FURTHER PAPERS RELATIVE TO

The money drawn on the Colonial Treasury on account of the "Southland" was carried to her credit in a separate account at the Bank of New Zealand, and has been used only to pay her expenses up to the present time, only £375 has been used. As she came out under canvas, however, the fitting of her machinery and paddles must now be completed, if she is to be of any use; but, since receiving your last letter, I have stopped the negociations for her insurance, which would absorb the remainder of the £1,000, and await your instructions concerning it—remarking only, that the policy granted in England has expired.

The total cost of the vessel, including outfit and expenses, is about £9,500, and there is still a sum of £1,962 1s. 6d. due upon her to the Home Agent. I telegraphed to you last week to enquire if the "Southland" might be sold to the Canterbury Government for a sum covering her cost and expenses; since the receipt of your last letter, I have referred the Superintendent to

the General Government.

I have, &c., JNO. P. TAYLOR,

The Hon. the Colonial Secretary, Wellington.

P.S.—I have just learned from Messrs. Dalgetty, Rattray, and Co. of this place, that it was on behalf of a Canterbury Company, of which Mr. Buckley is a member, and not on account of the Provincial Government of Canterbury, that they wished to treat for the purchase of steamer "Southland."

J. P. T.

Superintendent.

No. 76.

THE COLONIAL SECRETARY TO THE SUPERINTENDENT OF SOUTHLAND.

Colonial Secretary's Office, Wellington, July 24, 1865.

Referring to my telegraphic reply on the 19th instant to your Honor's letter of the 8th instant on the subject of the steamer Southland, I have to express the regret of the Government that, at the date of the last previous letter from your Honor, they were not informed that at the time of your draft on the Colonial Treasury for one thousand pounds (£1,000), that there was a judgment against that steamer.

In the telegram referred to, I requested your Honor to be good enough to pay the balance of this draft to the credit of the telegraph account, and to send up the steamer "Southland "under sail to Lyttelton, and offer her to the Government of the Province of Canterbury. An insurance

to the amount of five thousand pounds (£5,000) upon the vessel has been effected in Wellington.

If the steamer "Southland" cannot be disposed of to the Canterbury Government, she will

have to lie at Lyttelton for further instructions.

I have, &c.,

His Honor the Superintendent, Southland.

J. C. RICHMOND.

No. 77.

THE UNDER SECRETARY TO THE COLLECTOR OF CUSTOMS, LYTTELTON.

No. 15.

Colonial Secretary's Office,

Wellington, 19th July, 1865.

I am directed by Mr. Richmond to request you to be good enough to transmit forthwith

the enclosed telegram to his Honor the Superintendent of Southland. I have, &c., W. Gisborne,

J W. Hamilton, Esq., Collector of Customs, Lyttelton. Under Secretary.

No. 78.

COLONIAL SECRETARY, WELLINGTON, TO SUPERINTENDENT, SOUTHLAND.

COPY OF TELEGRAM.

I have read your letter of the 8th instant. Pay balance of £1,000 to telegraph account. Send up the tug Southland under sail to Lyttelton, and offer to Canterbury Government—insurance will be effected in Wellington. Letters will await you at Lyttelton on the 25th instant.

J. C. RICHMOND,

Superintendent Southland.

Colonial Secretary.