

Mr. TRAVERS to Mr. CARRUTHERS.

SIR,—

I will telegraph the substance of your note to Mr. Brogden, but before doing so I wish to have a reply to my letter of yesterday's date, addressed to the Minister for Public Works. Mr. Brogden leaves for Christchurch on Friday morning, so that I can telegraph to him up to Thursday night.

J. Carruthers, Esq., Engineer-in-Chief.

I have, &c.,

WM. THOS. LOCKE TRAVERS.

Mr. CARRUTHERS to Mr. TRAVERS.

SIR,—

I am of course unable to give you any information as to any reply to your letter addressed to Minister for Public Works. He will I suppose reply in due course, and the purport of your letter has been telegraphed to him.

W. T. L. Travers, Esq.

Wellington, 3rd April, 1872.

I have, &c.,

JOHN CARRUTHERS.

MEMORANDUM of the Heads of an Agreement entered into by Messrs. Brogden and Co. and the Government (represented by Mr. Reeves), on the 10th April, 1872, the subject of the conference being the differences which have arisen in respect to the General Conditions hitherto in force with regard to the construction of Railways in New Zealand.

1. On the subject of arbitration it was decided that, in case the Governor or Minister for Public Works, as the case may be, and the Contractors shall not agree, the matter shall be determined by arbitration; and every such matter as to which they shall not agree, dispute or difference shall be settled by arbitration, to be conducted by reference to the sole decision of the Judge of the Supreme Court in New Zealand within whose district the cause of difference or dispute may have arisen. This submission to arbitration may be made a rule of the Supreme Court of New Zealand, or of any of the superior Courts of Westminster, as the case may be or required. The costs of and attending the arbitration and award shall be in the discretion of the arbitrators.

2. It was agreed that clause 12 should be allowed to remain, subject to the understanding that the right of the Contractors to appeal to arbitration on all points included in the clause should not be prejudiced.

That clause 6 shall be retained, but that an allowance of 10 per cent. shall be made to the Contractors on any saving of expenditure which may result from their recommendations.

That clause 18 (against floods) can be retained, if the Government consider it advisable to do so.

That clause 23 (against the truck-system) shall be retained, omitting the words "at least once in every fortnight."

W. REEVES.

Subject to approval by other Ministers of employment of Judges as arbitrators in their several districts.

JAMES BROGDEN.

The Hon. W. GISBORNE to the JUDGES of the SUPREME COURT.

SIR,—

Public Works Office, Wellington, 27th April, 1872.

I have the honour to forward you a copy of the general conditions which, subject to some modifications, are to form part of certain contracts proposed to be entered into between the Government and Messrs. Brogden and Sons for the construction of railway works in New Zealand.

Messrs. Brogden object to leaving to the Engineer-in-Chief or the Minister the decision of matters which, by the conditions numbered from 1 to 30, both inclusive, are left to the determination of the Engineer or Minister, as the case may be.

It has been proposed that the conditions should provide for giving an appeal from the decision of the Engineer or the Minister, as the case may be, to the Judge of the Supreme Court of the judicial district in which the works are being carried on, and that the same Judge should be the arbiter referred to in the 31st clause of the conditions.

I shall feel obliged by your informing me whether you are willing to accept the duties of arbitrator in the cases proposed; or if your Honour should entertain an objection to acting as arbitrator on matters arising under some of the conditions, and not as to others, will you be so good as to state which of the matters you would be willing to undertake the decision of as arbiter.

I have, &c.,

W. GISBORNE.