

therefrom, but is attributable to the obvious fact that the payment of the principal of the Provincial debts was expressly provided for by means of the sinking funds which, in addition to the annual interest, are charged upon the Provinces, and which (if properly calculated and invested) will in themselves provide sufficient funds for the payment of the principal of the debts. It was evidently assumed by the Legislature that the annual sinking fund of each loan should be so computed and invested as to create a sufficient fund to pay off the principal when it became due.

Should your Honor, after a consideration of all these circumstances, still determine, which I trust will not be the case, to withhold that portion of the sinking fund to which I have referred, from the object to which it was appropriated, the Colonial Government will take care that the sum, less £1,720, accruing from the annual two per cent. under "The Nelson Waterworks Loan Act, 1864," shall be paid to retire the Nelson debentures which will be due on the 1st of July next. The whole case will, however, be submitted to the General Assembly for its decision, and in the meantime I have to inform your Honor that until the decision of the General Assembly has been arrived at, the Governor will be advised to withhold his assent from, or to disallow, any Provincial Act which may purport to appropriate to other purposes the sums already appropriated towards providing for the discharge of the Nelson debts.

I may, in conclusion, observe in reference to conversations which you state took place between yourself and the Colonial Treasurer, that, whatever conversations may have taken place, your Honor must have totally misconceived the meaning of the Colonial Treasurer, if you supposed him to mean that the Province of Nelson was not to provide for discharging its debts.

His Honor the Superintendent, Nelson.

I have, &c.,
E. W. STAFFORD.

No. 26.

The Hon. JOHN HALL to His Honor O. CURTIS.

Telegram.

Wellington, 11th June, 1868.

CONTROLLER objects to issue money for paying Nelson debentures until some personal evidence is produced of the date when the debentures are payable. Will you send a formal certificate to the above effect by first mail.

JOHN HALL.

His Honor the Superintendent, Nelson.

No. 28.

Copy of a Letter from His Honor O. CURTIS to the Hon. E. W. STAFFORD.

(No. 63.)

Superintendent's Office,

SIR,—

Nelson, 13th June, 1868.

In compliance with the request contained in the telegram received from the Postmaster-General on the 11th instant, I have the honor to forward herewith a certificate as to the date when the debentures issued under the authority of "The Nelson Debenture Act, 1858," become due.

I have, &c.,

OSWALD CURTIS,
Superintendent.

The Hon. the Colonial Secretary, Wellington.

Enclosure in No. 28.

Superintendent's Office, Nelson, 13th June, 1868.

I HEREBY certify that the Debentures issued under the authority of "The Nelson Debenture Act, 1858," mature on the 1st July, 1868, and become payable at this office on that day.

OSWALD CURTIS,
Superintendent.

Countersigned—J. SHARP,
Provincial Treasurer.

No. 29.

Copy of a Letter from the Hon. E. W. STAFFORD to His Honor O. CURTIS.

(No. 314.)

Colonial Secretary's Office,

SIR,—

Wellington, 19th June, 1868.

I have the honor to acknowledge the receipt of your Honor's letter No. 63, of the 13th instant, forwarding a certificate as to the date when the debentures issued under the authority of "The Nelson Debenture Act, 1858," become due.

I have, &c.,

His Honor the Superintendent, Nelson.

E. W. STAFFORD.