

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.