

P A P E R S

RELATING TO THE

PAYMENT OF THE PROVINCIAL CONTRIBUTION

OF £42,000

TO THE

CANTERBURY BRANCH RAILWAYS.

PRESENTED TO BOTH HOUSES OF THE GENERAL ASSEMBLY, BY COMMAND
OF HIS EXCELLENCY.

WELLINGTON.

1872.

SCHEDULE OF CORRESPONDENCE.

No.	DATE.	FROM.	TO.	SUBJECT.
	1872.			
1	Jan. 12	Mr. Maude ...	Mr. Kennaway ...	Provincial Council to express opinion as to which of the Branch Railways should have priority in construction.
2	Jan. 22	His Honor the Superintendent of Canterbury	Hon. Mr. Reeves ...	Enclosing Resolution of Provincial Council relative to above.
3	March 6	Hon. Mr. Reeves ...	Mr. Maude ...	To call upon Provincial Government to pay £15,000 on account.
4	March 7	Mr. Maude ...	Mr. Kennaway ...	Requests £15,000 to be paid on account.
5	March 7	Mr. Maude ...	Mr. Kennaway ...	Relative to the investment of £42,000, Provincial contribution to Branch Railways.
6	March 20	Mr. Kennaway ...	Mr. Maude ...	Replying to two preceding letters.
7	March 22	Mr. Maude ...	Mr. Kennaway ...	Further correspondence as to Provincial contribution.
8	April 4	His Honor the Superintendent of Canterbury	Hon. Mr. Reeves ...	Reply, relative to Provincial contribution of £42,000, and payment of £15,000 on account.
9	April 4	Hon. Mr. Reeves ...	His Honor the Superintendent of Canterbury	Further correspondence relative to above.
10	April 9	Mr. Kennaway ...	Mr. Maude ...	Forwards copy of Memo. of proceedings at interview.
11	May 2	Mr. Maude ...	Mr. Carruthers ...	Relative to Provincial contribution of £42,000, and order for Rolling Stock and Material.
12	May 2	His Honor the Superintendent of Canterbury	Hon. Mr. Reeves ...	Forwards copy of Resolution proposed to be laid before the Council.
13	May 2	Hon. Mr. Reeves ...	His Honor the Superintendent of Canterbury	Approves of above Resolution.
14	May 8	His Honor the Superintendent of Canterbury	Hon. Mr. Reeves ...	Forwards copy of Resolution passed by Provincial Council.
15	May 15	Hon. Mr. Reeves ...	His Honor the Superintendent of Canterbury	Acknowledges receipt of above.

CORRESPONDENCE RELATING TO CANTERBURY BRANCH RAILWAYS.

No. 1.

From Mr. MAUDE to Mr. KENNAWAY.

The Canterbury Branch Railways.

MEMO.

Will you be so good as to remind his Honor the Superintendent that, at the personal interview which took place between the Hon. Mr. Reeves, His Honor the Superintendent, and yourself, on the subject of the Branch Railways, steps were to be taken to invite the Provincial Council to express its opinion as to which lines should have priority in course of construction.

THOMAS WM. MAUDE, Secretary.

Resident Minister's Office, Christchurch, 12-1-72.

No. 2.

From his Honor the SUPERINTENDENT to the Hon. Mr. REEVES.

Superintendent's Office, Christchurch, Canterbury, N.Z., 22nd January, 1872.

SIR,

Referring to the conversations which I have had with you on the subject of the construction of Branch Lines of Railway in this Province, I have the honour to forward herewith copy of Resolutions passed by the Provincial Council during the late Session relating to that subject.

I have, &c.,

W. ROLLESTON, Superintendent.

Enclosure in No. 2.

Provincial Council Chambers, 15th January, 1872.

Resolutions passed—That with reference to the contributions voted by this Council towards the construction of certain Branch Railway Lines within the Province, the Council is of opinion:—

1. That if the General Government undertake their construction the amounts thus voted should be paid over by the Provincial Government in proportion to the respective contributions of the two Governments, as defined in "The Railways Act, 1871," as and when works involving their construction are contracted for.

2. That the construction of the several Branch Lines of Railway should be proceeded with simultaneously.

3. The Council has also appropriated the sum of £5000 towards the construction of a Branch Line from the Washdyke to the Point in the Timaru District on the same terms as may be agreed upon for the construction of the above-mentioned Branch Lines.

No. 3.

(Telegram.)

From Hon. Mr. REEVES to Mr. MAUDE.

THE surveys of Branch Railways having been commenced, and the rails ordered, you must call on the Government to pay Fifteen Thousand Pounds on account in accordance with conditions agreed to.

6th March 1872.

W. REEVES.

CORRESPONDENCE RELATING TO

No. 4.

From Mr. MAUDE to Mr. KENNAWAY.

Office of Resident Minister for the Middle Island, N.Z.,
Christchurch, 7th March, 1872.

SIR,

As the surveys of the Branch Railways have been commenced and rails have been ordered, I am directed by Mr. Reeves to request that you will move his Honor the Superintendent to issue instructions for payment to the Public Works Account of a sum of Fifteen Thousand Pounds (£15,000) on account, in accordance with conditions agreed to.

For the information of the Provincial Government, I have to state that the surveys of the lines from Malvern, and from Rolleston to Southbridge, are being rapidly proceeded with; and as soon as competent surveyors can be procured the remaining lines will be put in hand.

Sufficient rails have been ordered by the January outgoing mail to extend 20 miles in length.

I have, &c.,

THOMAS WM. MAUDE, Secretary.

No. 5.

From Mr. MAUDE to Mr. KENNAWAY.

Office of the Resident Minister for the Middle Island,
Christchurch, 7th March, 1872.

SIR,

I am directed by Mr. Reeves to request that the subject of the Provincial contribution to the Branch Railways, viz.,—Forty-two Thousand Pounds, may be brought under notice of his Honor the Superintendent, in view of the money being disposed of to the satisfaction of both General and Provincial Governments in such a way as will secure its appropriation to the purposes for which it has been set aside.

I shall be obliged if you will inform me what steps it is proposed to take to effect this object.

I have, &c.,

THOMAS WM. MAUDE, Secretary.

No. 6.

From Mr. KENNAWAY to Mr. MAUDE.

Provincial Secretary's Office, Christchurch,
Canterbury, N.Z., 20th March, 1872.

SIR,

In reply to your letter of the 7th inst., numbered as per margin (M. I., 175-72), respecting the Provincial contribution towards the cost of the Branch Railways proposed to be constructed within the Province of Canterbury, I have the honour, by direction of his Honor the Superintendent, to request that you will bring under the attention of the Hon. Resident Minister the following proposals:—

1st. That the amount of the contribution, less the amount expended on the Selwyn Bridge on the line of the Rolleston and Southbridge Railway, shall be placed in a separate Trust Account at the Bank of Australasia (to be called the Branch Railway Account), to be operated on only for the purposes of the Branch Railways, and not to be removed out of that account so long as the Provincial Government receive assurance from the General Government of their intention to proceed with the works.

2dly. The money to be paid out in accordance with the enclosed resolution (No. 1) of the Provincial Council on definite contracts being entered into for the construction of the Branch Lines, or for the supply of material for the same.

Should the Hon. the Resident Minister desire it, the Provincial Government will be prepared to introduce an Ordinance into the Provincial Council at its next sitting, specially providing that the amount of the contribution shall be thus specifically set aside for the construction of the Branch Lines in question.

With reference to your letter of the 7th inst., numbered as per margin (M. I., 171-72), in which you request that his Honor the Superintendent shall issue instructions for payment of Fifteen Thousand Pounds (£15,000) on account of material ordered from England, and surveys in progress in connection with the Branch Lines, I have to request that you will furnish me with further particulars, viz.:—

The estimated total cost of the material ordered and the surveys in progress; and to what particular line or lines this expenditure is to be debited. On receiving this information, the Provincial Government will be in a position to determine what amount shall be paid over in accordance with the terms indicated at the interview held between the Resident Minister and his Honor the Superintendent on the subject, and which were subsequently approved of by the Provincial Council in the No. 1 resolution (see enclosure in No. 2) I have enclosed.

I have, &c.,

WALTER KENNAWAY, Provincial Secretary.

No. 7.

From Mr. MAUDE to Mr. KENNAWAY.

Office of Resident Minister for the Middle Island, N.Z.,
Christchurch, 22nd March 1872.

SIR,

In reply to your letter of the 20th inst. on the subject of the Provincial contribution towards the Branch Railways, I am directed by the Hon. the Resident Minister to state that you appear to labour under a misapprehension of the result of the interview between his Honor the Superintendent and the Resident Minister to consider the terms of payment of that contribution to which you refer.

On that occasion the Resident Minister informed his Honor that the Government had decided that the Provincial contribution must be paid into the Treasury before the commencement of the Branch Lines; but to meet the wish of his Honor the Resident Minister agreed to waive this condition so far as to permit the Provincial contribution to be paid from time to time as the works progressed. The Resident Minister never agreed to make any proportionate payments on General Government account as the works progressed, nor did he agree to make any payment whatever until the Provincial subsidy was exhausted.

The Resident Minister, therefore, does not consider it requisite or necessary to give the information you require as to the value of the material ordered, or the quantity or value of the survey work done.

At the same time, the Resident Minister desires me to inform you that the works will be pushed forward as quickly as circumstances permit, provided the Provincial Government pays its promised contribution when required.

With respect to the safe custody of the contribution, the Hon. the Resident Minister will be satisfied if it is lodged to a separate account with the Provincial Government Bankers, to be operated upon solely for the purposes of the Branch Railways.

I am desired again to request that the payment already demanded, of Fifteen Thousand Pounds, may be made to the Treasury with as little delay as possible.

I have, &c.,

THOMAS WM. MAUDE, Secretary.

No. 8.

From his Honor the SUPERINTENDENT to the Hon. Mr. REEVES.

Superintendent's Office, Christchurch, Canterbury, N.Z., 4th April, 1872.

SIR,

In reply to Mr. Secretary Maude's letter of the number and date quoted in the margin (M. I. 260-72, 22-3-72), in which the Government again request the payment of £15,000 on account of the contribution of the Province towards the Branch Railways, and from which it appears that there is some misapprehension as to the terms of payment of that contribution as agreed upon at an interview I had with you on the subject, I have to request your reconsideration of the matter, as your recollection of what passed does not agree with that of either the Provincial Secretary, who was present, or my own, or in the notes of the interview taken by me at the time, or with the correspondence which has subsequently taken place at the interview in question. One of the notes taken by me of the arrangement was—"The Provincial Government to pay its proportion in each case on the Government being committed," and it was upon this note and his own recollection of the interview that the first resolution submitted to the Provincial Council was drafted by the Provincial Secretary.

The resolutions of the Council, which embraced other matters which were the subject of our interview, were forwarded by me to you on the 22nd of January, and acknowledged by you in your letter of February 16. I presume that at that time you saw no reason to object to the substance of the resolutions, or you would probably then have raised the question.

In his letter of March 7, Mr. Secretary Maude requests "the payment to the Public Works Account of the sum of £15,000 on account, in accordance with conditions agreed to"—presumably the conditions which it had been determined should be submitted to the Provincial Council had been ratified by them, and of the ratification of which I had apprised you in my letter of January 22.

In Mr. Maude's memorandum of January 12th, written shortly after the interview, he refers incidentally to the terms of payment in these words—"Will you be so good as to inform his Honor the Superintendent that the General Government, while it would be satisfied to receive payment in the case of each Railway when the several contracts have been entered into."

I regret that any misapprehension should have arisen, and feel satisfied that a personal interview, and a perusal of the notes taken on the occasion, would remove it. In corroboration of the view taken by me, I may remind you that it would not be possible for me, under the provisions of the Audit Act, to make payments of moneys specifically appropriated without some guarantee that the sums so paid would be devoted to the specific objects of the appropriation, and that therefore in authorising the issue of moneys appropriated by the Provincial Legislature I am bound to follow the usual course, without which I should be leaving the Province without any record of what it was entitled to in return for the moneys paid out.

I have given directions for the £42,000 to be placed to a separate account at the Bank of Australasia, for the purposes of the Branch Railways, in accordance with the proposal made in Mr. Kennaway's letter of March 21.

I have, &c.,

W. ROLLESTON, Superintendent.

CORRESPONDENCE RELATING TO

No. 9.

From Hon. Mr. REEVES to his Honor the SUPERINTENDENT.

Office of Resident Minister for the Middle Island, N Z.,
Christchurch, 4th April 1872.

SIR,

I have the honour to acknowledge the receipt of your letter of this day's date, in which you request my reconsideration of all that has passed between us both at a personal interview and the correspondence in regard to the terms of payment of the Provincial contribution towards the Canterbury Branch Railways.

The reasons given by you for this request are, that my recollection of what passed at our interview does not agree with your own, or that of the Provincial Secretary, or with your notes of the interview, or with the correspondence that has subsequently taken place.

While I shall have great pleasure in acceding to your Honor's request, I may be permitted to observe that all the facts adduced in support of your request are quite compatible with the position I hold in respect to the payments in question.

The misapprehension which exists between your Government and myself turns entirely on the point—whether I consented that the General Government should make proportional payments from the commencement of the works and before the Provincial contribution was exhausted. In imagining that I agreed to this your Honor is altogether mistaken; and I can only account for the impression entertained by yourself and Mr. Kennaway by the supposition that you confounded my agreement to take progress payments from the Province with the notion that I had agreed to accept proportional payments. The fact that your notes bear out your impression merely proves, what I have no wish to dispute, that such was your impression. The inference which you desire to draw from a formal official acknowledgement of the resolution of Council—that I approved and endorsed the terms of the resolution—is one I am not prepared to admit, and the quotation from Mr. Maude's letter, which is used for the same end, admits, in my opinion, of no other conclusion than one favourable to my views.

In order to show how very improbable it is that I could have agreed to the mode of payment you desire, I beg to remind your Honor of the main circumstances attending this transaction from the commencement of the arrangement with the General Government. Towards the close of last Session when the list of Main Railways on the Schedule had swelled to something like its present proportions, it was determined to expunge all the Branch Railways from the Schedule, for financial reasons, and relegate them to another Session. It was then that some of the Canterbury Members suggested the plan of tempting the Ministry to undertake the Canterbury Branch Lines, with the bait of a Provincial contribution, which had been already partly appropriated, and which would in all probability be increased if the arrangement was effected. The Government, as you are aware, took this bait, and carried the Branch Lines successfully through the House. The inference is clear that this would not have been done had not they believed that the Provincial contribution was immediately forthcoming.

That this was the view of the Government after the Session I have already told your Honor in the interview before alluded to, when I expressly stated that I was charged to obtain the whole amount of the contribution as a preliminary to proceeding with the works, and it was only at the urgent solicitation of your Honor that I consented to waive this demand and take upon myself to accept progress payments. It is hardly probable therefore that I could have contemplated the bare idea of making proportional payments on account of the General Government from the commencement of the works.

As my earnest desire is to promote these works, and as this result may be assisted by a personal interview to discuss the question, I beg to state that I shall be happy to meet your Honor at any time and place you may appoint.

I have, &c.,

W. REEVES.

No. 10.

From Mr. KENNAWAY to Mr. MAUDE.

The Provincial Government Buildings, 9th April, 1872.

In accordance with the request of the Honorable the Resident Minister, I forward a copy of the memo. of what was determined in the interview his Honor the Superintendent and myself had with him on the 5th instant.

W. KENNAWAY.

Enclosure in No. 10.

MEMORANDUM OF INTERVIEW.

Present—His Honor the Superintendent, the Honorable the Resident Minister, and the Provincial Secretary.

Mode of payment of the contribution from the Provincial Government towards the construction of Branch Railways:—

1. It was understood that the General Government decline to make any payment on account of any of the Branch Lines until the amount of the Provincial contribution has been exhausted.

2. That it is the intention of the General Government to commence the several lines as simultaneously as circumstances will permit, in accordance with the resolution of the Provincial Council.

3. That no payments will be demanded by the General Government except for land purchased, for materials the advice of shipment of which has been received, and for work actually done.

It is understood that after the question has been discussed in the Executive, Mr. Reeves will be communicated with, with reference to the resolution to be brought before the Council.

W. KENNAWAY.

No. 11.

From Mr. MAUDE to Mr. CARRUTHERS.

Office of Resident Minister for the Middle Island,
2nd May, 1872.

SIR,

I am directed by Mr. Reeves to inform you that arrangements have been made with the Superintendent of Canterbury for rendering available the Provincial contribution of Forty-two Thousand Pounds towards the Canterbury Branch Railways.

The money is to be paid for materials so soon as the advice of their shipment is to hand, and also for lands purchased, and for work actually done.

I am therefore to request that you will, with all convenient speed, prepare and take the proper steps to have transmitted to the Agent-General an order (1st) for sufficient thirty-pound rails, together with the usual fastenings, &c., to lay thirty miles of railway. This, together with the former order for twenty miles, makes in all fifty miles. (2nd) For six locomotives and twelve passenger carriages, suitable to the character of the line and the weight of the rails. (3) For a quantity of wheels and axles to the value of the balance remaining.

The wheels and axles to be for railway goods wagons, the bodies and the fittings of which Mr. Reeves thinks may be manufactured in the Colony.

I have, &c.,

THOMAS WM. MAUDE, Secretary.

No. 12.

From his Honor the SUPERINTENDENT to the Hon. Mr. REEVES.

Superintendent's Office, Christchurch, Canterbury, N.Z., 2nd May, 1872.

SIR,

I have the honour to forward herewith copy of a resolution which it is proposed to submit to the Provincial Council with reference to the payment of the Provincial subsidy of Forty-two Thousand Pounds. I should be glad if you would inform me whether the resolution will meet with your approval.

I have, &c.,

W. ROLLESTON, Superintendent.

Enclosure in No. 12, and similar Enclosure in No. 14.

"That this Council having before them the Correspondence between the Government and the Resident Minister on the subject of the terms of payment of the Provincial subsidy of Forty-two Thousand Pounds towards the construction of the Branch Railways, authorises the payment of the said sum in accordance with the proposal of the Resident Minister, viz. :—

"That payments shall be made for materials the advice of the shipment of which has been received, for land bought, for surveys executed, or other necessary works in connection therewith."

No. 13.

From Hon. Mr. REEVES to his Honor the SUPERINTENDENT.

Office of Resident Minister for the Middle Island,
Christchurch, 2nd May, 1872.

SIR,

I have the honour to acknowledge the receipt of your letter of this day's date, forwarding a copy of a resolution which your Honor intends to transmit to the Provincial Council with reference to the payment of the Provincial contribution towards the Branch Railways of Forty-two Thousand Pounds, and requesting to be informed whether the resolution meets with my approval.

In reply, I have to convey my approval of the resolution.

I have, &c.,

W. REEVES.

CANTERBURY BRANCH RAILWAYS.

No. 14.

From his Honor the SUPERINTENDENT to Hon. Mr. REEVES.

Superintendent's Office, Christchurch, Canterbury, N.Z., 8th May, 1872.

SIR,

Referring to my letter of the 2nd instant on the subject of the payment of the Provincial contribution towards the Branch Railways of Forty-two Thousand Pounds, I have the honour to forward herewith copy of a resolution on the subject passed by the Provincial Council at its sitting last night, in accordance with which I shall be prepared to make payments as they become due.

I have, &c.,

WM. ROLLESTON, Superintendent.

No. 15.

From Hon. Mr. REEVES to his Honor the SUPERINTENDENT of Canterbury.

Office of Resident Minister for the Middle Island, N.Z.,
Christchurch, 15th May, 1872.

SIR,

I have the honour to acknowledge the receipt of your letters of the numbers and dates quoted in the margin (16—72, 2-5-72; 19—72, 8-5-72), forwarding a copy of a resolution passed by the Provincial Council on the subject of the payment of the Provincial contribution of Forty-two Thousand Pounds to the Branch Railways, and intimating that you will in accordance therewith be prepared to make payments as they become due.

I have, &c.,

In the absence of the Resident Minister,

THOMAS WM. MAUDE.