THE FINANCIAL CONDITION OF SOUTHLAND.

No. 33.

THE HON. MAJOR RICHARDSON TO THE SUPERINTENDENT OF SOUTHLAND.

Dunedin, May 5th, 1865.

SIR.-

I have the honor to acknowledge the receipt of the Deputy Superintendent's letter of the 12th instant with reference to the seizure by the Sheriff of the rolling stock of the Bluff and Invercargill Railway, but understanding that your Honor since that date, has made other arrang ments, it is unnecessary that I should make any further remarks.

I have, &c.,
J. RICHARDSON, Postmaster-General.

To His Honor the Superintendent, Southland.

No. 34.

DEPUTY SUPERINTENDENT, SOUTHLAND, TO THE COLONIAL SECRETARY.

Superintendent's Office, Invercargill, 12th April, 1865.

SIR,-

I have the honor to inform you that Messrs. McKenzie and Cain, judgment creditors of the Province have to-day caused the rolling stock of the Bluff and Invercargill Railway to be seized by the Sheriff, under an alias writ of fi. fa. for the purpose of satisfying their claim against the Government.

Taking the view that the property of the Provincial Government is not liable to seizure under an execution, I have been advised to apply to a Judge of the Supreme Court in Dunedin der an execution, I have been ausseu to apply to a stage of the superior for an order to set aside the execution, and have dispatched a special messenger for this purpose.

I have, &c.,

John R. Cutbertson,

Deputy Superintendent.

The Hon. the Colonial Secretary, Wellington.

No. 35.

THE DEPUTY SUPERINTENDENT, SOUTHLAND, TO THE COLONIAL SECRETARY.

Superintendent's Office, Southland, 19th April, 1865.

SIR,-

I have the honor to inform you that on the 12th instant I addressed a letter to you stating that Messrs. McKenzie and Cain, judgment creditors of this Province, had caused the rolling stock of the Bluff and Invercargill Railway to be seized by the Sheriff under an alias writ fi. fa. for the purpose of satisfying their claim against the Government; that, taking the view that the property of the Provincial Government was not liable to seizure under an execution, I had been advised to apply to a Judge of the Supreme Court for an order to set aside the execution and had despatched a special messenger to Dunedin for that purpose.

I have now the honor further to inform you that on the following day the Sheriff took pos-

session of all the Government Offices, and that he still remains in possession, but that as yet ro

hindrance to the public business has arisen.

On the same day, in conjunction with the Provincial Treasurer and the Provincial Soilcitor, I communicated with the Managers of the different Banks with the view of obtaining an advance on the security of the property and thus preventing a sale at a sacrifice, the rolling stock alone having cost about £50,000. But after persevering for the entire day I found that the Banks would not make any advance to the Provincial Government on any security which we had to offer or indeed on any terms whatever, and that all hope of help from this quarter was at an end.

On the following day Mr. McKenzie arrived in town. In the evening without my knowledge, or any request having been made to me for the payment of the claim, an advertisement

(copy enclosed) was sent to the Southland News, and a poster (copy enclosed) was also prepared. I was informed of this by the proprietor of the paper. Late at night I obtained an interview with Mr. McKenzie, and at two o'clock in the morning succeeded in inducing him to withdraw the advertisement, and promise that he would abstain from selling for six weeks, undertaking at the same time, on the part of the Government to refrain from legal proceedings against him during that delay, and to use every endeavour to obtain a substantial settlement of his claim. I enclose a copy of a memorandum made on this occasion.

On the following day Mr. McKenzie gave instructions to the Sheriff to delay the sale, but he refused to do so until his fees were guaranteed by Mr. McKenzie, which was ultimately done