Treasuries moneys already expended, was objectionable in principle and in manifest violation of the spirit and intention of the Act authorizing the loan to be raised. Accordingly, they expunged the clause, and the Bill in this amended form (and with some other unimportant amendments) was returned to the House of Representatives.

The House of Representatives returned the Bill, with reasons for disagreeing from the amendments of the Legislative Council in clauses 14, 15, 28, and 29, as follows:—

"That the above clauses relate to the appropriation and management of money, and that the Legislative Council has not power to alter or expunge such clauses."

The Legislative Council replied as follows:—

"At this late period of the Session it would be impossible for the two branches of the Legislature to discuss, with the requisite deliberation, the important question of privilege raised by the House of Representatives. But the Council desires briefly to state its views of the question thus raised:—

"The present Bill, so far at least as concerns the application of the Immigration and Public Works Loan, authorized to be raised last year, is not, in their opinion, a Bill of Aid or Supply. It imposes no new burden on the people, nor alters any existing burden, nor is it a grant of money by

way of Supply.

"The Colonial Parliament last year authorized a very large loan to be raised on the credit of the Colony, to be expended strictly and exclusively on immigration, railways, and other public works and undertakings specified in the Act. It is proposed by the present Bill to divert a part of the money so to be raised to other objects of a cognate character, and to that extent the Legislative Council is prepared to concur in the proposed measure. But it is proposed, further, to authorize the Governor to pay over one-half of the amount so to be diverted, to the Provinces. Such an application of the Immigration and Public Works Loan authorized to be raised last year is not, in the opinion of the Council, right or consistent with the engagements upon the faith of which Parliament last year consented to raise the loan.

"The Legislative Council claims the right to exercise its own judgment upon that point. The concession of that right would so narrow as practically to destroy its proper functions as a Legislative body in dealing with questions of a similar character which come before them in a great variety of forms. For the foregoing reasons, the Legislative Council earnestly trusts that the House of Representatives will accept the Bill as amended by the Legislative Council."

To this the House of Representatives made a rejoinder as follows:—
"That it is beyond the power of the Legislative Council to vary or alter the management or distribution of any money as prescribed by the House of Representatives: that it is within the power of the House of Representatives by Act of one Session, to vary the appropriation or management of money prescribed by Act of a previous Session.'

To which the Legislative Council replied by the following message:

"This Council cannot assent to the reasons adduced by the House of Representatives for disagreeing to its amendments in the Payments to Provinces Bill, and maintains that the amendments to which the House of Representatives objects, are strictly within the powers and privileges of the Council to make.

"The Council considers the clauses in the Bill, in their original and unamended shape, to be objectionable in principle and in manifest violation of the spirit and intention of the Public Works Act of 1870. The Council recognizes, however, that the Bill is a portion of the general financial policy of the Government, and that its rejection at this stage might be attended with great public incon-

"While, therefore, still maintaining its constitutional right to make the amendments in question, it consents to abstain from the exercise of this right, on the House of Representatives agreeing,—
"1. To amend the Bill so as to restrict its operation to the present financial year.
"2. To refer the point in Light to the present financial year.

"2. To refer the point in dispute between the two Houses to the Law Officers of the Crown

in England, upon a case to be prepared by Managers appointed by each House.

"Subject to these conditions, the Council will, on being made acquainted with the names of the Managers appointed by the House of Representatives to draw up the case for reference, cease to insist upon its amendments.

Whereupon the House of Representatives transmitted the following message:

"The House of Representatives have considered the reasons adduced by the Legislative Council for refusing to concur in the reasons of the House of Representatives for objecting to the amendments of the Council in the Bill intituled 'The Payments to Provinces Act, 1871.' The House have concurred in the first proposition of the Legislative Council, respecting the operation of the Bill, and have agreed to the following clause, to stand the last clause of the Bill:—
"'This Act shall continue in operation until the first day of July next, and no longer."

"On consideration of the second proposal of the Legislative Council, the House of Representatives

have agreed to the following Resolution:

That this House will concur in the proposition of the Legislative Council, that the opinion of the Law Officers of the Crown be obtained on the question whether, in accordance with the practice of the Imperial Parliament, the amendments made by the Council are within its functions, having regard to constitutional usage and to the powers conferred on the Council by 'The Privileges Act, 1865,' and that Mr. Speaker, Mr. Brandon, and the Hon. Mr. Fox be appointed Managers to meet Managers on the part of the Legislative Council to prepare a case for the purpose. Such opinion to be taken with a view to assisting the Legislature in future action, but not to be binding on either House.'

To this the Legislative Council replied by the following message:-

"The Legislative Council have waived their amendments in the Bill intituled The Payments to Provinces Act, 1871,' and have agreed to the following clause, to stand as the last clause of the Bill:-

"'This Act shall continue in operation until the first day of July next, and no longer.'

"Also, the Legislative Council have appointed the Hon. the Speaker, the Hon. Mr. Sewell, and the Hon. Mr. Mantell as their Managers to meet the Managers appointed by the House of Repre-