NATAL.

ground and channels. This is the dredging of a channel across the bank lying between the Bluff anchorage and the Custom House basin. At present, owing to the shallowness of the water over this bank, vessels after coming into the bay are obliged to lie in the Bluff channel until a portion of their cargo is discharged, in order to lighten them sufficiently to cross the bank; but if the depth of water over it were increased, they would be able to come up to the Custom House basin at once, and land all their cargo close to the wharves, which would be a great saving in both time and expense.

their cargo close to the wharves, which would be a great saving in both time and expense. The attention of the Government was directed to this matter by the Commission appointed some time ago to report upon the inner harbour and wharves, of which Commission I was a member; and some other useful suggestions for the improvement of the inner harbour are also embodied in that report, and which therefore I need not repeat here, but will conclude by observing that the steam dredge therein recommended would be of immense service in improving the harbour, and should not be lost sight of when the finances of the Colony will admit of one being purchased and maintained. (Signed) PETER PATERSON,

Colonial Engineer's Office, Natal, July 17, 1867.

ST. HELENA.

No. 14.

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## No. 14.

COPY of a DESPATCH from Governor Admiral Sir CHARLES ELLIOT, K.C.B., to his Grace the Duke of BUCKINGHAM AND CHANDOS.

(No. 50.)

My LORD DUKE,

St. Helena, July 18, 1867.

Colonial Engineer.

HEREWITH I have the honour to forward the Blue Book for the year 1866, which has been somewhat delayed by serious indisposition of some of the officers in the Secretary's department.

2. It is satisfactory to state that the revenue of 1866, compared with 1865, exhibits a net increase of 2,774*l*., attributable doubtless to the improvement of trade and the steady operation of the tariff arrangements effected at the close of 1865. This statement is irrespective of the loan of 5,000*l*. to the Government by Messrs. Solomon, Moss, Gideon, and Co., reported in my Despatch No. 104 of last year.

3. The excess of expenditure in 1866 as compared with 1865 (4,216*l*.) finds its explanation under two heads; viz., post-master for conveyance of direct mails from England, 1,388*l*., and special disbursements, which include 3,000*l*. remitted to the agents in London.

4. In other respects there has been no material alteration so far as revenue and expenditure are concerned during the year 1866.

5. I am gratified to be able to report that by the 5,000*l* taken up on loan considerable progress has been made in the restoration of the public buildings. The Castle, comprising the council and reception rooms, the Colonial Secretary's Office, the Audit Office, the Commissioners of Crown Property's Office, &c. &c., has been extensively restored, including a new iron roof to the whole north front of the building. The repairs have been entirely effected of iron, stone, and teak, and according to the extensive course of experiment we have made in this Colony against devastation by the white ant, may be pronounced to be perfectly secure. The Post Office has been re-constructed in the same substantial way. A new iron roof has been placed on the Custom House, and such other repairs as are required in that building may be safely deferred for another year The Time Office has been re-constructed in the same way. The Head School or two. will be effectively repaired and be ready for occupation in the course of a few months. The Colonial Hospital will not need extensive re-construction for two or three years, but the re-construction of the Hospital for Females connot be delayed with safety beyond the next year.

6. Looking to the present situation of the public property in Jamestown, I can only once more request your Grace's attention to the serious inconvenience and sacrifice which would arise from any interruption in the re-construction remaining to be performed, and I trust therefore that the Crown Agents will be enabled to procure some assistance for this Government under our Loan Ordinance to the extent which I have recently suggested to those gentlemen.

I have, &c.

(Signed) CHARLES ELLIOT.

His Grace the Duke of Buckingham and Chandos, &c. &c. &c.