

TRANSFER TO THE PROVINCIAL GOVERNMENT OF CANTERBURY OF THE NORTHERN RAILWAY, FROM ADDINGTON TO RANGIORA.

No. 1.

Mr. MAUDE to Mr. KENNAWAY.

Office of the Resident Minister for the Middle Island,
Christchurch, 8th March, 1872.

SIR,—

Referring to previous negotiations and to my interview with yourself and the Provincial Treasurer on the 5th instant, when terms were discussed upon which the working of the Great Northern Railway should be taken over by the Provincial Government, I have the honor, by the direction of Mr. Reeves, to forward herewith a memorandum embodying the propositions which have been mutually assented to, as the basis of a formal agreement between Mr. Reeves and his Honor the Superintendent.

I am, however, still to express the earnest request of Mr. Reeves that the question of passage over the Canterbury lines of men and materials to be employed in the construction of Railways should be reconsidered, and that in view of many and obvious reasons for the concession, the Provincial Government should grant a free passage instead of charging, as it is now proposed to do, the one half of current rates.

First, it will greatly facilitate the arrangements the Government may have to make with contractors, and thereby tend to lessen the price of construction.

Secondly, it follows that the money at the disposal of the Government for Railways will be spread over a greater length of construction.

Thirdly, every additional mile of Railway will add its proportion of traffic to the lines already under provincial control.

Fourthly, if the charge is insisted on, it will, by adding to the capital expended on construction, increase the net rental, or, in other words, the interest chargeable against the province, and so diminish the revenue of the line.

Fifthly, in the case of the branch lines it will directly affect in no small proportion the provincial contribution of £12,000, which is a part of the £150,350 to be expended on these Railways.

I trust that the Provincial Government will see its way to make the concession asked for by Mr. Reeves.

With this point in reservation, an agreement should at once be drafted for completion at an early date, and so soon as you have intimated in writing your acceptance of the terms in the memorandum enclosed, the Crown Solicitor will be instructed to prepare a deed for final execution.

I have, &c.,
THOMAS. WM. MAUDE,
Secretary.

The Provincial Secretary, Christchurch.

Enclosure in No. 1.

MEMORANDUM of TERMS upon which an AGREEMENT is to be made BETWEEN the RESIDENT MINISTER and the SUPERINTENDENT of CANTERBURY for the WORKING of the NORTHERN RAILWAY by the PROVINCIAL GOVERNMENT.

1. The Northern Line, when laid to Kaiapoi, shall be taken over by the Provincial Government, and be worked by them. When the line is laid to Rangiora it shall be taken over and worked in like manner.

2. The General Government shall complete the main line and sidings, and shall provide such gates, houses, stations, platforms, warehouses, &c., &c., as shall be shown necessary by a joint report of Messrs. Bray, Thornton, and Marshman. Cranes, weighing machines, turn-tables, water stations, and signals are regarded as furniture to be supplied by Provincial Government.

3. The General Government will allow the Provincial Government to work the line rent free on the Provincial Government agreeing to maintain the line and works, and to give up possession to the General Government at the expiration of twelve months' notice from any date.

4. That the Provincial Government shall provide such further accommodation as the development of the traffic may require. But in any case where it desires to obtain a refund of the cost of these improvements it must obtain the concurrence of the General Government previous to their erection.

5. The iron work for wagons and the tarpaulins and dressing materials ordered from England shall be purchased by the Provincial Government at the cost price, including charges to the General Government.