

requested.—W. S. REID.—25th May, 1878.” What I understand the Solicitor-General to mean is this: that section 12 was a general provision, which should prevail supposing there was no deficiency; but, supposing a deficiency arose, and the question arose whether that deficiency should be raised by Treasury bills, then he thought the rule I had laid down would apply.

343. Will you put in those papers?—Yes.

344. Then it was simply upon the interpretation of the 12th clause that the money has been paid?—The payments that took place before the Act of 1877 no doubt took place (if any) under the Solicitor-General's opinion. Section 4 of the Act of 1876, if I remember rightly, was repealed. Section 6 of the Act of 1877 says: “A separate account shall be kept of the land revenue accruing within each county, and there shall be paid to such county out of the Consolidated Fund, quarterly, a sum equal to 20 per centum of such land revenue so accruing in each county.” The question which arose was this: Was the 25 per cent. a prior charge to that? And the decision of the Government was that it was. Mr. Batkin again writes: “There is yet another question in this matter requiring decision. It is this: Is the New Plymouth Harbour Board entitled to one-fourth of the gross proceeds, or of any part of the proceeds, of lands sold on deferred payments.” Mr. Ballance adds: “To include proceeds deferred-payment land.”

345. *Mr. Pitt.*] The 4th section of the Financial Arrangements Act says: A separate account shall be kept of the Land Fund accruing within each district, which shall be charged with certain sums; and the 6th subsection says: “In the case of Taranaki, with the percentage payable under ‘The New Plymouth Harbour Board Amendment Act, 1874;’” but there is nothing in that section to show that Taranaki is to be treated exceptionally in respect of the matter in the preceding five subsections?—Nothing.

346. Your opinion is, that the Land Fund should have been charged with the matters mentioned in the first five subsections before the money by “The New Plymouth Harbour Board Endowment Act, 1874,” was paid over?—No; my opinion was, that if the effect of that arrangement was to cause the borrowing of money on Treasury bills, in that case the 25 per cents. could not be a first charge. I held that, where a deficiency arose, the 25 per cent. was not a first charge.

347. Then you are of opinion that the Land Fund was subject to the first five subsections of clause 4 of “The Financial Arrangements Act, 1876”?—I am of that opinion, because the Act is contradictory to itself; therefore, you must interpret any special provision as over-riding any general one; and the Solicitor-General concurs with me in that maxim.

348. *Mr. Montgomery.*] Then you think the 12th section, though conflicting with the 10th section, did not over-ride that?—No; because I hold the proviso in the 10th section to over-ride the 12th section.

349. Then that clears up the matter till 1877?—Yes.

350. I see by the Act of 1877, that section 4 of the Act of 1876 is repealed, but the 12th section is retained. I see, in clause 4 of “The Financial Arrangements Act, 1877,” that “nothing herein contained shall affect the 11th and 12th sections of the Act of 1876”?—Yes; it is under the 11th and 12th sections, which are not repealed by “The Financial Arrangements Act, 1877,” that I continued to pass the payment. The question could never arise again; because, as both the charges are percentages, there never could be a deficiency.

351. *The Chairman.*] Are the Committee to understand that the repeal of the 10th clause of “The Financial Arrangements Act, 1876,” removed all difficulties?—Yes; but that was only a temporary thing—for one year.

352. Is the Committee to understand that at present Taranaki not only receives 25 per cent. of the total land revenue for the purposes of the Harbour Board, but also received 20 per cent. for general purposes, up to the time that the 20 per cent. was generally removed?—I do not think there has been any change made, since Mr. Ballance's decision that the 20 per cent. to the county was to be after deducting the 25 per cent. to the Harbour Board.

353. You were proceeding to say that a question had arisen, as to whether the New Plymouth Harbour Board was entitled to 25 per cent. of the money from the sale of the Waimate Plains?—The question was raised in the memoranda which I will read. Major Atkinson wrote, on the 6th January, 1881, for the opinion of the Solicitor-General, the following memorandum:—

Section 17 of “The New Plymouth Harbour Board Ordinance, 1875,” reads: “From and after the passing of this Ordinance there shall be paid to the Board, in the terms of ‘The New Plymouth Harbour Board Endowment Act, 1874,’ one-fourth part of all revenues arising from the sale, occupation, or other disposal of the waste lands of the Crown within the province.” “The Public Revenues Act, 1875,” section 16, enacts: “The revenues arising from lands confiscated from the Natives under the authority of ‘The New Zealand Settlements Act, 1863,’ and any Act amending the same, shall be, and on and from the first day of July, one thousand eight hundred and seventy-five, be deemed to have been, Land Fund within the meaning of ‘The Public Revenues Act, 1867.’ Provided that until after the thirtieth September, one thousand eight hundred and seventy-six, the revenues arising from the sale or other disposal of confiscated lands within the Province of Taranaki shall not be deemed to be land revenue for the purposes of ‘The New Plymouth Harbour Board Endowment Act, 1874,’ or for the purposes of any Ordinance constituting a Harbour Board in the said Province.” Under section 6 of “The Public Revenues Act, 1867,” “Land Fund” is defined as the revenue now or hereafter payable on account of the sale, &c., of waste lands of the Crown. In “The Waste Lands Administration Act, 1876,” section 14 provides “that the Governor may from time to time, by Proclamation in the New Zealand Gazette, proclaim the confiscated lands within any land district to be waste lands of the Crown; and from and after the coming into operation of this Act no confiscated lands or any interest therein shall be sold, leased, or otherwise disposed of except in accordance with the provisions of the laws relating to the sale, letting, disposal, and occupation of the waste lands in force within the land district in which such confiscated lands are situated.” This clause was, however, repealed by “The Land Act, 1877” section 3. Section 5 of the last-named Act declares: “Crown lands shall include all lands heretofore designated ‘waste lands,’ Crown lands, and ‘confiscated lands’ respectively.” “The Financial Arrangements Act, 1876,” section 4, reserves to the New Plymouth Harbour Board the percentage payable under its Endowment Act; and sections 11 and 12 save previous legislation appropriating the proceeds of sales of specified blocks. The Financial Arrangements Act of 1877, section 4, re-enacts sections 11 and 12 of “The Financial Arrangements Act, 1876.” “The Financial Arrangements Act, 1878,” by section 3, continues appropriations of land revenue for particular purposes, and, by section 4, provides that revenue accruing to the New Plymouth Harbour Board under its endowment Act shall not be affected by the 20 per cent. payable out of land revenue to counties under section 6 of the Financial Arrangements Act of 1877. By “The West Coast Settlement (North Island) Act, 1880,” section 5, “all lands in the West Coast Land District which have not been heretofore reserved, granted, sold, or otherwise disposed of, and which shall not be granted, or set aside, or made reserves as aforesaid, shall be deemed