

as required by 'The Harbour Works Act, 1874,' the plan of improvements for Dunedin Harbour, as adopted by the Otago Harbour Board at its meeting yesterday. I also enclose a memorandum of the Board's Engineer, with a certificate from the chief surveyor of the province as to the correctness of laying off upon the plan the record survey of sections along Anderson's Bay Road. Mr. Blair, General Government Resident Engineer, informs me that he has telegraphed his inspection of the plan and his certificate that the railway lines are correctly laid down. Hoping that they will now meet with the approval of the Government, and that they may receive the assent of His Excellency as early as possible, as the Board is anxious to issue as early as possible some part of the work by contract.—I have, &c.,

"J. L. GILLIES,

"The Hon. the Commissioner of Customs."

"Secretary."

His Excellency the Governor's assent was given, and "The Otago Harbour Board Empowering Act, 1875," passed both Houses of Parliament, and was gazetted as assented to by His Excellency on 30th October, 1875. By this Act the land now sought to be diverted from the Board was vested in it, and at this time the South Dunedin Municipality did not even exist. Prior to this, £150,000 of the Board's debentures had been prepared and sent Home, with instructions not to be placed on the market until the fate of the foregoing proceedings would be determined. On 22nd October, 1875, by instructions of the Board, I wrote as follows to the Manager of the Colonial Bank:—"I have just received the enclosed copies of the Otago Harbour Board Empowering Act, passed both Houses of Parliament. It now only waits His Excellency's assent to become law, and of which there can be no doubt." I then proceeded to enumerate the advantages "to the purchasers of the Board's debentures," for the guidance of the Bank's London Agent; and I may here quote one numbered "Fifth," "Lands to be reclaimed under authorized plans to become the property of the Board, subject to the Government having the right to take any portion that may be required for a public purpose, on payment of cost to the Board. Under present plans this will be equal to 150 acres additional, making a total of about 450 acres available, when reclaimed, for leasing." The 150 acres here referred to included the ten acres now sought to be diverted.

On the 14th July, 1876, an application from the Peninsula and Ocean Beach Railway Company was received, of which the following is a copy:—

"Peninsula and Ocean Beach Railway Company (Limited),
Dunedin, 14th February, 1876."

"GENTLEMEN,—I am instructed by my directors to ask your opinion in reference to the proposed line of railway through the Harbour Board's property adjoining the Anderson's Bay Road, which this Company is arranging to construct to the Ocean Beach and Portobello."

"In an interview the directors had with the Hon. the Minister for Public Works a few days ago, that gentleman expressed his belief that it would be better that the line should be moved from its present position to close alongside the Anderson's Bay Road, on the ground, it has been assumed, that the alteration would be approved of by the Harbour Board and the public."

"As it is believed that the Harbour Board will consider its property much more enhanced in value if the proposed railway is retained in the position where it has already been partly formed, I am directed, if such should be the case, to ask if the Board will be good enough to state so in writing, as it would no doubt tend to modify the Hon. Mr. Richardson's opinion, and be the means of saving the Company the loss of the cost it has already incurred on the present line, which was approved of and sanctioned by the Provincial Government."

"An early reply will much oblige, Gentlemen,—Your most obedient servant,

"GEORGE L. ASHER,

"The Chairman and Members, Otago Harbour Board."

"Interim Secretary."

The application was considered on the 17th February: Present, His Honor the Superintendent (Mr. Macandrew), chairman, Messrs. McKinnon, Turnbull, Tewsley, Davie, McNeil, Reeves, and Richie, when the following resolution was arrived at: "That, provided the line cannot be removed more seaward, the Board is of opinion that its present position is preferable to running it alongside the public road."

On the 22nd April another application from the Dunedin, Peninsula, and Ocean Beach Railway Company was received, as follows:—

"Dunedin and Peninsula Railway Company (Limited),
Dunedin, 22nd April, 1876."

"SIR,—The Colonial Government has intimated that it will not offer any objection to the 'proposed course of the line along the site of the swamp road leading to Anderson's Bay, as shown in the plans forwarded,' subject to its being satisfied that the Harbour Board is willing that the line should be constructed as proposed, and also that any arrangements which may be entered into between the Harbour Board and the Company shall not prejudice any rights of the Crown, whether under 'The Otago Harbour Board Empowering Act, 1875,' or otherwise."

"I am therefore directed to bring the subject before the Board, with the view of obtaining its sanction and support in the carrying out of the scheme, and arranging such terms and conditions as might be approved of."

"The following, in the opinion of the directors, would be fair and reasonable:—

"1. That the Company be allowed the right to construct the line through the Board's endowment, as shown on plan."

"2. That the Company make and maintain all necessary culverts and crossings through its embankment as may from time to time be required by the Harbour Board, when reclaiming their land, forming streets, &c."

"3. That the Board have power, should it think fit, after or before the reclamation of its lands along the Anderson's Bay Road, to move the line either more seaward or otherwise, should the Board's arrangements as to streets, &c., require this to be done."