

1875.
NEW ZEALAND.

ADVANCE OF £40,000 TO AUCKLAND,

(CORRESPONDENCE RELATING TO THE).

Laid on the Table of the House of Representatives by the Hon. the Colonial Treasurer.

No. 1.

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

SIR,—

Princess Hotel, Wellington, 6th April, 1874.

Having recently visited some of the most important harbours and settlements on the East Coast, North and South of Auckland, with the view of ascertaining, as nearly as possible, the nature and extent of public works and improvements most urgently required in those localities (additional to any that have been, or may be, undertaken by the General Government out of funds already voted for roads in the North Island, and the special vote for roads North of Auckland), as also to those parts of the country which appear to offer natural and special advantages for the location of immigrants expected to arrive in the province, I find that, after providing for the establishments and ordinary expenses of the province, I shall be unable, from provincial resources at my disposal for the ensuing year, to accomplish the works which I consider to be of urgent necessity.

In order therefore to enable the Provincial Legislature, on its re-assembling in May next, to make appropriations for these purposes, I have the honor to request that advances to the extent of £40,000 may be made to me out of the Colonial Treasury by instalments as follows, viz.:—£6,000 after the passing of the Appropriation Act, and £6,000 every three months thereafter up to the amount specified, viz., £40,000.

I propose that, from the date of the first advance, one-half the land revenue accruing to the province (exclusive of gold field revenue) should be retained by the Colonial Treasurer, until the total of the amount so proposed to be advanced shall have been refunded; the money coming to the province under sub-clause 2 of the Colonial Secretary's letter of the 30th March to be considered as land revenue.

Should, however, the sum now applied for be not repaid at the end of two years, I further propose that the whole of the land revenue of the province shall be retained to pay back the balance (if any) then unpaid.

I feel justified in submitting these proposals by my knowledge of the fact that the income of the province, since the commencement of the year, is steadily improving, and moreover that by the impetus which is being, and likely to continue to be, imparted to trade and commerce by the carrying on of the public and private undertakings now in progress, and others shortly to be undertaken, the land and ordinary revenues will also in the future proportionately increase.

I have, &c.,

The Hon. the Colonial Secretary.

J. WILLIAMSON, Superintendent.

No. 2.

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

SIR,—

Colonial Secretary's Office, Wellington, 8th April, 1874.

I have the honor to acknowledge the receipt of your letter of date 6th April instant, requesting an advance to the extent of £40,000 from the Colonial Treasury, to enable the Provincial Legislature, on its re-assembling in May next, to make appropriations for public works which, from experience acquired in recent visits to the most important harbours and settlements on the East Coast, your Honor considers to be of urgent necessity.

2. Your request has been considered by the Cabinet; and it has been determined that, subject to the approval of Parliament, the sum above mentioned shall be advanced to you by instalments, and upon the conditions as to repayment specified by your Honor in your letter now under reply.

3. The first instalment, amounting to £6,000, will accordingly be paid as desired as soon as the Auckland Provincial Council shall have passed the Appropriation Act.

His Honor the Superintendent, Auckland.

I have, &c.,
DANIEL POLLEN.

No. 3.

His Honor the late SUPERINTENDENT of AUCKLAND to the Hon. the COLONIAL TREASURER.

(Telegram.)

Auckland, 16th June, 1874.

Will you have the goodness to advise the Bank here to place to credit of Provincial account £6,000 as first instalment of the £40,000 agreed to be advanced upon passing of Appropriation Act. The Act passed the Provincial Council, and has been presented to me by Mr. Speaker for assent on behalf of Governor.

J. WILLIAMSON.

No. 4.

The SPEAKER of the PROVINCIAL COUNCIL of AUCKLAND to the Hon. the COLONIAL TREASURER.

(Telegram.)

Auckland, 16th June, 1874.

At request of Superintendent I report that Provincial Council passed the Appropriation Act for period ending 30th June, 1875, last night.

G. MAURICE O'RORKE.

No. 5.

His Honor the late SUPERINTENDENT of AUCKLAND to the Hon. the COLONIAL TREASURER.

(Telegram.)

Auckland, 3rd October, 1874.

I HAVE to request that you will be good enough to direct a further advance of £6,000 to this province under section 2 of Provincial Works Advances Act.

J. WILLIAMSON,
Superintendent.

No. 6.

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

(Telegram.)

Wellington, 5th October, 1874.

PAYMENT of £6,000 will be sent per telegraph.

DANIEL POLLEN.

No. 7.

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

(Telegram.)

Auckland, 25th March, 1875.

In the event of my accepting delegations, I have become aware that a large expenditure will be necessary in connection with new gold fields to provide roads, bridges, and other necessary public works. No revenue will be received by the province on account of Ohinemuri for a considerable time to come, and it will be necessary that such work should be undertaken forthwith. I understand that some of the works have been already begun. Will the Colonial Government place funds at my disposal for this purpose? The Hauraki district does not appear up to the present time to have had its just share of the loan moneys set apart by the Assembly for roads and works in the North Island. * * * *

G. GREY.

No. 8.

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

(Telegram.)

Wellington, 27th March, 1875.

THERE are no funds which can be placed at your Honor's disposal for expenditure on public works at Ohinemuri other those which have already been granted in aid of provincial revenue by the General Assembly.

Under "The Public Works Advances Act, 1874," £65,000 have been authorized to be paid; and under Part V. of "The Immigration and Public Works Act, 1874," a sum of £50,000 is authorized to be expended on and about works on the Thames Gold Fields. Your Honor will be able, I hope, to find in these supplies the means of carrying on necessary works on the new gold fields at Ohinemuri. * * * *

DANIEL POLLEN.

No. 9.

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

(Telegram.)

Auckland, 5th April, 1875.

UNDER section 2 of Provincial and Public Works Advances Act the advance of £40,000 to this province is made payable by quarterly instalments of £6,000. Only two instalments of that amount received hitherto. On the 31st days of December and March last respectively instalments became due; but instead of £12,000 only £5,000 remitted, leaving £7,000 due. This amount is now instantly required to pay provincial accounts, and as the temporary advance authorized by your guarantee on the application of the Deputy-Superintendent has now been settled with the Bank, I beg that you will cause this sum of £7,000 to be placed to our credit by telegraphic advice.

G. GREY.

No. 10.

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

(Telegram.)

Auckland, 5th April, 1875.

RE your telegram of 31st ultimo advising payment of £8,763 to Provincial Account, I shall feel obliged if you will let me know on what account this payment was made, and whether any portion of it relates to the special allowance of £25,000.

G. GREY.

The Hon. the Colonial Secretary, Wellington.

No. 11.

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

(Telegram.)

Wellington, 6th April, 1875.

DETAILED account of remittance was sent by post on 31st ultimo from the Treasury here, and will be in your Honor's hands.

Three instalments of £2,000 each on account of advance have been made—viz., on 27th June, 8th October, and the last due on the 31st March.

I am advised that no more money than has been remitted is due and payable to the province.

DANIEL POLLEN.

His Honor the Superintendent, Auckland.

No. 12.

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

(Telegram.)

Auckland, 6th April, 1875.

I HAVE been waiting for an answer to my telegram of yesterday requesting immediate payment of £7,000, being the balance of the £40,000 advance payable up to date. I find that, through the irregularity of the payments to the province on this and other accounts, the Provincial Government has been made to incur a charge for interest upon overdraft with the Bank, and yesterday my cheque for £8,000 odd was dishonored by the Bank, which might have inflicted a serious injury upon public and general credit in the province. I therefore beg for an immediate reply.

G. GREY.

The Hon. the Colonial Secretary, Wellington.

No. 13.

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

(Telegram.)

Wellington, 7th April, 1875.

I RECEIVED your Honor's message of the 5th instant in the afternoon of that day, Monday, and replied yesterday, as soon as I could obtain the necessary information from the Treasury. I regret the incident of the dishonored cheque for £8,000 odd, and the apparent want of confidence on the part of the Bank. Probably there were not sufficient funds at credit of the Provincial Account, and your Honor's Advisers had failed to make with the manager the preliminary arrangement usual in such cases. Under these circumstances, I venture to suggest to your Honor, with great respect, that the possible danger which you see in this incident of "serious injury to public and general credit" might have been obviated by a simple expedient.

This Government desires earnestly to give your Honor every possible aid in discharging the duties of your office, if you will permit our co-operation, and, in order to provide for the immediate need of your Provincial Treasury, will at once advance the whole of the sums payable to the province during the current quarter under "The Provincial Public Works Advances Act, 1874," if you desire to have that accommodation.

DANIEL POLLEN.

His Honor the Superintendent, Auckland.

No. 14.

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

(Telegram.)

Auckland, 7th April, 1875.

RE explanation of remittance of £8,000 odd, requested by my telegram of 5th instant, the account for February does not show the information which I require. I wish to know the particulars of the item £6,739 4s. 7d. credited to the province as capitation and special allowance, and whether any portion of that item relates to the £25,000 special allowance under the Act of last session.

G. GREY.

The Hon. the Colonial Secretary, Wellington.

No. 15.

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

(Telegram.)

Auckland, 7th April, 1875.

It is true, as your telegram states, that three instalments of £6,000 each on account of the £40,000 advance have been paid to the province in the months of January and March; by a mistake in the telegram of advice sent from the Colonial Treasury, the last remittance was stated at £5,000 instead of £6,000. We are, however, entitled not to three, but four instalments: that of 30th December or 31st March, as the case may be, has not yet been paid. There is therefore a further sum of £6,000 now due on this account.

G. GREY.

The Hon. the Colonial Secretary, Wellington.

No. 16.

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

(Telegram.)

Wellington, 8th April, 1875.

OFFICERS of the Treasury insist that three instalments only of the £40,000 advance can now be due: these have been paid. A statement of the items of the sum of "six thousand seven hundred and thirty-nine pounds four and sevenpence" will be sent to your Honor by mail to-morrow.

DANIEL POLLEN.

His Honor the Superintendent, Auckland.

No. 17.

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

SIR,—

Colonial Secretary's Office, Wellington, 8th April, 1875.

Referring to my telegram No. 131, of this day's date, I have the honor to enclose herewith a memorandum by the Secretary to the Treasury, showing the sums credited monthly to the Province of Auckland under "The Payments to Provinces Act, 1872," and "The Provincial Public Works Advances Act, 1874," which will furnish your Honor with the information you require as to the items of which the sum of £6,739 4s. 7d. is made up.

I have, &c.,

DANIEL POLLEN.

His Honor the Superintendent, Auckland.

MEMORANDUM of the Sums credited monthly to the Province of Auckland in account under "The Payments to Provinces Act, 1872," &c.

Under "The Payments to Provinces Act, 1872," capitation allowance, 69,161 at 15s. per cap. £4,322 11 3	
Special allowance, $\frac{1}{2}$ th of £4,000 333 6 8	
		£4,655 17 11
Under "The Provincial Public Works Advances Act, 1874," Section 8, special allowance $\frac{1}{2}$ th of £25,000 2,083 6 8	
Total £6,739 4 7	

C. T. BATKIN,
Secretary to Treasury.

Treasury, 8th April, 1875.

No. 18.

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

(Telegram.)

Auckland, 8th April, 1875.

I THANK you for your prompt reply to my second telegram, and am obliged by your offer of providing for the immediate wants of this Treasury. I only asked for what this province is I believe entitled to as a right. See your correspondence with my predecessor at Wellington in April of last year, and refer to practice pursued on this subject, from which it seems clear that fourth instalment of £6,000 was payable on 31st March ultimo.

The Hon. the Colonial Secretary, Wellington.

G. GREY.

No. 19.

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

(Telegram.)

Auckland, 8th April, 1875.

RE fourth instalment of £6,000, please look at the correspondence referred to in my telegram of this date.

The Hon. the Colonial Secretary, Wellington.

G. GREY.

No. 20.

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

(Telegram.)

Wellington, 9th April, 1875.

I HAVE looked again at the papers on the subject of the advance of £40,000, at your Honor's request. I have also looked at the Provincial Public Works Advances Act, which I think leaves no doubt as to the will of the General Assembly in this matter. The question of "right" which your Honor has raised being thus, I hope, disposed of, I repeat on behalf of the Government the offer of accommodation made in my telegram of the 7th inst. A sum of £14,333 odd, being the fourth instalment of the £40,000 and the unpaid balance of the £25,000, will be remitted now if your Honor will apply for it as an advance of the regular payments on these accounts.

His Honor the Superintendent, Auckland.

DANIEL POLLEN.

No. 21.

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

(Telegram.)

Auckland, 10th April, 1875.

It was agreed between the two Governments on the 14th April, 1874, that a first instalment of £6,000 should be paid upon the passing of the Provincial Appropriation Act, and £6,000 every three months thereafter, until £40,000 had been advanced. The total amount was to be repaid by the province—certain provincial funds were to be retained by the Colonial Treasurer, until the whole £40,000 was so refunded. In fulfilment of this agreement the Appropriation Act was passed on the 17th June, 1874. The first instalment of £6,000 was paid on the 30th June; the Assembly ratified this arrangement on 31st August, 1874; the second instalment fell due on the 30th September, and was paid on the 9th October, 1874; the 31st December passed without a third instalment of £6,000 being paid. I am advised that, in an interview with my predecessor about the end of January, you did not lead him to suppose that any doubt existed that this third instalment had not then become due; and from that time the Provincial Government, in order to meet what it understood to be your wish as expressed at that interview, pressed its demands on the Colonial Government as little as possible. During the two months which followed this interview no intimation was given by you to the Superintendent that the payment of the third instalment due on the 31st December was to be disputed. On the 31st March ultimo, the Colonial Government made a third payment—a payment of £6,000. All this in agreement and practice constituted such an undertaking between two Governments as is, I believe, always held sacred. Of the will of the Assembly we know nothing; of actual words of pledge, of securities given and accepted, of acts performed, there can be no doubt. It might be said that the will of the Assembly would be fulfilled by one penny being paid to the province every three months. I believe that by every rule of public faith this province was entitled to the payment of a fourth instalment on the 31st March ultimo. The £40,000 was voted for works determined on by my predecessor—not to be applied as I may think proper. The Colonial Government is very good in offering me such large advances. I could not accept such an offer without a total sacrifice of my own independence, and that of this province. I, therefore, with all respect, stand on the rights of this province. If they are ignored, I shall do my duty to the best of my ability in poverty, but with independence preserved.

G. GREY.

The Hon. the Colonial Secretary, Wellington.

No. 22.

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

(Telegram.)

Wellington, 10th April, 1875.

RE offered advances, I regret very much the determination which your Honor announces. Your Honor's predecessor, to my interview with whom you refer, never claimed, or, I think, imagined, a "right" to make five quarters in a financial year. We held ourselves very fortunate in being able frankly and cordially to co-operate with and assist him in his efforts to promote the interests of the Province of Auckland. The Colonial Treasurer will, I am sure, take great care, by prompt payment to the Provincial Treasury of all moneys accruing due, to reduce as much as possible the inconvenience of the situation in which your Honor must find yourself.

DANIEL POLLEN.

His Honor the Superintendent, Auckland.

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.