

FURTHER PAPERS RELATIVE TO

Exclusive of the payments above stated the following payments were made subsequently as approved by a return sent in to me by the Railway Engineer, Mr. Marchant—

	£	s.	d.
May 27	2011	14	7
June 27	2000	0	1
July 21	2000	1	5
August 22	2000	0	0
September 11	2000	0	6
October 11	2000	0	0

The whole sum paid up to that time amounting to £20,250 18s. 4d.

I should here remark that when rough measurements are taken for advance payments, the amount of work is understated.

The monthly payments of £2,000 a month during the winter and spring, as well as the previous payments which purported to amount to 90 per cent. on the work done, were calculated on a rough estimate, or loose measurement of the work done, which has proved to be far below the correct measurement; thus, a monthly increasing arrear accumulated, which the Railway Engineer approximately estimates to have amounted to about £15,000 at 1st November, besides about £1,000 for permanent way. After that time, the Provincial Government was unable to make any further payments to the contractors, and with a full knowledge that no further immediate payments could be expected, Mr. Rattray, in the first week of November, expressed his desire for his own sake to carry the work to its completion. The Provincial Government never contemplated that the General Government would have so unreasonably continued to withhold its assent from a further Provincial Loan—the only measure which can bring permanent relief—its conviction that the General Government would see and admit the necessity, it did not hesitate to express; and it trusted that pending the negotiation of such a loan the General Government would give it credit at a Bank for a sum sufficient to meet its pressing emergencies, but beyond this, it had not, in October, any reason to, nor did it rely any further on the action of the General Government to aid it in liquidating those claims. I am not aware that it made a different representation to Mr. Rattray; the Colonial Secretary had distinctly intimated that no further advances could be expected from the General Government. The sum claimed by Mr. Rattray is greatly in excess of the sum of the contract: it appeared that a great amount of extra and supplementary work had been executed by the contractor on Contract No. 2, much of which had been ordered without the knowledge of the Provincial Government.

This subject was under investigation at the time that I left office. A part of the claim I am aware is on account of another small contract on the line.

I have, &c.,

J. A. R. MENZIES.

His Honor the Superintendent,
Southland.

No. 15.

THE COLONIAL SECRETARY TO THE SUPERINTENDENT, SOUTHLAND.

Colonial Secretary's Office,
Wellington, 18th March, 1865.

SIR,—

The General Government have had under their serious consideration the financial position of the Province of Southland, with a view to the application of such measures of relief as may be possible, and the submission to the General Assembly, at the ensuing Session, of such proposals of permanent relief as may accord with the views of the Provincial Council of Southland, and be acceptable to the Colonial Legislature.

In order to enable the General Government to obtain this result, it is desirable that they should be in full possession of the remedial measures proposed to be adopted by your Honor's Government, and with this view I have to invite your Honor to suggest, for the consideration of Ministers, such measures as may be severally approved by your Government, especial attention being directed to the methods of enabling the Waste Lands in the Province to be made most readily available.

It is very important that as little delay as possible should occur in arriving at practical conclusions on these points, and I would suggest to your Honor that it would greatly facilitate the attainment of the object in view, if you were able to place yourself, by a visit to Wellington, in personal communication with the Government.

I have, &c.,

FRED. A. WELCH.

His Honor the Superintendent,
Southland.