PAPERS RELATING TO THE

6. That inasmuch as the sum of £7,000 has already been provided by the Province towards the construction of the railway between Timaru and Temuka, it is expedient, in the event of any delay taking place in the raising of funds for railway purposes by the Colonial Government, that the above sum should be made use of for the immediate prosecution of the necessary detailed surveys on this line, and for the commencement of the work in the neighbourhood of Timaru.

Provincial Council Chambers, 2nd November, 1870.

No. 42.

The Hon. W. GISBORNE to His Honor W. ROLLESTON.

Wellington, 17th February, 1871. tt left here in the "Luna" last night (Telegram.) RE your Honor's letter No. 447, of 10th November, Mr. Blackett left here in the "Luna for Lyttelton, and will wait on you with a view to action on the resolutions as to railways. His Honor the Superintendent, Canterbury. W. GISBORNE.

No. 43.

His Honor W. ROLLESTON to the Hon. J. VOGEL.

Christchurch, Canterbury, New Zealand, 24th December, 1870. SIR. At the interview which the Provincial Government had the honor of holding with you to-day on the subject of the immediate prosecution of railway works in this Province, three possible courses were mentioned, out of which it might be open to make a choice: First, that the General Government should provide the funds, and carry out the proposed works. In default of this course, which was understood to be one which, for the present, was dependent on circumstances outside the Colony, two others were suggested-namely, that the Provincial Government should carry out the works on their own responsibility without any interference on the part of the General Government, and that, when the latter was ready to take the works over, the terms and conditions should then be settled between the two Governments as to such transfer; or, that the Provincial Government should carry out the works subject to such control on the part of the General Government as the latter might deem necessary, to enable it to undertake that, when it is in possession of funds, the General Government will take over the works, and refund to the Province their cost, provided that it does not exceed that sanctioned by the General Assembly—the Colonial Government further undertaking that it will make the refund in question as soon as it is in funds.

The Provincial Government think that the latter course would be the best, and most in conformity with the views of the Provincial Council; and would further suggest the following conditions under which the said course should be adopted, which it believes would be mutually satisfactory to the General Government and to the Province:

1. The works to be carried out under the direction of a Resident Engineer nominated by the General Government. In the case of the Northern Railway, the present Consulting Engineer of that line might be nominated; and as regards the question of deviation of the present line near Rangiora, it would be referred for decision to the Colonial Engineer, Mr. Blackett.

2. Plans and specifications of proposed railway works, together with a statement of the way in which it is proposed to let the contracts for the same, to be forwarded to the Minister for Public Works for his approval.

3. The Province to be entitled to the above refund upon the certificate of the Resident Engineer to the effect that the works for which payment is required have been carried out in accordance with the plans and specifications approved of by the Minister for Public Works.

4. This course, with the prescribed conditions, if adopted, to apply to the three lines of railway within the Province already sanctioned by Act of the General Assembly, and in so far as the Province is able to provide funds for the purpose of proceeding with the works necessary for their construction.

5. A clause to be inserted in all contracts entered into by the Provincial Government providing for the transfer of the same to the General Government.

6. In the event of the Provincial Government constructing the bridge now in progress across the River Rakaia, and a bridge across the River Ashburton, in such place and manner as to fit them for railway traffic, the General Government to undertake that when the said bridges shall be used for railway purposes, or part of the Southern Railway, to recommend that their cost shall be refunded by the General Government to the Province on the same terms as in the case of the railways herein mentioned.

I have, &c., W. Rolleston, Superintendent.

The Hon. the Colonial Treasurer.