial Council at an early date, and shall feel obliged by your favouring me with a reply to this communication by the next mail from Wellington.

I have, &c.,

DONALD McLEAN,
Superintendent.

The Hon. the Colonial Secretary.

No. 29.

The Hon. E. W. STAFFORD to His Honor D. McLEAN.

Colonial Secretary's Office,
Wellington, 22nd May, 1868.

SIR,—

I have to acknowledge the receipt of your Honor's letter of the 9th instant, protesting against any payments on account of the share of the Province of Hawke's Bay in the permanent debt of the original Province of Wellington.

I am unable to give a definite reply to your Honor's letter until I have had an opportunity of consulting the Attorney-General, who is at present at Hokitika; but it seems to me that a final and satisfactory settlement of this question, which has so long been in dispute, can only be effected by the General Assembly.

I have, &c.,

E. W. STAFFORD.

His Honor the Superintendent, Hawke's Bay.
