

No 50.

THE HON. MR. WHITAKER TO THE SUPERINTENDENT, SOUTHLAND.

Colonial Secretary's Office,  
Auckland, 7th June, 1864.

SIR,—

In reference to the correspondence and personal communications that have taken place between your Honor and the Colonial Government, I have now the honor to state the arrangements by which it is proposed to relieve the Province of Southland from its present financial embarrassment.

1. In order to prevent any breach of contract with the Contractors, the General Government will provide such sums as will be required for carrying on Railway and other works for three months, not exceeding £15,000 in any one month. No other works than Railway to be paid for unless done in fulfilment of a valid and now subsisting Contract.

2. To provide for the repayment of the advances thus to be made, the whole of the Land Fund is to be applied except so much as may be necessary to pay the cost of the Survey and Waste Land Offices, the expenses of which are to be reduced to the full extent compatible with efficiency, to the satisfaction of this Government.

3. It is also distinctly to be understood that the expenditure of the Provincial Government for other purposes than those specified, viz., Railway and other works, is to be reduced to the satisfaction of the General Government, so as to be within the Revenue arising from other sources than the Land.

4. The Balance due from the Bank of Otago, applicable to Railways, when paid, to be placed, if the General Government think fit, to a Railway account in the Colonial Treasury, and no part of it to be applied to any other purpose than towards the completion of the Railways.

Upon your signifying your assent to these terms the necessary instructions will be issued to the Colonial Sub-Treasurer at Invercargill to carry them out.

I have, &c.,

FREDK. WHITAKER,  
In the absence of Mr. Fox.

His Honor the Superintendent,  
Southland.

No. 51.

THE SUPERINTENDENT, SOUTHLAND, TO THE COLONIAL SECRETARY.

Auckland, 8th June, 1864.

SIR,—

I have to acknowledge the receipt of your letter of the 7th instant, stating the terms upon which the General Government is willing to assist the Provincial Government of Southland in its present financial embarrassment, namely, that the General Government will provide such sums as may be required for carrying on Railway and other works, under valid and existing contracts, for three months, such sum not to exceed £15,000 in any one month; the Land Revenue of the Province to be paid to the General Government until such advances are repaid; the General Government will pay the Land and Survey departments, which are to be reduced to the lowest degree compatible with efficiency; the expenditure of the Provincial Government for purposes other than Railways and other works contracted for to be reduced to the satisfaction of the General Government; and the sum due by the Bank of Otago on Railway accounts to be applied only to Railway purposes; and I have now to intimate the acceptance of those terms by the Provincial Government.

I have, &c.,

J. A. R. MENZIES,  
Superintendent of Southland.

The Hon. the Colonial Secretary,  
Auckland.

No. 52.

THE HON. MR. WHITAKER TO THE SUPERINTENDENT, SOUTHLAND.

Colonial Secretary's Office,  
Auckland, 8th June, 1864.

SIR,—

I have the honor to acknowledge the receipt of your letter, of this day's date, signifying your assent to the terms proposed for relieving the Province of Southland from its present financial embarrassment, and I now enclose, for your information, a copy of the instructions sent to the Colonial Sub-Treasurer at Invercargill.

I have, &c.,

FREDK. WHITAKER,  
In the absence of Mr. Fox.

His Honor the Superintendent of Southland.