A.—1.

With regard to the present position of the difference between myself and my Ministers, I have the honour to report that the Premier called on me yesterday and tendered my Ministers' advice that, in response to a question put by Sir George Grey in the House of Representatives, I should agree to lay before Parliament Ministers' reference to the Secretary of State, as well as all other

despatches bearing on the subject.

Although I believe it to be contrary to usual practice to lay before a local Parliament a reference to the Secretary of State before the reply is received, yet, considering the peculiar circumstances,—that it is the strong desire of Ministers that they should be produced, that Ministers have advised me to agree to this production, and that I could not conceive of any injury that would be done to the public service by doing so,—I agreed to accept their advice, and the correspondence will be laid before Parliament to-morrow. I have, however, declined to produce my despatch of the 22nd June, although I agreed, in case of Ministers thinking it well to yield this point, to telegraph to you for leave to lay that despatch on the table. I also agreed to lay on the table my despatch of the 8th August, as I thought it only right that my remarks in my Ministers' reference should be laid before Parliament at the same time.

I have, &c., GLASGOW.

The Right Hon. the Secretary of State for the Colonies, &c., Downing Street.

Enclosure No. 1. Lord Knutsford to the Earl of Glasgow.

10th August, 1892. (Telegram.) The figures in your despatch of the 22nd June show that the Legislative Council consists of thirty-one members of the Opposition and five Ministerialists. If twelve were added to the latter, a large Opposition majority would still remain; therefore the proposal of Premier seems to me a reasonable one. The existence of an Upper House largely disproportionate to what appears to be the present political feeling in the colony may be imperilled unless a more even balance of parties is secured. Despatch will be sent by mail.

Enclosure No. 2.

The Earl of Glasgow to Lord Knutsford.

(Telegram.) [Received 11th August, 1892.] 11th August, 1892. From information which I have received, I consider that the Legislative Council consists of the Speaker, twelve Ministerialists, and twenty-two members of the Opposition, four of these Councillors being absent from the colony.

The difference between these figures and the estimate of Premier, as I reported in my despatch of the 22nd June, is accounted for by disapproval of certain measures which were not brought before the country at election, and which deprive the Government of considerable support in the

Reference from Ministers to the Secretary of State for the Colonies on this subject leaves by post to-day, with my remarks.

No. 10.

(No. 49.) Government House, Wellington, 7th September, 1892. My LORD,-With reference to your despatch (New Zealand, No. 20, of 30th May, A.-2, 1893, No. 7. 1892) forwarding a letter from the Admiralty (dated 24th May, 1892) with regard to the contributions of the Australian Colonies towards naval defence, I have the honour to inform you that the variation in the amount payable by this colony to such fund will be very slight indeed, being represented by the increase or decrease in population; that for the present year, 1892–93, being £20,489, or £223 less than that paid for the year 1891–92. I have, &c.,

GLASGOW. The Right Hon. the Marquis of Ripon, &c.