

We would further point out that, if it was insisted by the Government that the contract is so embracing as it is now sought to make it appear, contractors would have legitimate claims against the department for construction works upon the railway in which material had been delivered by the builder rather than the contractor for railway stores. The Government, by their action in the past with respect to construction work, have taken a stand; and we respectfully submit that they cannot in fairness to the contractors now attempt to change their usual course with regard to such requirements.

We have, &c.,

W. V. Stevens, Esq., Christchurch.

THOS. O. KELSEY AND Co.,
(Agents for Guthrie and Larnach Company.)

No. 21.

MR. CONYERS to MR. ALLISON D. SMITH.

Office of the Commissioner of Railways Department,
Dunedin, 19th July, 1880.

SIR,—

In a telegram dated the 12th instant, addressed by you to Mr. C. Y. O'Connor with reference to Messrs. Guthrie and Larnach's refusal to supply galvanized iron for the works you have been doing at Addington, and to the course which I consider it expedient to adopt, the following passage occurs: "Guthrie and Larnach, finding that the price of iron had gone up, induced him (myself) to take this action."

As this expression contains an imputation upon myself, which there is no possibility of misunderstanding, I desire that you will inform me in so many words upon what authority you made the statement. I expect to get a definite answer from you by return mail.

I have, &c.,

A. D. Smith, Esq.,
Railways, Christchurch.

WM. CONYERS,
Commissioner of Railways, Middle Island.

No. 22.

MEMORANDUM for LOCOMOTIVE SUPERINTENDENT, Christchurch.

In re your Requisition No. 26, of 16th June last.

I HAVE the honor to inform you that, by direction, I called upon Messrs. Guthrie and Larnach to supply the galvanized iron required by your requisition as above. They still, however, refuse to supply, and in reply to my memorandum have sent me a letter, of which the attached is a copy. I have reported this matter to the Stores Manager, and am now awaiting his further instructions.

Railway Stores Department, Christchurch,
20th July, 1880.

WALTER J. STEVENS,
Storekeeper.

No. 23.

MEMORANDUM for the COMMISSIONER of RAILWAYS.

In reply to your Memoranda 80/101, 199/282.

IN your letter bearing date 19th July above quoted, calling upon me for an explanation of an expression made use of in a telegram to Mr. C. Y. O'Connor, dated 12th July, I observe that my telegram has been misquoted. The clause of my telegram as copied in my letter-book reads thus: "Guthrie and Larnach, finding that the price of iron had gone up, have got him (meaning yourself) to take this action."

Reading my telegram in the form in which it left me, you will perceive that the remark is substantially correct, and conveys no imputation or disrespect to yourself, nor was it written with that intention, but was, I considered, borne out by the correspondence which is in the Stores Manager's and my possession.

Had my communication to Mr. O'Connor been in the form of a letter, the explanation would have been fuller; but as it was necessary to condense the telegram, I did not consider it necessary to enter into details.

If the price of iron had remained stationary, or gone down, instead of having risen considerably, there can be no doubt that Messrs. Guthrie and Larnach would have supplied us, no matter for what order, without raising any objection.

I would point out that during the last two years the total value of stores charged to construction which have passed through my department alone amounts to £8,199 6s. 1d., all of which has been supplied under our contracts; and until quite recently no question as to these stores being supplied by the contractors has been raised.

Please also see my letter to yourself, addressed to Wellington, dated the 31st July.

Locomotive Department, Christchurch,
21st July, 1880.

ALLISON D. SMITH,
District Locomotive Superintendent.

No. 24.

MR. P. CARROW to the COMMISSIONER of RAILWAYS, Dunedin.

(Telegram.)

Christchurch, 22nd July, 1880.

PLEASE wire authority to purchase galvanized iron for Addington workshops, at 80s. per cwt., mixed