A.—3.

Majesty's Attorney-General, in reference to an appointment whose conditions had been defined by a Statute of so late a date as 1875, and by a Minister of the Crown, to whom all his colleagues yield precedence, speaking on behalf of a Government whose official language addressed to me in their despatches has been of a very different character. These conditions are all think you will agree with me, justify me in drawing your attention to Mr. Whitaker's words, and asking you whether, so far as you are concerned, they correctly represent the facts.

3. I pass the insinuation conveyed in the words "a friend of their own," since Mr Whitaker expresses indignation that the words "personal friend" should have been imputed to him, though in truth between the one form of expression and the other I can see no remarkable distinction. But your friendship is a privilege which I could feel no possible disposition to disclaim. I am much more concerned by the imputation which is conveyed in the sentence that "there was a Mr Kennaway in the office, who was competent to carry on the agency without their (i.e. your) interference, but instead of allowing him to do so they appointed," &c., &c. Such a statement made by the principal Law Officer of the Crown, in his place in Parliament, has, I need not say, a very serious significance. It is wholly inconsistent, if I was correctly informed and may trust my memory, with the state of the facts and the state of the law when I was appointed Agent-General for New Zealand—accepting, as you well know, not without hesitation and at some personal inconvenience the temporary tenure of the office.

4. I have now to ask you whether, as a matter of fact and law, Mr Kennaway was legally competent to carry on the office in the event of the death of the Agent-General without your interference; and whether you might have allowed him to do so, as Mr Whitaker has alleged, but for your disposition to appoint me to the office. I have to ask you whether, as I believed at the time, and believe, the duty of appointment was not imposed upon you by statute and by consequent special instructions from the Government, instead of being assumed by you as Mr Whitaker's words imply; and whether, as I understood from you, your attention was not called by the late Agent-General, personally some time before his death, and by his letter of resignation addressed to you on the eve of his death, to the necessity that

had arisen for the due exercise of your powers under the Act.

5. I have moreover to ask you whether, in any despatches you may have received from the Government on the subject anterior to my appointment, or in any communications you may have had with Dr. Featherston, the name of Mr. Kennaway was mentioned, in the way in which Mr. Whitaker alludes to him, as Dr. Featherston's proper successor in the ordinary course of affairs. You will remember, I am sure, that when first invited to accept the office I was careful to inquire from you whether there was any gentleman in the department, or connected with the colony, who might be supposed to have an official right, or even a fair claim, to succeed Dr. Featherston. I should be very sorry to have interfered in any way with the assumption of higher functions in the department by an officer of Mr. Kennaway's zeal, ability, and long service. I do not say so on this occasion for the first time. When the Government first heard of Dr. Featherston's illness, a despatch was addressed to him by Sir Julius Vogel, granting him a lengthened leave of absence, and directing that Mr. Kennaway should act for him during his absence. Owing to Dr. Featherston's lamented death, this letter reached my hands nearly two months after I had accepted office. In writing to Sir Julius Vogel by the following mail, I took occasion to intimate to him in the following terms my disposition on the subject:—"I perceive in the despatch relative to Dr. Featherston's illness that Mr. Kennaway was appointed to conduct the duties during Dr. Featherston's expected absence. I do not know whether a similar arrangement might have been contemplated in case of Dr. Featherston's death, but if so, I should be very sorry to stand in Mr. Kennaway's light, as he is undoubtedly a very competent, trust-worthy officer, and from his experience, his position, and from the apparent intention of the Government, in case of Dr. Featherston's temporary absence, he would appear to have a claim, which I should not be sorry to see recognized."

6. I have only to add, in conclusion, that if on a review of all the circumstances of the case you think it desirable that I should vacate the office, and that Mr. Kennaway would be "competent," to use Mr. Whitaker's words, "to carry it on," until an Agent-General duly appointed by the Governor in Council shall have arrived, I shall be at once prepared to take whatever steps may be necessary to

that effect.

Sir Penrose Julyan, K.C.M.G. W. C. Sargeaunt, Esq., C.M.G. I have, &c., W. Tyrone Power, Agent-General.

## Enclosure 2 in No. 1.

The Crown Agents to Sir W. Tyrone Power.

Downing Street, London, 14th November, 1876. SIR,-

We have the honor to acknowledge the receipt of your letter of the 18th instant, calling our attention to a debate which had taken place in the House of Representatives of New Zealand concerning the office of Agent-General, and incidentally referring to ourselves in a manner calculated most justly to raise your apprehensions as to whether we had not, by misrepresentations, placed you in a false

position by appointing you to an office which we had no right to dispose of.

We are much pained to think that, after yielding to our repeated solicitations to accept pro tem. the position of Agent-General for New Zealand, you should be exposed to the annoyance, however temporary, which the language attributed to the Hon. Frederick Whitaker is calculated to produce. We can only assure you that there is not the slightest foundation for what that gentleman is reported to have said; and considering the very high official positions held by him at the time—the strongly marked features of the case—and the opportunities (amounting almost to necessities before entering upon such a debate) which he had of becoming acquainted with it in all its bearings—we can come to no other conclusion than that his speech must have been incorrectly reported.