

No. 5.

The Hon. J. VOGEL to the ATTORNEY-GENERAL.

WILL the Attorney-General be good enough to advise upon the position of the Wanganui Tolls, and upon the effect of the letter written to the Superintendent on the 16th January, by Mr. Woodward.

I have, &c.,

JULIUS VOGEL.

5th August, 1872.

No. 6.

The ATTORNEY-GENERAL to the Hon. J. VOGEL.

6th August, 1872.

As the Colony is secured by a charge on all the revenues of the Province—both Ordinary Revenue and Land Revenue,—and as the tolls, if received by the Province, form part of the Provincial revenues, these tolls are also charged with the liability in question.

The history of the advance is, that in 1869, by the Appropriation Act, the Colonial Government was authorized to advance out of Consolidated Revenue, to the Province, for a period not exceeding seven years, £15,000 for the erection of the bridge.

At the end of the same year (1869), the Province passed an Ordinance reciting the fact of the loan by the Colony, and that the Colony required the security mentioned in such Ordinance. The Ordinance provides that all tolls should be paid to the Colonial Treasurer, and that the Collectors of Tolls should be appointed by the Colonial Treasurer; and the proceeds were to be applied in paying interest, at the rate of £6 per cent., on the loan authorized by "The Appropriation Act, 1869," the balance to go in reduction of principal.

The Provincial Ordinance also provides that the toll-houses shall be vested in the Colonial Treasurer.

This Ordinance provides, that it is to remain in force until the Governor by Proclamation, or by such means as he thinks fit, declares that the debt, &c., is paid.

In 1870, authority was given, by the Defence and other Purposes Loan Act, to raise moneys sufficient to repay to Colony this advance. Provision was made for charging moneys so raised and applied in such repayment, and the interest and sinking fund, &c., of the moneys so raised on the revenues of the Province.

I understand that moneys were so raised and applied.

If that be so, the debt of £15,000 secured by the Provincial Act has been repaid to the Colony; but all the revenues of the Province are charged with the moneys raised for the purpose of such repayment, and, so long as the tolls form part of the Provincial revenues, the Colony cannot be said to be prejudiced by the change in its security.

I think that the letter may be fairly considered an informal mode of carrying out the provisions of the Provincial Act, and be treated as a declaration by the Governor that, the original loan having been repaid, the security on the tolls had been discharged.

I think, therefore, that the Colonial Treasurer cannot now insist upon receiving the tolls or appointing collectors. Nevertheless, the Colonial Government cannot, by anything that has taken place, be deemed to have assented to the Province denuding itself of those revenues which are derivable from the tolls.

JAMES PRENDERGAST.

The Hon. the Colonial Treasurer.