

grounds that the 10th clause provides that the Trustees of the sinking fund should be entirely independent of the Provincial Government.

By the enclosed copy of certain conditions necessary to the obtaining the Governor's assent to a Loan Ordinance, and which were transmitted for my guidance on the 24th January, 1860, you will observe there the clause in question was in strict accordance with the instructions of His Excellency's Responsible Advisers.

To insure the certainty of the Ordinance I am about to introduce obtaining His Excellency's sanction I forward a copy amended both as regards the object and extent of the Loan to meet the urgent demands of our altered state of society which requires the greatest of exertion to meet the requirements of the times. I hope to be favoured with a reply to enable me to introduce the Bill in the session of Council I have called for the 23rd of October next.

I have &c.,

The Honorable the Colonial Secretary,
Auckland.

J. RICHARDSON.

No. 39.

No. 682.

MR. FOX, TO THE SUPERINTENDENT, OTAGO.

Colonial Secretary's Office,
Auckland, 8th October, 1861.

SIR,—

I have to acknowledge the receipt of Your Honor's letter referring to previous correspondence on the subject of the proposed "Otago Loan Bill," and transmitting a copy of a Bill amended, both as regards the object and the amount of the sum which you propose to introduce into the Provincial Council next session.

The Government is of opinion that under the present circumstances of the Province of Otago the following words should be added in the Preamble and the first clause of the Bill to the objects of the Loan, "or to the maintenance of the peace, order, and good government of the Province."

Sir George Grey considers himself bound by express instructions from the Imperial Government, as a general rule, not to assent to Provincial Loans without first obtaining the assent of Her Majesty's Government except in case of emergency. He considers the present circumstances of Otago justify a departure from the general rule, and he will be prepared to assent to a Loan for public works and purposes of Police to the extent of Fifty Thousand pounds, to be expended subject to the sanction of the General Government. He desires it to be understood that he proposes to fetter the Provincial Government as little as possible in the expenditure of the Loan to be raised, and in this desire his Excellency's Advisers fully concur.

I have, &c.,

His Honor the Superintendent
of Otago.

WILLIAM FOX.

No. 40.

No. 802.

THE SUPERINTENDENT, OTAGO, TO THE COLONIAL SECRETARY.

Superintendent's Office
Dunedin, 6th November, 1861.

SIR,—

Referring to your Despatch as per margin, I have the honor to forward herewith "The Otago Loan Ordinance 1861, in duplicate, for the assent of His Excellency the Governor.

8th Oct., 1861.

I have, &c.,

The Honorable the Colonial Secretary,
Auckland.

J. RICHARDSON.

No. 41.

No. 862.

MR. FOX TO THE SUPERINTENDENT, OTAGO.

Colonial Secretary's Office,
Auckland, 30th November, 1861.

SIR,—

I have the honor to inform you that the Bill forwarded in Your Honor's letter of the 6th instant passed in the Provincial Council of Otago, intituled "An Ordinance for raising a Loan of £50,000 for the public service of the Province of Otago and for providing a sinking fund for the liquidation of the public debt of the said Province," and reserved by you for the signification of the Governor's pleasure thereon, has been laid before His Excellency, who has been pleased to assent to the same.

Your Honor's attention is directed to the 2nd section of the Provincial Reserved Bills Act," which provides that no Bill reserved for the signification of the Governor's pleasure shall have any force within the Province until the Superintendent shall signify, as therein specified, that it has been laid before the Governor and that His Excellency has assented to the same.

I have, &c.,

His Honor the Superintendent,
Otago.

WILLIAM FOX.