

Construction of a railway from the Brunner Coal Mine, Grey River, to the Port of Cobden,  
£30,000

Construction of gasworks in the City of Nelson, £15,000

Extension of waterworks in the City of Nelson, £15,000.

With regard to the construction of gasworks and waterworks, however desirous the Government may be to promote these objects, it would be inconsistent with the general policy adopted, as regards works of that nature, to allow money to be borrowed for their construction on the security of the public revenue.

The objects are in their nature purely municipal, and provision should be made for them either by private enterprise or municipal rates, or money borrowed on the credit thereof. The Government will readily assist the Provincial Council or the municipality of Nelson in obtaining the assent of the General Assembly to an act or acts authorising a loan to be raised for the purposes referred to, upon the credit of municipal or local rates, but not on the security of the public revenue.

As regards the loan of £30,000 proposed to be raised for the construction of a railway from the Brunner Coal Fields to the Port of Cobden, the Government regard the object as one of general colonial interest, and which they will gladly promote. If, however, it is proposed to raise the required funds upon the security of the public revenue, the Government are of opinion that the works should be placed within the category of public works, to be executed under the authority of, and in the manner provided by the Public Works and Immigration Act of last session. Should this plan meet the views of the Provincial Government of Nelson, the Government will very gladly lend them aid towards giving effect to it by obtaining the sanction of the General Assembly.

I have &c.,

His Honor the Superintendent, Nelson.

W. GISBORNE.

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No. 11.

His Honor OSWALD CURTIS, to the Hon. W. GISBORNE.

SIR,—

Wellington, 13th April, 1871.

In reference to my letter of the 26th October, 1870, asking the assent of the Government to a loan of £60,000, for the purposes therein specified, to your reply of the 10th January last, and to the conversations I have had with you upon the subject, I have the honor to submit the following proposals:—

That the Government consent to recommend to the favorable consideration of the General Assembly a bill to be introduced in the coming session, authorising the Provincial Government of Nelson to raise a loan of £30,000 for the extension of waterworks, and the construction of gasworks in the city of Nelson; provided that such loan shall not be secured upon the public revenue, but upon the rates to be collected for the supply of water and gas, and upon the ordinary rates levied by the Board of Works, under authority of the Nelson Town Improvement Act. Clauses to be inserted in the bill, empowering the Supreme Court, in case of default in payment of interest or principal, to appoint a receiver of the rates above mentioned.

With respect to the other portion of the loan, to which I have solicited your sanction, namely, the £30,000 for a railway from the Brunner coal mine to the port of Cobden. I understand from you that the Government adheres to the view expressed in your letter of 10th January, that if it is proposed to raise the required funds upon the security of the public revenue, the work should be placed within the category of the Public Works and Immigration Act of last session.

But under the provisions of the Railways Act of the same session, this short line, by recent survey less than six miles in length, forms part of the line from Nelson to Cobden and Westport, and the proviso to Section 10 of that Act, appears to preclude the Governor from entering into any contract other than one for the construction of the whole line—some 220 miles in length.

Looking to the undeniable importance to the whole Colony, as well as to the Province, of the speedy and effective development of the invaluable deposits of coal on the banks of the Grey River, I trust that the Government, if they are not prepared to sanction the pledging of the Provincial Revenue for the purpose, will take measures to effect the same object, with the least possible delay, as a matter largely affecting the interests of all parts of the Colony.

At the meeting of the Provincial Council, which will take place in a few days, it is my intention, also, to propose to them to recommend in the terms of the 6th Section of the Public Works and Immigration Act, the construction of the line from Nelson to Foxhill, for which imperfect, if not impracticable, provision was made in the Railways Act of last session, from the proceeds of the loan authorized for railway purposes, as the amount required will be moderate, and the interest would not be more than the revenue of the Province could firmly bear.

As regards the remainder of the line between Nelson, Cobden, and Westport, I shall propose that it remain to be dealt with in manner provided in the 9th and succeeding sections of the Railways Act, 1870.

I forward, herewith, a plan, showing the line lately surveyed, from the Brunner coal mine to Cobden, by the Provincial District Engineer, and on my return to Nelson I will furnish the Government with reports and plans of such surveys as have been made of that from Nelson to Foxhill, and of the intervening portion between Nelson, Westport, and Cobden.

Should it appear to you that the surveys already made of the lines from Nelson to Foxhill, and from the Brunner mine to Cobden, are insufficient for the information of the General Assembly, I would request that the deficiency may be at once supplied by the Colonial Government, so that no delay may occur from want of the necessary details being laid before Parliament, when it next assembles.