

MINUTES OF EVIDENCE.

THURSDAY, 24TH NOVEMBER 1887. (Mr. J. FULTON, Chairman.)

Mr. TRAVERS, Counsel for the Petitioners, made the following statement:—

I APPEAR as counsel on the part of the Wellington-Manawatu Company to support the petition now before this Committee. The company claims consideration in connection with certain provisions in its contract with the Crown, in respect of which, however, it at once admits that its claim has now become an equitable one only, there being no absolute undertaking on the part of the Crown in the contract itself to do that which the company contends that the Crown ought to have done. But the circumstances which I propose to bring before the Committee will, I think, satisfy it that, although there was no positive engagement on the part of the Crown in the contract itself to provide for the matter in question—and, indeed, there were excellent reasons why the Crown should not have entered into any positive undertaking—there were assurances on the part of the Crown given under such circumstances as justified the company in waiving any right to a positive undertaking. As the Committee is aware, a former Government had commenced the construction of a line of railway from Wellington to the Manawatu, and had expended a considerable sum of money in prosecuting the work. It had taken possession of lands for the purposes of that railway, and had provided plant which was used in prosecuting the work, which (if my recollection serves me) was being carried on by day-labour in order to give relief to a number of persons who claimed to be then unemployed, and unable to maintain themselves otherwise than by the aid of works projected and carried on by the Government. The work in question has been always recognised as one of considerable importance; and, indeed, I may say, of necessity. But for reasons which I am not concerned with at all, the Government which succeeded that which had commenced these works did not think fit to prosecute them, although at the same time it expressed its willingness to afford facilities for doing so to any private persons or company who would undertake them. The people of Wellington, and of the district through which the railway now passes, were so impressed with the importance of the work, that a number of gentlemen at once placed themselves in communication with the Government with a view to obtaining such concessions as would justify them in embarking capital in the undertaking. The Government, however, had no power to do anything of the kind without legislative authority; but, after giving the matter submitted to it the most careful consideration, it caused an Act to be passed by the Assembly called “The Railways Construction and Land Act, 1881,” under the provisions of which it was enabled to make provision for the construction of the line in question by private enterprise, and to make such concessions as were calculated to lead persons having the capital at command to embark it in undertakings of the kind. After a good deal of negotiation on the subject, especially in relation to the provisions of that part of the Act which authorised the allocation of lands along the line of a projected railway, an arrangement was made between the projectors of the present company and the Government under which concessions of land were agreed to be granted. The company was thereupon at once established, the primary object being the construction of the line, but the formation of the company was based, as the Government knew, upon the assurances given that concessions of land of adequate value should be made to it. The concessions ultimately agreed to were to comprise the work already done, the plant on the ground (which was useless for any other purpose), the right to reclaim a tract of land in the Harbour of Wellington (which was to be done and was done with material from the tunnels and other works), and a grant to the company of land of an assessed value, equal to 30 per cent. of the cost of the railway, not exceeding, however, £5,000 per mile. In order to give effect to this, the Government instructed the officers of the Lands Department to make a return of all lands available for purposes of allocation. Now, honourable members will see, if they look at the Railways Construction and Land Act, that provision is made for setting apart land within fifteen miles *on each side of the railway*, to be selected by the company and the Government in alternate blocks. But in this case there was not sufficient land on each side of the line, within the distance prescribed by the Act, which could be appropriated in that manner, and, as this was known before the Act was passed, a provision was introduced into it to enable the Government to set apart land in a different manner for the purpose of meeting the case. It was, in effect, found that there was sufficient land to meet the proposed allocation, but a portion of that land, of considerable value, was separated from the line of railway, and the district through which it passes, by the physical obstacle of the Tararua Range; and, as it was supposed, not unnaturally, that the line would specially benefit the country on the western side of the range only, it was felt that some difficulty might arise if it became necessary to resort to lands on the eastern side of the range, which would not *prima facie* be benefited by the line. The length of the line is 84½ miles, and as the price per mile was fixed at £5,000, the 30 per cent. in land which the Government had agreed to grant to the company would bring the allocation up to £126,400, or thereabouts. Now, there was not land enough on the western side of the range to meet this, and the intention to include within the area of allocation the land on the eastern side of the Tararua Range was at once objected to by the inhabitants of that side, who caused representations to be made to the Government by their members in Parliament against the appropriation of this land for the company's line on the special ground that its construction would not benefit in any degree the people on that side of the range. The Government, feeling, no doubt, that there was some force in