

grounds on which the Commissioners object to have locomotive-boiler work executed in the colony. The Minister understands that locomotive boilers and other portions all complete have been made by a southern firm of engineers, and that moreover the Commissioners have themselves made at least one locomotive-engine—namely, the one that was shown at the Dunedin Exhibition—in one of the railway workshops.

3. The reply of the Commissioners to query No. 2 in the Minister's memorandum of the 21st ultimo is scarcely as explicit as the Hon. Mr. Seddon could have desired, but the inference to be drawn therefrom would appear to be that the Commissioners did not give any express directions to the Agent-General as to whether tenders were to be invited for the boilers referred to or not, and that the Agent-General, in pursuance of the usual practice, would call for tenders for them as a matter of course. The Hon. Mr. Seddon would be glad if you would kindly inform him whether the inference which he has drawn from your remarks is a correct one, and if so, I am to request you to be so good as to state whether the Commissioners have received any advices from the Agent-General intimating that tenders were or were not invited for the work.

4. I am also to ask the Commissioners to kindly state why they do not think it necessary to reply to the queries Nos. 3 and 4 in the Minister's memorandum of the 21st ultimo, and particularly to inquire whether the Minister is to understand from this that the Commissioners refuse to furnish the Government with information as to work that is in hand in the railway workshops, and as to the capacity of the shops for the work required of them, and also as to the number of employes engaged therein.

In connection with this matter I am to point out that the Commissioners are urging that funds should be provided for enlarging the shops and rendering them more efficient; and to enable the Government to determine to what extent they will ask Parliament to accede to the Commissioners demands, and afterwards to be in a position to justify the vote proposed to meet the same when the estimates are under consideration in the House, it is absolutely necessary that full information on the points raised should be furnished.

H. J. H. BLOW,

Assistant Under-Secretary for Public Works.

No. 5.

The RAILWAY COMMISSIONERS to the ASSISTANT UNDER-SECRETARY for PUBLIC WORKS.

The Assistant Under-Secretary for Public Works.

11th May, 1891.

ADDITIONS to opened lines: In reply to your memorandum of the 6th May, 1891, on the subject of boiler renewals, I am directed by the Railway Commissioners to express their regret that they have failed to make themselves fully understood to the Minister. They hasten to supplement their former communications.

They beg, however, to point out that the larger matter is not disposed of as is stated in your letter. The provision of £20,000 is not sufficient. Matters of this kind can only be disposed of by making a proper provision to meet the wants of the public service. The Commissioners are of opinion that there has of late years been false system pursued with the railways, the sole object being apparently to make as many miles of road as possible, regardless of whether the lines can be made to pay interest on capital or even working expenses; at the same time no adequate provision is made to meet the necessities of the increasing traffic in the more settled parts of the colony, nor are proper appliances and provisions made for working the new lines opened, nor are machinery and shop-room found for adequately maintaining the increased mileage of the lines and appliances in the most efficient and economical manner.

In asking the question put in the second paragraph the Commissioners observe that the Minister has ascribed to them an objection which the correspondence itself indicates is incorrect. The object of the demands made by the Commissioners is to allow of the boiler works being done in the colony. The Commissioners, in their letter of the 13th April, informed the Minister explicitly that they would have preferred to have done the work in the colony, and explained clearly the reasons for not doing it.

The information given to the Minister about the manufacture of engines by a southern firm is incorrect. The Government some years ago made a contract for manufacturing ten engines solely in the colony, but the contractors ignored the conditions and imported portions partly made. Upon the officer in charge of the contract insisting upon the strict fulfilment of it the Government intervened, and made a new contract, permitting the contractor to use the imported portions rejected, paying therefore a lower price. The contractors, however, petitioned Parliament, and were paid in full, and the original provisions of the contract were thus frustrated.

The Commissioners have completed two engines in the Government shops, and have others in hand; but it is necessary, in order to enable them to do all the work they require, that more room should be provided; and they have to point out it is the neglect of the Government to find funds to provide the needful room and appliances which has obliged the Commissioners to order work elsewhere.

The Commissioners are surprised that their statement that the Agent-General would invite tenders for all such work as boilers, locomotives, &c., is not sufficiently explicit. The Agent-General invited tenders for the boilers in question in accordance with his usual practice.

The Commissioners have not as yet refused to furnish the Government with information as to work that is in hand in the railway workshops, nor as to the capacity of the shops, nor as to the number of employes engaged therein, as your letter alleges; indeed, the Minister has not asked for any such information, nor can it be supposed, having regard to the 27th section of "The Government Railways Act, 1887," that the Minister proposes to enter into the details of the railway management. The Commissioners, in informing the Minister that the accommodation at their