

THE SUPERINTENDENT, SOUTHLAND, TO THE COLONIAL SECRETARY.

Superintendent's Office,
Southland, March 5th, 1864.

SIR,—

The Debentures Ordinance, No. 2, 1864.
The Appropriation Ordinance, No. 2, 1864.

I have the honor to enclose herewith authenticated copies, in duplicate, of the Bills named in the margin, passed by the Provincial Council of Southland, in its sixth session, and to request that you will bring these Bills under the consideration of His Excellency the Governor, when I trust they will receive his assent.

The sum proposed to be raised is intended to cover a debt due to the Bank, which fluctuates from time to time, but which on the 10th of February amounted to £93,000. The Provincial Government proposes to set aside 60,000 acres of good average arable land in security for the repayment of this loan, of which a map will be sent by the earliest opportunity.

I have, &c.,

J. A. R. MENZIES,
Superintendent.The Hon. the Colonial Secretary,
Auckland.

No. 32.

THE HON. MR. GILLIES TO THE SUPERINTENDENT, SOUTHLAND.

Colonial Secretary's Office,
Auckland, 22nd March, 1864.

(No. 84)

SIR,

I have to acknowledge the receipt of your Honor's letter, dated the 5th instant, transmitting the two undermentioned Bills, namely, "The Debentures Ordinance No. 2, 1864," and the "Appropriation Ordinance No. 2, 1864," which had been passed by the Provincial Council of Southland, and reserved by your Honor for the Governor's assent.

In reply, I have to refer your Honor to my letter of the 8th instant on the subject of the Loan authorized to be raised and appropriated in these Bills, and you will perceive from that letter that Ministers cannot advise His Excellency to assent to these Bills.

I have, &c.,

THOMAS B. GILLIES,
In the absence of Mr. Fox.His Honor the Superintendent,
Southland.

No. 33.

THE SUPERINTENDENT, SOUTHLAND, TO THE COLONIAL SECRETARY.

Superintendent's Office,
Southland, 14th April, 1864.

SIR,—

I have the honor to acknowledge the receipt of yours of the 22nd of March, and learn with great concern that you have not advised His Excellency to assent to the "Southland Loan Ordinance" for £120,000. I trust that on further consideration your Government, seeing the serious evils that would arise from a disallowance of this Ordinance, will see reason for advising that His Excellency's assent shall be given to it.

I have previously stated that this debt has been incurred chiefly in construction of roads on that line—which is of the utmost importance for the traffic of Southland—the route to Whakatipu. The debt is due, and the only way to meet that debt that the Provincial authorities saw their way to, was by passing a Loan Ordinance. At the same time it was agreed to hypothecate an extent of land of value equal to the amount of the loan. It appeared to the Provincial Government that this provision should have been sufficient to satisfy the General Government of the ability of the Province to meet this debt, and of its desire to extinguish it. If the Ordinance authorising this Loan should be disallowed, or even delayed, the injury to the Province will be incalculable: the railway works, which are drawing near completion (will indeed be completed in about two months), will be stopped—as well as other public works—just at the moment when they ought, if proceeded with in a short time, begin to yield a revenue; the credit of the Province will be destroyed, and the value of the loans already sanctioned, and their sale will be materially affected; and the end to be attained by a proceeding which will bring about such pernicious results is not clearly comprehended by the Provincial Government. The debt is due; the Provincial Government proposes to pay it by a loan; the General Government objects to assent to the Loan Bill; not surely on the plea that the debt should not be paid, but, as I suppose, that it should not be paid in that way. Well, then, will you, Sir, inform me