

money to London contingent on the discretion of the Agent-General, the Government are prepared to authorize that officer to reimburse it to you on your arrival, it being understood that you leave by the first suitable vessel sailing from Otago.

I shall be obliged by your informing me of the probable date of your departure.

I have, &c.,

JOHN KNOWLES,

Under Secretary.

Thomas Birch, Esq., Dunedin.

[A similar letter was addressed to James Seaton, Esq., Dunedin.]

No. 12.

MEMORANDUM for the AGENT-GENERAL, London.

(No. 66, 1871.)

Public Works Office, Wellington, 22nd December, 1871.

IN my memorandum No. 53, of the 25th ultimo, I forwarded a copy of the Parliamentary Paper (A. No. 6, 1871) containing copies of the two contracts which had been entered into in England with the Messrs. Brogden and Sons for the construction of railways in New Zealand, and you learned by the same mail, from *Hansard*, that the General Assembly had sanctioned an amendment of No. 2 Contract, which, subject to certain provisos, increased the amount for construction from £500,000 to £1,000,000, but failing the making of such amended contract, then the Government or Messrs. Brogden and Sons, on notice to that effect being given by either party, were to be bound to carry out No. 2 Contract.

I now enclose, for your information, copy of a preliminary agreement which has been entered into with those gentlemen, together with the list of the railways which the Government have decided to have constructed under that agreement.

W. GISBORNE.

P.S.—You will observe by the last paragraph of the letter to Mr. Brogden, dated 18th December, that the 10 per cent. agreed to be paid to them on the order for railway plant and workshop tools, dated 25th November ultimo, can, if it is so wished, be paid in London. Mr. James Brogden has verbally intimated his wish that it should be paid in London, and you are authorized to pay it accordingly.

Enclosure 1 in No. 12.

Articles of Agreement entered into between Her Majesty the Queen and Messieurs Alexander, Henry, and James Brogden, temporarily suspending Contract No. 2.

ARTICLES OF AGREEMENT entered into this eighteenth day of December, one thousand eight hundred and seventy-one, between Her Majesty the Queen, of the first part, Sir George Ferguson Bowen, Governor of New Zealand (hereinafter referred to as "the Governor"), of the second part, and Alexander Brogden, Henry Brogden, and James Brogden, all of Queen's Square, in the City of Westminster, in England, Railway Contractors (hereinafter referred to as "the Contractors"), of the other part:

WHEREAS by Articles of Agreement dated the twenty-first day of June, one thousand eight hundred and seventy-one (hereinafter referred to as Contract No. 1), made between the Governor and the Contractors, after reciting as therein recited, it is amongst other things declared that it was agreed between the Governor and the Contractors that he would, within eight years from the date of the Articles of Agreement now being recited, entrust to the Contractors the making of railways in New Zealand, and the providing of plant for such railways, to the extent in total cost of four million pounds: And whereas by Articles of Agreement dated the twenty-second day of June, one thousand eight hundred and seventy-one (hereinafter referred to as Contract No. 2), made between the Governor and the Contractors, after reciting as therein recited, it is amongst other things declared that it was agreed by the Governor that he would, with all convenient despatch, entrust to the Contractors the making of railways in New Zealand, and the providing plant for such railways, to the extent of five hundred thousand pounds; and that he would cause the necessary surveys and plans and sections of such railways to be declared, deposited, and proclaimed: And whereas by other Articles of Agreement purporting to have been entered into on the twenty-sixth day of June, one thousand eight hundred and seventy-one, between the Governor and the Contractors, after reciting amongst other things that the said Contract No. 1 and Contract No. 2 had not as yet been executed by the Governor, it was amongst other things agreed between the Governor and the Contractors that the Governor would, within a period of three months from the time when the said Contracts Nos. 1 and 2 arrived in New Zealand, execute one or both of them, and that, until the expiration of the said period, both of the said Contracts should be binding upon the Contractors as fully as if the Governor had executed both of them, and that, after the expiration of the said period, then, as the case may be, both, or, if the Governor should have executed one only of the said Contracts Nos. 1 and 2, such one only should be binding upon the Contractors: And whereas by other Articles of Agreement dated the twenty-sixth day of June, one thousand eight hundred and seventy-one, and made between the Governor and the Contractors, but executed by the said Contractors subsequently to the execution by them of the said thirdly hereinbefore in part recited Articles of Agreement, it was agreed between the Governor and the Contractors to the same effect and in the same terms as in the said thirdly hereinbefore in part recited Articles of Agreement, except that the period of six months was substituted for the period of three months in the last recited, and in the first clause thereof: And whereas on the day of , one thousand eight hundred and seventy-one, being within the said period of six months, the Governor did execute the Articles of Agreement secondly hereinbefore in part recited and referred to as Contract No. 2, and has determined and elected not to execute the first hereinbefore in part recited Articles of Agreement called Contract No. 1: And whereas, in accordance with the terms of the said two lastly hereinbefore