

The Company also fully believed that you would have either sold or lent it sufficient rails to make a line to the Ocean Beach, because your colleague (Mr. Reynolds), in my presence, and that of Mr. G. W. Elliott, Mr. D. Proudfoot, Mr. Turnbull, and others present at the time, distinctly made a promise, without any reservation, that the Company should have the rails; and further because an express promise is made to sell the rails in the Colonial Secretary's letter to the Superintendent, dated the 28th January, on condition of the Company giving certain pledges, which pledges were given by the Company's letter, dated 1st February, 1875. The Company, having relied upon the word given by your colleague, did not take any action in order to procure rails elsewhere.

The Hon. the Minister for Public Works.

I am, &c.,

J. B. BRADSHAW.

P.S.—I have marked this letter "Private," but you are at liberty to make its contents public if you wish.—J. B. B.

No. 36.

His Honor the SUPERINTENDENT, Otago, to the Hon. the COMMISSIONER of CUSTOMS.

(Telegram.)

Dunedin, 17th February, 1875.

Re Rails.—There must be a great mistake somewhere: some half-dozen gentlemen of credibility positively assert that in their hearing you pledged yourself that rails should be lent. Your words to Bradshaw were, "You may consider that you have got them." Probably it was an after-dinner speech.

The Hon. W. H. Reynolds, Wellington.

J. MACANDREW.

No. 37.

The Hon. the COMMISSIONER of CUSTOMS to His Honor the SUPERINTENDENT, Otago.

(Telegram.)

Government Buildings, 17th February, 1875.

Re Rails.—Your "half-dozen gentlemen of credibility" must be mistaken. Had I said so, I would then and there have given Mr. Blair instructions to deliver the rails. There is, however, no difficulty in Company getting the rails. But you will see from previous correspondence that, supposing they are laid from Anderson's Bay road to the Ocean Beach, before the Company can use any passenger traffic or touch the main line they must have an Act of the Legislature.

His Honor the Superintendent, Dunedin.

WILLIAM H. REYNOLDS.

No. 38.

The SECRETARY, Ocean Beach Railway Company, to the Hon. the COMMISSIONER of CUSTOMS.

(Telegrams.)

Dunedin, 18th February, 1875.

HAVE seen your last telegram to Superintendent. In it you deny having made a promise that Company should have rails. You must remember Mr. Proudfoot's reading the letter of the 29th December at Railway Station to you, and after you had ascertained from Mr. Blair, who was on the platform, that Government had plenty rails to spare, you made a distinct promise, without any reservation, that the Company should have the rails. This promise was made in the presence of myself, Messrs. Elliott, Turnbull, Conyers, and D. Proudfoot. These gentlemen are ready to verify what I have herein stated.

Hon. W. Reynolds, Government Buildings.

J. B. BRADSHAW.

No. 39.

The Hon. the COMMISSIONER of CUSTOMS to SECRETARY, Ocean Beach Railway Company.

(Telegram.)

Government Buildings, Wellington, 19th February, 1875.

ALL I can say is that if I used any words which led the gentlemen you name to infer that I promised more than I have already stated in my telegrams, I regret that they should have misunderstood me. While I was and am favourable that the Government should give every facility consistent with the protection of the public interests and the law of the colony to such an undertaking, yet I had no intention, in any remarks I made on the Railway platform in the bustle of leaving, to convey any such meaning as you seem to have put upon them.

J. B. Bradshaw, Dunedin.

WILLIAM H. REYNOLDS.

No. 40.

The SECRETARY, Ocean Beach Railway Company, to the Hon. the MINISTER for PUBLIC WORKS.

(Private.)

Temple Chambers, Dunedin, 20th February, 1875.

MY DEAR RICHARDSON,—On the 17th instant, I addressed you relative to the Dunedin, Peninsula, and Ocean Beach Railway Company *in re* the rails. I stated then that Mr. Reynolds had promised the rails to the Company in the presence of certain gentlemen, whose names I mentioned in that letter. I have now to add the name of Mr. Conyers, who was also present at the time. Since writing that letter, I have seen a telegram to the Superintendent, in which Mr. Reynolds denies ever having made a promise that the rails should be sold or lent to the Company. I have telegraphed to Mr. Reynolds about it, and I enclose a copy of that telegram. To my telegram Mr. Reynolds replies, and regrets that the