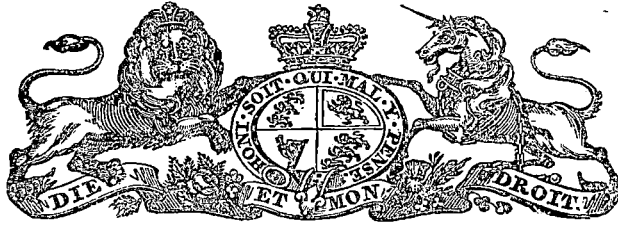


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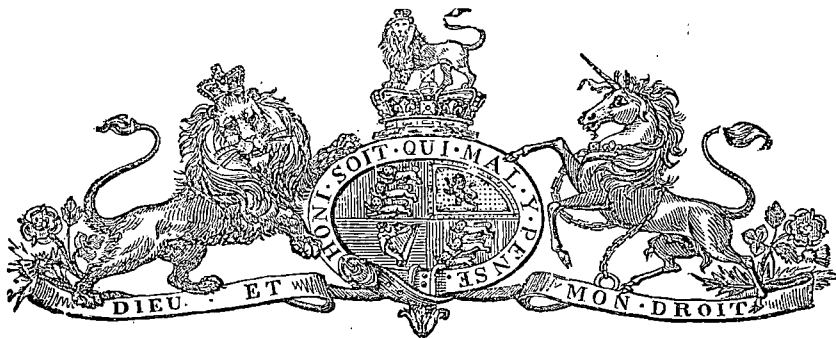
CLARENCE MUNICIPALITY.

RETURN TO AN ORDER OF THE HOUSE.

*(Mr. Abbott, 16 January, 1862.)*

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Laid upon the Table by Mr. Chapman, and ordered by the House to be printed,  
22 January, 1862.



*Colonial Treasury, 29th August, 1861.*

SIR,

WHEN the Ratepayers applied for the Electoral District of Clarence to be declared a Rural Municipality, they set forth certain boundaries whereby a portion of the Electoral District was excluded; for which, in its entirety, the Parliament had voted the sum of £650.

In consequence of the reduction in the area, Mr. Strachan was informed by the Colonial Secretary that the creation of the Municipality, with the proposed boundaries, would necessitate the transfer of the two Constables stationed at Risdon Ferry to the Richmond District, which would have the effect of reducing the contribution authorised for Clarence by the proportionate annual pay of these men; viz., £182 10s.

At the time the first instalment of the Government contribution was paid you, this Department was not aware of the alteration in the boundaries of the Municipality of Clarence; consequently, the Grant in Aid was paid at the rate of £650, instead of £467 10s. I have therefore to acquaint you that the amount paid in excess, from 14 November, 1860, to 30 September, 1861,—viz., £160 10s.,—will have to be refunded; but, should the repayment of the whole amount at once be inconvenient, the Government will have no objection to deduct it from future contributions, and in such instalments as may best suit the Municipal Council.

I have the honor to be,  
Sir,

Your most obedient Servant,

F. M. INNES, *Colonial Treasurer.*

EDWARD ABBOTT, *Esquire, Warden, Clarence.*

*Bellerive, 31st August, 1861.*

SIR,

I HAVE been honored with your letter of the 29th instant, informing me that, when the Ratepayers of Clarence applied to be declared a Municipality, they set forth certain boundaries, for which, in their entirety, the Parliament had voted the aid of £650; that Mr. Strachan was informed by the Colonial Secretary, that the creation of the Municipality within the proposed boundaries would decrease the sum of £650 voted, by the pay of two Constables stationed at Risdon Ferry, amounting to £182 10s.; that, up to this time, the Treasury Department were not aware of the latter circumstance, consequently that £160 10s. has been paid in excess; and that you require the repayment of that amount by instalments.\*

In reply, I have to inform you that your letter will be submitted to the Municipal Council; but, previously to my doing so, I may inform you that my expressed opinion invariably was, that the District should not have taken up Municipal action, except within the proposed original boundaries, in order to prevent any abatement in the £650; and I thought that the same Officials as we have now could efficiently manage the entire locality.

I also reasonably now intend that the Municipality should not be called on to refund any portion of this money now claimed by you; for, by "The Municipal Act, No. 3," Section 4, the law, in clear and distinct terms, provides that, if an alteration takes place in the boundaries of the District, the deduction must be agreed upon between the Government and the Municipality.

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\* Total paid from 14th November, 1860, to 30th September, 1861,—£571 17s. 1d. Excess,—£160 10s.

I would also draw your attention to the fact, that the Municipality of Richmond only employ one Constable at Risdon, at £91 5s. per annum; that the employment of the Constables at that place was supererogatory, as there ought to have been one on the Richmond side, and one on the Hobart Town side, as there now is. So that, assuming the claim to be allowed by the Municipal Council, according to the present law the deduction sought for can only amount to £91 5s. per annum from the £650, and the sum to be agreed on can only reasonably be exacted from the date of its demand; for the Council, in November last, made no claim for the entire amount. It was paid over to us by your Department without a cavil. Liabilities have been incurred in consequence; and it would be unfair and unjust, under such circumstances, to call on us to refund. When your communication and demand has been under the consideration of the Council, I shall further address you; but I submit to you that, in this reply, I have shown sufficiently that the claim you have made is unreasonable, and that it is made regardless of the law which at this time regulates the subject matter of the claim.

I have the honor to be,

Sir,

Your very obedient Servant,

EDWD. ABBOTT, *Warden, Clarence.*

F. M. INNES, *Esquire, Colonial Treasurer.*

As the arrangements for the constitution of the Municipal Council in the District of Clarence were made through the Colonial Secretary's Office, the reply of the Warden to the application for repayment of the amount of Government contribution paid in excess is forwarded for the information of the Government.

THOS. V. JEAN.

18th September, 1861.

*To the Honorable the Colonial Secretary.*

REFERRED to the Inspector of Police with reference to Mr. Abbott's statement, that the Richmond Municipality only employ one Constable at Risdon, at a cost of £91 5s. per annum; whereas £182 10s. was deducted from the Grant to the Clarence Municipality, on account of the expense of maintaining Police protection in that portion of the Electoral District not included in the Municipality, but added to Richmond; and with the request that he will state whether he would wish to review his former Report, which is forwarded herewith.

B. TRAVERS SOLLY.

26th September, 1861.

So long as the Ferry Station was occupied by the Territorial Police, I considered it necessary to keep two Constables there; but now the responsibility of protection at this point has devolved on a Municipality, it has, in its discretion, reduced the numerical strength of its Police, leaving only one Constable at this Station. Hobart District never supplied a Constable,—Clarence, up to the time of its establishment as a Municipality, providing for its maintenance.

The deduction of the pay of two Constables for this service from the Grant in Aid to Clarence seems to have been perfectly understood by the Petitioners at the time of their petitioning; and the addition of that sum to the Richmond Grant in Aid was held to be secured to that Municipality, inasmuch as the amount was, on and after the constitution of Clarence, at once paid to me, supplementing the Richmond Abstracts. Economy in expenditure being the chief end of Local Government, every Municipality has reduced the staff of regular Constabulary, supplementing the Force with Special Constables; thus, Clarence has reduced two Constables out of five, and Richmond three out of seven.

I see no reason for revising my Report, as it only applies to the then existing Force under Territorial organization.

J. FORSTER.

2nd October, 1861.

*Bellerive, 16th September, 1861.*

SIR,

ADVERTING to my letter of the 31st August last, I do myself the honor to transmit a Resolution passed by the Municipal Council on the Motion of Mr. Councillor Strachan, whose name you have used in your communication to me, and I desire your early attendance to this enclosure.

I have the honor to be,

Sir,

Your most obedient humble Servant;

EDWD. ABBOTT, *Warden, Clarence.*

*The Colonial Treasurer.*

*Council Chambers, 14th September, 1861.*

In reference to the communication of the Colonial Treasurer respecting the amount paid in aid to this Municipality—

1. This Council is of opinion that the amounts to be given in aid to the several Municipalities are not contingent on the adoption of the specific boundaries described in "The Rural Municipalities Act, No. 2," as no provision was made in that Act for any reduction; and No. 1 allows the inhabitants to fix the boundaries by Petition to the Governor in Council.

2. That, if the Governor in Council approves of the boundaries set forth in the Petition, it is proclaimed as the Municipality applied for, and is entitled to the sum set opposite its name in the Schedule to Act No. 2.

3. That the Governor in Council has approved of, and proclaimed, the Municipality of Clarence, and also Richmond, in accordance with the Petitions of the Inhabitants.

4. That Richmond receives a greater amount of assessment, in consequence of a portion of Clarence being united to Richmond.

5. That Clarence employs a Warden, Clerk, Superintendent of Police, and six Constables, with aid of £650; while Richmond employs a Warden, Clerk, Superintendent of Police, and six Constables, with aid of £700.

6. That the Cross Roads in Richmond are all defined, and upwards of £100,000 has been expended on them by the Government; while Clarence has a greater amount of Cross Roads than Richmond, the greatest portion of which are still undefined, and not more than £1000 has been expended on them by the Government.

7. That Richmond has a Court House, Gaol, Watch-houses, stables, and all necessary buildings; while Clarence has two Watch-houses in a miserable state of repair.

This Council therefore respectfully submits, that if any alteration can now be made without an Act of Parliament (for the 4th Section of "The Rural Municipalities Act, No. 3," has reference only to Municipalities after they are formed), that the £700 may be allowed Clarence, and the £650 be given to Richmond, in aid of their respective Municipalities.

THE Warden's letter of the 31st August last, herein referred to, was forwarded, for the information of the Government, on the 18th instant.

THOS. V. JEAN.

*To the Honorable the Colonial Secretary.*

*Bellerive, 9th October, 1861.*

SIR,

ADVERTING to my letters to you of the 30th August and the 16th September last, on the subject of a claim against this Municipality, I shall be thankful to receive a reply to those communications.

I have the honor to be,

Sir,

Your most obedient Servant,

EDWD. ABBOTT, *Warden, Clarence.*

*The Colonial Treasurer.*

*Colonial Treasury, 10th October, 1861.*

SIR,

In reply to your letter of the 9th instant, allow me to call your attention to the amount set forth in Local Estimates in aid of the Clarence Municipality, under which the question raised in your previous letter is referred to the Legislature.

As soon as the House of Assembly has decided that question by its vote, I shall be in a position to address you more definitely than I can now do as to the excess inadvertently paid by the Treasury to you on account of the Municipality.

I have, &c.

F. M. INNES.

E. ABBOTT, *Esquire, Warden, Clarence.*

*Municipality of Clarence, 24th October, 1861.*

SIR,

By a Resolution passed by the Council of this Municipality on the 19th instant, Councillors Strachan and Young were appointed to communicate with the Government as to the amount to be paid in aid of the Municipal Fund of this Municipality.

We therefore beg most respectfully to bring under your consideration the following circumstances relative to the amount which has hitherto been paid to this Municipal Fund by the Government:—

1st. That this District took on themselves Municipal action in November, 1860.

2nd. That the amount set opposite the Electoral District of Clarence in the Schedule to "The Municipal Act, No. 2," is £650; that that sum is not given in aid of the Police, but of the Municipal Fund.

3rd. That, for the benefit of the adjoining District of Richmond, this Municipality diminished the area, as the northern boundary of this Electoral District approaches within one mile and a half of the Township of Richmond, and would have taken in nearly 9 miles of the Risdon Road,—the people immediately within that boundary would have been compelled to travel 13 miles to the Police Office at Kangaroo Point, while within 2 miles of Richmond. As regards the 9 miles of Road, the rule adopted by this Municipality is to expend on the several Roads the sums collected by assessment on those Roads; so that the sum that would have been collected by this Municipality, and expended on the Risdon Road, would have been altogether inadequate to the repair of that Road.

4th. That the Governor in Council has approved of the area applied for, by proclaiming it a Rural Municipality; and that the Ratepayers of Richmond have also approved of it by applying for the portion left out,—which they need not have done, but have left the Inhabitants in that portion to Petition to be joined either to the Municipality of Clarence or Richmond.

5th. That the Council of this Municipality is willing to take the whole of the Electoral District of Clarence into this Municipality, if it meets the views of the Municipality of Richmond.

6th. That the Cross Roads in Richmond are all defined, and upwards of £100,000 has been expended on them by the Government; while Clarence has a greater extent of Cross Roads, many of them still undefined, and not more than 2 miles in that District has been made by the Government.

7th. That Richmond has all the necessary buildings they require, while Clarence has only two Watch-houses in a bad state of repair.

8th. That an assessment of One Shilling in the Pound has been levied on the Ratepayers in this Municipality for Police and Roads, which will be inadequate to meet existing contracts, if any, if the sum hitherto granted is withdrawn.

9th. We apprehend that, if Richmond had first taken Municipal action, and had included the area they now possess, that the Government would not voluntarily have added to the sum of £700, set opposite their District in the Schedule to Act No. 2, the amount of £182 10s. proposed to be taken from this Municipality.

Under these circumstances, we respectfully ask, that while the sums are voted to the several Municipalities, that the sum hitherto paid to this Municipality may be continued.

We have the honor to be,

Sir,

Your obedient Servants,

R. STRACHAN.  
JAMES YOUNG.

*To the Honorable the Colonial Treasurer.*

REFERRED to the Colonial Secretary for the purport of previous correspondence, if any, on this question.

21st November, 1861.

F. M. INNES.

SIR,

*Bellerive, 2nd December, 1861.*

I do myself the honor to enclose, for the consideration of the Executive Government, a copy of a Minute I read to the Municipal Council of the District of Clarence on the 30th ultimo, and also a copy of a Resolution passed by the Council in consequence thereof.

I have the honor to be,

Sir,

Your obedient Servant,

*The Colonial Secretary.*

EDWD. ABBOTT, *Warden, Clarence.*

## MINUTE.

I HAVE to bring under the passing notice of the Council the claims of the Municipality to the bonus payable by the Executive Government, by virtue of a positive law (Schedule Municipal Act, No. 2). There is at this date actually due the Municipality the sum of £108 6s. 8d., according to the sum heretofore paid and received; and no deduction can legally be made from the amount fixed by the Parliament until the same is eventually agreed upon, as between the Government and the Municipality (Section 4, Municipal Act, No. 3). The Council are aware that, on the 19th October last, the question of an abatement on the original amount was remitted to a Sub-Committee, consisting of Messrs. Strachan and Young; and the result of this interference will perhaps appear in their Report, which ought to be brought up this day.

The Police Account of the Municipality has been overdrawn in the Bank of V. D. Land in the sum of £20; but there is to the credit of the Municipal Account the sum of £67 5s. 2d. There is due the Municipality the further sum of £280 on account of the Parliamentary Vote, being Nine Pence for a Shilling in the Pound collected under the Road Rate for the year 1861.

This is the state of our pecuniary affairs, there being nearly £400 due by the Executive Government to the Municipality. We must do one of two things,—either borrow money from our Bankers, charging the Government the interest we shall have to pay, or discharge the Police, and call on the Government to send the necessary Constabulary to preserve law and order in the District.

EDWD. ABBOTT, *Warden, Clarence.*

*Clarence, 30th November, 1861.*

MOVED by Councillor Dawson, and carried—That the Warden be authorised to borrow from the Bank of Van Diemen's Land the sums necessary to pay the Police Force of the District.

That notice be given to the Executive Government that they will be called upon to pay the interest thereon; and that the Council indulge the hope that, at its next Meeting, a satisfactory Report may be presented by the Sub-Committee, Messrs. Strachan and Young, on the subject remitted to them.

*Bellerive, 11th December, 1861.*

SIR,

ON the 2nd instant I did myself the honor to enclose to you, for the information of the Executive Government, a copy of a Minute I addressed the Municipal Council of this District. I also forwarded to you a copy of a Resolution passed by the Council in consequence thereof; and although my letter was most urgent, and marked "Immediate," I have not received any reply, nor has that communication been even acknowledged.

I have the honor to be,

Sir,

Your very obedient Servant,

EDWD. ABBOTT, *Warden, Clarence.*

*The Colonial Secretary.*

*Colonial Secretary's Office, 11th December, 1861.*

SIR,

IN reply to your letters of the 2nd and 11th instant, I beg to enclose the answer of the Government, addressed to Messrs. Strachan and Young, to the claims of the Municipality of Clarence.

After a perusal of this document, you are requested to give directions for forwarding it to the gentlemen to whom it is addressed.

I have, &c.,

WILLIAM HENTY.

*The Warden of the Municipality of Clarence.*

*Colonial Secretary's Office, 11th December, 1861.*

GENTLEMEN,

I HAVE the honor to acknowledge the receipt of your communication, written by you on behalf of the Municipality of Clarence, addressed to the Colonial Treasurer, and dated the 24th October; the purport of which is to beg that, "while the sums are voted to the several Municipalities, the sum hitherto paid to this Municipality may be continued."

I would first beg to observe that, in the payments made up to 30th July last, a sum of £160 10s. was included in error; and, on the 29th day of August last, application was made to the Warden, by the Treasury, to return it.

This sum is part of £182 10s., the amount adjudged to be fairly due in respect to the area which was deducted from the Electoral District of Clarence, and which has since been appropriately added to the Municipality of Richmond; and your application is, therefore, virtually, that this extra sum may be retained for the present, and continued for succeeding years.

The basis of your application appears to be the fact that, by the Act of Parliament ("The Rural Municipalities Act, No. 2"), a sum of £650 is provided for the Electoral District of Clarence; and, as your District is known by the name of the Municipality of Clarence, therefore you claim the entire sum.

By its conduct in this case, the Government may claim the attribute of occupying an impartial and a disinterested position, as it seeks to keep back no portion of this Grant, but only to do its duty in adjusting, as fairly as it can, between two Districts the whole amount voted for the whole area.

1st. The first remark I beg to offer is, that your body appear to have been somewhat misled by the name.

There is no such District in existence as a Municipality that comprises the whole area intended in the Schedule of the Act, therefore it is an impossibility that you can show a title to the whole sum. Indeed, it may be argued that you have no claim to any amount; but, as the Government knows perfectly well that the meaning of the Act was to give £650 to the Electoral District of Clarence, whether it were divided into one or two Municipalities, so it has not scrupled to observe the spirit of the Act, and to grant that sum,—one portion to the Clarence Municipality in respect to the portion of the Electoral District which is comprised in it; the balance, £182 10s., to the Municipality of Richmond, for the remainder of that Electoral District, which balance they have received. It should be remembered, also, that this alteration and reduction of your boundaries was made at your own instance; and it was never supposed that you made the application for ridding yourselves of that now detached portion, with a view of drawing the whole Grant of money,—a fair portion of which must, in justice, go to the Municipality of Richmond, which has accepted the additional area, and incorporated it as part and parcel of their Municipality.

Seeing, therefore, that the Government is powerless to make any alteration in the division of the money grant without the assent of the Richmond Municipality, the most feasible way, I would respectfully urge, of your obtaining your wish, appears to be that suggested by the 5th paragraph of your letter; viz., that the detached portion should be resumed from the Richmond Municipality (with their concurrence), and added to that of Clarence. You could then, as a matter of course, claim the entire sum.

Such alteration of boundaries can, however, only be initiated by the Districts themselves.

Until this arrangement is mutually concurred in by the two Municipalities, I need hardly repeat that the division signified in the communications already made to you, for appropriating the £650 between the two bodies, must be observed.

As to the sum of £160 10s., which has been paid in error to the Warden of Clarence, I have now to convey to you, that the Government do not intend to make any further demand for its repayment.

I have, &c.,  


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**WILLIAM HENTY,**

SIR,

*Bellerive, 30th December, 1861.*

I HAVE the honor to enclose, for the attentive consideration of the Government, the Case and Opinion of Counsel on the claim of this Municipality, respecting the subject of the Government aid or contribution.

The Municipality claim the entire District, comprising the Electoral District of Clarence, for which the sum of £650 has been voted; or, should this course be deemed inexpedient, they contend, in reason and justice, that the deduction of £91 5s. should be made, that being the sum payable for one Constable stationed at Risdon Ferry by the Municipality of Richmond.

I beg an early reply to this communication, and that the Case and Opinion of Counsel may be returned to me.

I have the honor to be,

Sir,

Your very obedient Servant,

**EDWD. ABBOTT,** *Warden, Clarence.*

*The Honorable the Colonial Secretary.*

*EX PARTE the Clarence Municipality.—Case for the Opinion of Counsel.*

THE Inhabitants residing in the Electoral District of Clarence petitioned His Excellency the Governor in Council, under the authority of "The Municipal Act, No. 1," Sect. 4, to proclaim the District a Rural Municipality, leaving out a portion of the District; viz., the Risdon Ferry and part of the locality bordering on the Road to Richmond.

The District was thus proclaimed; and, on the 14th November, 1860, the Municipality was called into existence by the election of the Warden and Councillors.

By "The Rural Municipalities Act, No. 2," Sect. 3, the Colonial Treasurer was required to pay the contribution of £650 towards the Electoral District of Clarence taking on itself Municipal action, (Schedule Electoral District of Clarence, £650), and this full sum was paid by the Government, and received by the Municipality, up to the 30th September last.

The Colonial Treasurer, in his letter 29th August, stated, that up to that time the Government were unaware of the boundaries of the District; and that they claimed a deduction from the Municipality of £182 10s., being the pay of two Constables originally stationed at Risdon Ferry. Now, one Constable is only stationed there, in the Municipality of Richmond. The other one is now stationed on the opposite side of the river, being one of the Rural Police of Hobart Town District.

The £650, forming the Government contribution to the entire Electoral District of Clarence, was calculated on two Constables being stationed at Risdon Ferry; and if only one is required there, surely, in reason and common sense, a deduction of the pay of one only should take place from the £650.

The Colonial Treasurer, in his letter to the Warden of the Clarence District, dated the 10th October last, informed him that the Assembly would have to decide that question; but the Warden contended in Parliament that, according to the Law now in existence, the amount must be mutually agreed on, as between the Government and the Clarence Municipality, (Municipal Act, No. 3, Sect. 4.)

This Act was assented to on the 4th October, 1860, and the Rural Municipality of Clarence was proclaimed the next day.

Notwithstanding this express enactment and positive law, the Government have informed the Municipality of Clarence that they have deducted and paid the sum of £182 10s. from the £650 to the Richmond Municipality, by a letter received from the Colonial Secretary of date the 11th December last.

As it is the intention of the Municipality of Clarence to resent the wrong and illegality done them, your opinion is *requested upon the simple point at issue; viz., whether the Executive Government can legally make this appropriation*,—take this sum of £182 10s. from the Clarence Municipality without their consent, and contrary to the Law which provides that the amount must be mutually agreed upon? And the next question will be, what course the Municipality must follow to obtain, in fairness and justice, their due?—which must be, it is presumed, an appeal to the justice of Parliament; or whether any legal means can be adopted in the case?

The Warden of the Clarence Municipality has written to the Executive Government, earnestly calling their attention to the requirements of the Law in this case; and although the funds of the Municipality are so low that money has been obliged to be borrowed on loan to pay the Police Force, yet no notice whatever has been taken of his letters, or of the legal points mooted by the Colonial Treasurer, (letters 30th August, 16th September, and 9th October last); a proceeding quite at variance with the usual official courtesy, and certainly treating with contumely a Corporate Municipality.

*Bellerive, 23rd December, 1861.*

OPINION.

It appears, by the case submitted to me, that the District proclaimed as the Rural Municipality of Clarence did not comprise "a portion of the Electoral District; viz., the Risdon Ferry and part of the locality bordering on the road to Richmond." "The Rural Municipalities Act, No. 2," provides that the sum of £650 shall be annually paid to the Treasurer of the Electoral District of Clarence "as such District is now defined," (see Schedule to Act); but, as a portion of the Electoral District was not comprised within the boundaries of the Rural Municipality, it follows that a deduction should be made from the sum of £650.

I do not think Section 4 of "The Rural Municipalities Act, No. 3," applies in a case like this. According to my interpretation of the Section, it can take effect only where the Governor in Council alters the boundaries of a Municipality by excluding some portion of the area included therein from such Municipality, and redefines the boundaries of such Municipality in accordance with such alteration (see Section 2). Here he could not exclude the District in question, because it never was included in the Rural Municipality of Clarence, and consequently the case is not within the scope of the Act. From the facts stated in the case before me, I consider the pay only of the Constable stationed at the Risdon Ferry in the Richmond Municipality should be deducted from the £650; and, if the Municipality of Clarence considers itself aggrieved, it should bring its grievance under the notice of Parliament,—the proper tribunal to deal with the matter.

R. P. ADAMS.

*Stone Buildings, 30th December, 1861.*

A TRUE COPY.—

A. B. WILLIS, Colonial Secretary's Office.

*Colonial Secretary's Office, 4th January, 1862.*

SIR,

I AM directed to acknowledge the receipt of your letter of the 30th ultimo, enclosing Case and Counsel's Opinion upon the claim of the Municipality of Clarence to the full amount of the Grant in Aid allotted in the Schedule to "The Rural Municipalities Act, No. 2," to the Electoral District of Clarence, and, in reply, to inform you that your letter will receive due consideration.

I have, &c.,

B. T. SOLLY.

E. ABBOTT, Esquire, M.H.A., Warden, Clarence.



*Bellerive, 11th January, 1862.*

SIR,

ADVERTING to my letter to you of the 4th instant, on the subject of the Executive Government seeking arbitrarily to reduce the Government contribution hitherto paid to the Clarence Municipality by £182 10s.,—the pay of two Constables formerly stationed at Risdon Ferry (one of whom is now only stationed there, and the other on the opposite side of the river in another district),—and being desirous of having this question of finance brought to an early settlement, as the Municipality require the money to pay the Police Force, I respectfully propose to leave the question as to what amount of abatement should take effect from the £650 received by the Clarence Municipality to the Wardens of Glamorgan, Spring Bay, and Oatlands, or either *one* of those officials, as the Government may approve.

I trust that this reasonable proposal may be accepted by the Executive Government, in order that this matter, now pending upwards of three months, may be forthwith determined, instead of my moving for this correspondence and asking for the interposition of the Parliament.

I have the honor to be,

Sir,

Your most obedient Servant,

EDWD. ABBOTT, *Warden, Clarence.*

*The Honorable the Colonial Secretary.*

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*Colonial Secretary's Office, 16th January, 1862.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 11th instant, proposing that the settlement of the question, as to what amount of abatement shall be made from the £650, allotted in the Schedule to "The Rural Municipalities Act, No. 2," to the Electoral District of Clarence when it should be declared a Rural Municipality, should be referred to the Wardens of Glamorgan, Spring Bay, and Oatlands, or either one of them.

In reply, I beg to inform you, that the Government see no reason to depart from the decision formerly arrived at, and communicated in my letter of the 11th December last, addressed to Messrs. Strachan and Young; but, should the Municipality of Richmond express a willingness to re-adjust the amount of the Grant in Aid by arbitration or otherwise, the Government will be prepared to sanction such a division as may be mutually agreed upon.

I have the honor to be,

Sir,

Your very obedient Servant,

WILLIAM HENTY,

EDWARD ABBOTT, *Esquire, M.H.A., Warden, Clarence.*