

This has brought the whole machinery of Government to a stand, the exclusion from the offices is a serious evil: but that might be obviated. The seizure of the Books and Documents of the Government will have a paralysing effect even although they are only withheld, if they should be sold, as these parties declare they will shortly, the injury inflicted on the Province and its inhabitants will be incalculable.

If the records of the Land Office and the record Maps of the Survey Office should be sold, the evidence of ownership of land furnished by them may become unavailable, and the confusion which would necessarily follow might lead to all but interminable litigations on questions of Title. I should also state distinctly that the Bailiffs have taken possession of the Land Office, locking out and refusing admission to the Commissioner and Clerks. The Provincial Government is powerless to deal with this matter.

The Assignment to the General Government was made on the 22nd November, and due notice sent forthwith; but the General Government has not yet indicated the course it is proposed to take, whether to accept or decline; nor authorised any person to act on its behalf in case of the former. In absence of any direct authority to act, the Colonial Sub-Treasurer does not consider himself in a position to take active steps to recover possession on behalf of the General Government. I think that the bare statement of those circumstances will satisfy you that it has become necessary for the General Government to interpose with decision.

In another communication transmitted by this mail I have the honor to refer to some points connected with the general question of the financial state of this Province.

I have, &c.,

J. A. R. MENZIES,
Superintendent.

The Honorable the Colonial Secretary,
Auckland.

No. 4.

THE SUPERINTENDENT, SOUTHLAND, TO THE COLONIAL SECRETARY.

Superintendent's Office,
Southland, 21st December, 1864.

SIR,—

A long series of communications have passed between this Office and yours on the subject of the Finances of the Province, to the dates of which from circumstances detailed in another letter sent by this mail, I regret that I am unable to refer with exactness. They extend however, from the latter end of June, up to a recent date. I have endeavoured to keep your predecessor in office thoroughly informed on the subject. In one of my letters in August, I believe, I enquired whether the Colonial Ministry would approve of a Provincial Loan Bill, for a short period, ten years, bearing a high rate of Interest and sinking fund, 8 per cent. and 5 per cent., for having made enquiries, I learn on good authority, that a loan of £60,000 or upwards could be readily obtained in Australia on such terms, provided that a Colonial guarantee was given. The late Colonial Ministry steadily objected to sanction any further Provincial Loans, but it never indicated any course to which it would be willing to accede, whereby this Province would be enabled permanently to meet its liabilities. I believe that a perusal of the correspondence on the subject, and of the accounts transmitted from time to time, will satisfy you, that some decisive steps are necessary on the part of the General Government for the maintenance of the credit of this Province; otherwise the credit of the Colony will be compromised to a serious extent if this Province should be allowed to continue in its present embarrassment,

The difficulty could, in the opinion of the Provincial Government, as stated in one of the letters alluded to, have been overcome without any external aid, if the General Government had sanctioned the raising of a further Loan.

The terms upon which a loan could be raised now, would depend most materially on the giving or withholding of the Colonial guarantee.

I shall be glad to learn your views on this subject at your earliest convenience.

I have &c.,

J. A. R. MENZIES,
Superintendent.

The Honorable the Colonial Secretary,
Auckland.

No. 5.

THE SUPERINTENDENT, SOUTHLAND, TO THE COLONIAL SECRETARY.

Superintendent's Office,
Southland, 22nd December, 1864.

SIR,—

With further reference to my letter of the 21st inst., on the subject of the seizure of the property of the Provincial Government at the instance of McKenzie & Co., I have now the honor