

THE FINANCIAL CONDITION OF SOUTHLAND.

7 B.—No. 3A.

No. 13.

THE ACTING SUPERINTENDENT, SOUTHLAND, TO THE COLONIAL SECRETARY.

Superintendent's Office,
Southland, 11th March, 1865.

SIR,—

I have the honor to acknowledge the receipt of your letter of the 3rd instant, regarding Messrs. Dalgetty, Rattray and Co.'s contract for the Bluff Harbor and Invercargill Railway.

Owing to the absence of the late Superintendent, I am unable to answer as requested, but will do so by the next mail.

I have, &c.,

JAMES WILSON,
Acting Superintendent.

The Honorable the Colonial Secretary,
Wellington.

No. 14.

THE SUPERINTENDENT, SOUTHLAND, TO THE COLONIAL SECRETARY.

Superintendent's Office,
Southland, 22nd March, 1865.

SIR,—

Referring to your despatch of 3rd current, enclosing a copy of a letter from Messrs. Dalgetty, Rattray, and Co., of Dunedin, and requesting my remarks on the allegations in that letter, as to the engagements to pay stated to have been made by the Provincial Government of Southland. I have the honor to enclose copy of a letter from the late Superintendent on the matter, which contains all the information I am able to afford.

I have, &c.,

JOHN P. TAYLOR,
Superintendent.

The Honorable the Colonial Secretary,
Wellington.

Enclosure in No. 14.

THE HONORABLE MR. MENZIES TO THE SUPERINTENDENT, SOUTHLAND.

Invercargill,
16th March, 1865.

SIR,—

I have the honor to acknowledge the receipt of your letter of the 14th instant, enclosing copy of a letter from Messrs. Dalgetty, Rattray and Co., addressed to the Colonial Secretary, representing that they have an unsatisfied claim against the Provincial Government of Southland for £25,000, a balance of contract money, on account of the Bluff Harbor and Invercargill Railway, and requesting information on the subject.

The sum of the contract (No. 2 B. H. and I. Railway, accepted 15th October, 1863) with Ross and Aldrich was £22,413 14s., and an allowance for excavating rock at 2s. per cubic foot not to exceed £2,500. The work to be completed on 22nd June, 1864.

Their progress with the work was dilatory and unsatisfactory up to the end of January, 1864, as the correspondence on the subject in your office will show. So much so that the propriety of withdrawing the contract from them on the ground that they could not complete it within a reasonable time, was at one period under the consideration of the Provincial Government in the end of January, and subsequently their progress was more satisfactory, but even in the end of April so much of the work remained to be done that its completion within the time specified was very doubtful.

In May, in a conversation with Mr. Rattray, I stated that the Provincial Government would probably be unable to meet large monthly payments, and acting on advice, suggested that the works should be limited to an extent which would be covered by a monthly payment of £2000, which I stated would be about the largest sum that the Government could rely on being able to pay the contractors, the payments up to the end of April had amounted to £8239, being an average monthly payment of £1647.

Mr. Rattray observed that the contractors were then in a position to push forward the works with greater rapidity than before, but after some discussion and consultation the heads of an agreement were arranged, those were given to Mr. Marchant, who subsequently gave them to the Provincial Solicitor to be drawn up in a formal shape. I presume that the document is in his custody.