

works of the harbour, I have consulted the Attorney-General on the subject of the security proposed to be given by the Corporation for repayment of the principal and interest.

As regards the Coal Reserve, it appears that two years ago there was a dispute as to whether it was to be an endowment for the County of Westland or for the Corporation of Greymouth, and the General Government proposed to assign a moiety to each. Nothing, however, appears to have been finally decided, and the Attorney-General, under the circumstance, considers that the General Government cannot be advised to accept the security unless the County Council and Corporation respectively pass resolutions consenting to the Governor (in whom the reserve is at present vested), granting it to the trustees to secure the advance and interest as proposed.

I have on receipt of the above opinion referred the matter to the Chairman of the County Council, requesting him to ask the Council to pass such a resolution. I should be obliged by your forwarding to me an authenticated copy of the resolutions which I understand the Corporation has already passed to the same effect, and also agreeing to mortgage if required the wharfage tolls and the other revenue of the Municipality.

I hope to be in Hokitika in a week or ten days, when, if the resolutions are passed, I trust to be able to bring this matter to a conclusion. I will take care to intimate to you my arrival there, when, perhaps, it may be desirable that we should again meet for the purpose.

I have, &c.,

His Worship the Mayor of Greymouth.

WM. FOX.

No. 7.

EXTRACT from the PROCEEDINGS of the COUNTY COUNCIL of WESTLAND.

Thursday, 22nd February, 1872.

Resolved—"That the Chairman be empowered to offer the Local Reserve in the Grey District to the General Government as a security for an advance of money to the Borough of Hokitika and Greymouth for the reconstruction of protective works in the said Borough." (On the motion of the Chairman.)

[True Copy.]

A. E. TENNANT,

Secretary to the Council.

No. 8.

From Mr. WHALL, to Hon. Mr. FOX.

SIR,—

Town Clerk's Office, Greymouth, 27th February, 1872.

I have the honor to acknowledge the receipt of your letter of the 16th instant, referring to the Attorney-General's opinion, and resolutions necessary to be passed by the Council of the Borough of Greymouth, consenting to his Excellency the Governor vesting the Grey River Coal Reserve in trustees, to secure an advance from the Government to the said Council, to be expended in reconstructing the Grey River Harbor Protective Works in a permanent manner, and in reply thereto, I am directed by the Council of the Borough of Greymouth to transmit the enclosed copy of resolutions passed by the said Council at a meeting held on the 26th day of February, 1872.

And further, to state that Edmund Wicks, Esq., Mayor, and Martin Kennedy, Esq., Councillor, of the said Borough, were appointed at the said meeting, with authority to execute any deed, matter, or thing necessary on behalf of the Council that the Government may require for the purpose of granting the said advance.

I have, &c.,

JOHN A. WHALL,

Town Clerk.

The Hon. W. Fox, Hokitika.

Enclosure in No. 8.

COPY of RESOLUTIONS.

1st. That this Council do borrow from the General Government the sum of Four or Five Thousand Pounds for the completion of the protective harbor works on the river Grey, to be secured by a mortgage on the reserve known as the Grey River Coal Reserve, numbered 274, in red; such loan to bear interest at such rate as may be agreed upon, and to be repaid at the rate of say Eight Hundred Pounds per annum, as the General Government may direct.

2nd. That this Council hereby signifies its consent to the said coal reserve being vested by his Excellency the Governor in trustees, for the purpose of further securing the due payment of the said loan. The Council of the Borough of Greymouth agrees, when called upon to do so, to mortgage the rates, wharfage rates, tolls, and other resources of the Borough to the extent of say Eight Hundred Pounds per annum, but not exceeding that amount, and to sign such deeds and documents, pass such resolutions, and to do such acts, deeds, and things as may be necessary or requisite for giving such further security as aforesaid.

Passed by the said Council this 26th day of February, in the year of our Lord One thousand eight hundred and seventy-two.

[L.S.]

EDMUND WICKES, Mayor.

JOHN A. WHALL, Town Clerk.