

19. That on the twenty-eighth day of January last, one of the members of the Executive Council of New Zealand, and acting as and for the Colonial Secretary for the said Colony, wrote and caused to be delivered to the said William Fitzherbert, as such Superintendent as aforesaid, a letter, of which the following is a copy :—

SIR,— Colonial Secretary's Office, Wellington, 28th January, 1874.

"The Bridges, Roads, and other Works Appropriation Act, 1874," has attracted the notice of the Government on account of the manner in which it is framed. Instead of the ordinary authority to expend out of the Provincial revenue, with the provisions usually inserted in the Appropriation Ordinances of the Province, the Ordinance authorizes the expenditure to be made by the Superintendent, without defining out of what source it is to be defrayed.

Before coming to a decision as to what advice Ministers should tender to His Excellency on the subject, I have to ask your Honor if you are prepared to give a specific assurance,—

1st. That the fifty thousand five hundred and fifty pounds appropriated by the Ordinance will be expended only out of the ordinary Provincial revenue, supplemented, if required, by overdraft not exceeding that which "The Provincial Audit Act Amendment Act, 1869," sanctions.

2nd. That the expenditure shall only be made with the cognizance of the Provincial Auditor, under the provisions of the various Acts regulating the auditing of Provincial expenditure.

I have further to observe, with reference to the loan to which the Ordinance refers, that your Honor must not consider—supposing the Ordinance is not disallowed—that it creates a claim to the loan, or that it would warrant the supposition by the Assembly that the Government had in any way committed the country to such loan. As the fate of the Ordinance is uncertain, it would be well for your Honor to delay acting on it for a few days.

I have, &c.,

W. H. REYNOLDS,

(in the absence of the Colonial Secretary).

His Honor the Superintendent, Wellington.

20. That immediately after the receipt of the said last-mentioned letter by the said William Fitzherbert, the said Henry Bunny was informed of the contents thereof.

21. That on the second day of February last, the said William Fitzherbert, with the knowledge and consent of the said Henry Bunny, wrote and caused to be delivered to the said Colonial Secretary, in reply, a letter, of which the following is a copy :—

SIR,— Superintendent's Office, Wellington, 2nd February, 1874.

I have the honor to acknowledge the receipt of your letter of the 28th ultimo.

In reply to your several questions, I have to observe,—

1. That whilst I am unable to give you any specific assurance, it will be the aim and endeavour of the Provincial Government to provide, so far as practicable, for the expenditure authorized by "The Bridges, Roads, and other Works Appropriation Ordinance, 1874," out of the ordinary Provincial revenue, and not to have recourse to any overdraft to a greater extent than may be necessary to give effect to the wishes of the Council.

2. That no expenditure will be made except under authority of a warrant, first certified to by the Provincial Auditor, and afterwards signed by the Superintendent.

With reference to the last paragraph of your letter, I venture to express my belief that the New Zealand Parliament, if left to itself, will be disposed to support the views of the several Provincial Councils, and that it will not oppose the wishes of the representatives of the people of any particular Province after they have been deliberately and unanimously expressed by Acts.

I have, &c.,

WILLIAM FITZHERBERT,

Superintendent.

The Hon. the Colonial Secretary, Wellington.

22. That on the sixth day of February last, the said member of the Executive Council aforesaid, acting as and for the Colonial Secretary as aforesaid, in reply to the said last-mentioned letter, wrote and caused to be delivered to the said William Fitzherbert, as such Superintendent as aforesaid, a letter informing him, amongst other things, that it would be the duty of the Government to advise His Excellency to disallow the said Ordinance, and that the Provincial Auditor would be suspended and his conduct inquired into; and further cautioned the said William Fitzherbert not to act in the meantime on the warrant, the legal value of which was doubtful.

23. That the said Henry Bunny was, immediately after the receipt by the said William Fitzherbert of the said last-mentioned letter, informed of the contents thereof.

24. That the said Henry Bunny, in contravention of the provisions of the said Constitution Act, and the said "Provincial Audit Act, 1866," and notwithstanding the facts and matters aforesaid, threatens and intends to draw out from the Provincial Account of the said Province, and to issue and pay, all the sums mentioned in the said paper writing, without any further or other warrant than the said paper writing so certified as aforesaid, and without any further or other certificate than as aforesaid, and pretends and alleges that the said paper writing is a valid and sufficient warrant to authorize him to draw out, issue, and pay such sums, and also pretends