

No. 23.

His Honor the SUPERINTENDENT of AUCKLAND to the Hon. the COLONIAL SECRETARY.

(Telegram.)

Auckland, 13th April, 1875.

PRAY observe that the advance of £40,000 is not to be given in annual grant. It is an advance on loan, to be issued in instalments not exceeding £6,000 each three months, and to be repaid by stoppage of funds passing through the Colonial Treasury. No allusion to a financial year is anywhere made. The agreement is—"The first instalment is to be paid as soon as the Auckland Provincial Council shall have passed the Appropriation Act, and £6,000 every three months thereafter up to the amount specified (£40,000)." The Provincial Council passed the Appropriation Act by which the whole advance so authorized was appropriated. Under the agreement, an instalment of £6,000 has been due since the 31st March ultimo. Pray observe also that the law declares all that to be done for carrying out this agreement; that it says nothing authorizing you, on my making an application in terms prescribed by yourself, to pay over to the Superintendent any sum as an advance of the regular payments. On the contrary, it appears to prohibit you from doing so. I feel sure that the law would never require a Superintendent, who believed moneys were wrongfully withheld from his province, to admit such moneys were rightfully kept back, as a preliminary to his obtaining funds necessary for the preservation of its credit and the continuance of public works. To enforce such a system would be oppressive; and I cannot join the Colonial Government in dealing with public funds in a manner which, by its own interpretation of the Act, would be a violation of the law.

G. GREY.

The Hon. the Colonial Secretary, Wellington.

No. 24.

His Honor the SUPERINTENDENT of AUCKLAND to the Hon. the COLONIAL SECRETARY.

(Telegram.)

Auckland, 13th April, 1875.

I BEG to point out an error into which you have fallen in your telegram of the 10th instant. It was not thought here that the Provincial Council had, by an Act of Appropriation, appropriated the whole special allowance of £25,000. The Provincial Government had allowed the increase in the amount of "special allowance" to be absorbed in part in providing for votes of the Council, to meet which no other funds existed, in consequence of the failure in land revenue, and partly on public works at the Thames, as you are aware, for which no appropriation had been made. I was therefore really and verbally accurate in saying that it had all been appropriated.

G. GREY.

The Hon. the Colonial Secretary, Wellington.

No. 25.

The Hon. the COLONIAL SECRETARY to His Honor the SUPERINTENDENT of AUCKLAND.

(Telegram.)

Wellington, 14th April, 1875.

I HAVE received your Honor's messages (two) of yesterday. I receive the expression of your Honor's opinions with due respect, and regret very much that I find myself unable to agree with you in any particular. The preceding telegrams having been published, I propose to ask the editor of the *New Zealand Times* to publish these now under reply, and this my answer.

DANIEL POLLEN.

His Honor the Superintendent, Auckland.