### No. 46.

### THE UNDER SECRETARY TO THE SUB-TREASURER, SOUTHLAND.

Colonial Secretary's Office, Auckland, 2nd September, 1864.

(No. 74.)

SIR,-

I have the honor, by the direction of Mr. Fox, to transmit to you the enclosed copy of a letter which he has caused to be addressed to Messrs. James McKenzie and Co., at Dunedin, on the subject of the Railway Piers at the Bluff.

I have, &c.,

WILLIAM GISBORNE, Under Secretary.

The Sub-Treasurer, Invercargill.

# Enclosure in No. 46.

#### THE UNDER SECRETARY TO MESSRS. M'KENZIE AND CO.

Colonial Secretary's Office, Auckland, 1st September, 1864.

GENTLEMEN,-

I have the honor, by the direction of Mr. Fox, to acknowledge the receipt of your letter, of the 8th ultimo, calling the attention of the General Government to the large amounts of money due to your firm by the Provincial Government of Southland on account of Railway Works, which you had contracted for and completed in that Province.

The General Government regret the hardship of your case, for which, however, they are in no way responsible; bur Mr. Elles, the Sub-Treasurer at Invercargill, has rightly interpreted the arrangement sanctioned by them. He was authorised to advance funds for carrying on works not completed, but

not to pay debts due upon works which were completed.

His Honor the Superintendent of Southland has been recently informed that the course which the General Government will adopt with reference to the liabilities of the Province of Southland, will be determined on after the arrival of the next mail from England, which is expected on the 22nd instant, and I am to inform you to the same effect.

I am to express the regret of the General Government that your Attorney, Mr. G. Pearson, should in his letter of the 28th of July last, have held out to Mr. Elles the threat of the liability of the General Government. It is surprising that any gentleman acquainted with the usual manner in which business is conducted, should resort to such an absurd and empty threat.

I have, &c.,

W. GISBORNE, Under Secretary.

Messrs. James McKenzie & Co., Dunedin.

# No. 47.

### THE ASSISTANT TREASURER TO THE SUB-TREASURER, SOUTHLAND.

Treasury, Auckland, 16th July, 1864.

SIR,-

I am directed to acknowledge the receipt of your letter of the 1st instant, No. 73, and, in reply, to inform you that your construction of the agreement made with his Honor the Superintendent is quite correct, as the object of the advance made by the General Government was to complete works which were in progress, so as to enable the Railways to be finished, and not to discharge liabilities for works already completed.

If, however, these liabilities are of small amount, an arrangement will be made to pay them. In order to judge of this, I am to request you to furnish a Return of all those who are in a similar position to Mr. McKenzie; that is, of those to whom money is due, for works finished, and of the amount due to each of them.

I have, &c.,

R. F. PORTER,
Assistant Treasurer.

The Sub-Treasurer, &c. &c., Southland.