

Enclosure 7 in No. 73.

MR. PEARSON TO SUB-TREASURER, SOUTHLAND.

Southland Club,
Invercargill, July 26th, 1864.

SIR,—

Referring to the writer's interview with you on the 21st instant relative to our claim for the construction of Railway Piers at the Bluff and Mokomoko, and being aware that a further sum of £15,000 will be due this day by the General to the Provincial Government under an agreement, as published, bearing dates 7th and 8th June, 1864.

We beg to claim a portion of said sum on account on the following grounds :

1st. Because this £15,000 per month for three months, or £45,000 in all, was specially granted by the General Government to prevent a breach of existing Contracts for "Railway and other Works."

2nd. Because our works were *Railway Works*, although we are credibly informed that you have paid on "other Works" as well, recently.

3rd. Because although we have finished *our* part of the Contract, the Provincial Government have not completed theirs by making monthly payments in terms of same ; it being consequently an existing Contract still.

Until, therefore, we have some payment on account, we protest against your paying other Contractors to our entire exclusion, more particularly as there was a voucher in our favor "in progress," and, still unpaid, dated so far back as the 25th April last, say—

For Bluff	£2,000	4	7
„ Mokomoko	2769	16	2
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						£4770 0 9

Should you entirely ignore our claim, amounting to £15,142 12s. 1d., as per Memorandum from the Provincial Government, now in our possession, as well as a further sum not yet passed, in your present and future payments, we shall, however much such a course may be against our inclination, be compelled to take proceedings at law at once—not only for the recovery of the principal, and interest on the same, but for special damages, as well as for the great injury and positive inconvenience this delay in a settlement has caused and is causing us.

We have, &c.,

JAMES MCKENZIE & Co.,
Per George Pearson, Jun.A. J. Elles, Esq., Sub-Treasurer,
Invercargill.

Enclosure 8 in No. 73.

THE SUB-TREASURER, SOUTHLAND, TO MR. PEARSON.

Sub-Treasury,
Southland, 27th July, 1864.

SIR,—

I have the honor to acknowledge your letter of yesterday's date, relative to the payment by me to Messrs. McKenzie & Co., of a sum due to them by the Provincial Government of Southland; and in reply I beg to state, that on receipt of my instructions, based upon the late arrangement made between the General Government and his Honor the Superintendent, with a view to relieve the Provincial Government of its embarrassment, the right of various claims to be embraced within the scope of said instructions was duly weighed and considered by me ; and the conclusion arrived at, that the claim referred to by you did not belong to the class contemplated by the General Government.

I take this opportunity of remarking that no claim whatever of the same character as Mr. McKenzie's, viz :—for finished work, has been paid by me.

I have, &c ,

A. J. ELLES,
Sub-Treasurer.George Pearson, Esq.,
Invercargill.