Bill which was brought before the General Assembly last session by the Government, entitled "The Railway Loan Bill," a copy of which I enclose.

These terms are a security in land to be given by the Province for the Loan to be raised, and the General Government to be satisfied that the proposed work can be constructed for the amount of such Loan.

This course has been followed by the present Government, in other cases, and will be acted on in the present one.

I have, &c.,

THOMAS B. GILLIES,
For the Colonial Secretary.

His Honor the Superintendent, Nelson.

No. 4.

THE SUPERINTENDENT, NELSON, TO THE COLONIAL SECRETARY.

Superintendent's Office, Nelson, June 21st, 1864.

SIR,-

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In reference to a circular from your Office, covering a draft Bill for regulating the conditions of Provincial Loans. I have the honor to state that whilst I entirely appreciate the intentions of the Government, and admit the propriety of the general principals they propose to insist upon in sanctioning such Loans, I have not been able to discover in what way the principles are to be carried out in the Provincial Legislatures as the law now stands.

A Loan Bill was passed in the last session of the Provincial Council of Nelson, for the purpose of aiding the development of an important Coal-field on the West coast, and I should point out to the Government in proposing to renew this Loan Bill, a block of land adjoining the Coal-field, and extending along the Coast sixteen miles North, and eight or nine South of the river Buller. This tract contains about 80,000 or 90,000 acres. If deemed insufficient as security for £50,000, I would propose o add the Oweka plain a district of about 25,000 acres of good land, and the nearest good land to the coast. Of the Cape Foulwind block I would observe that it contains in the mouth of the river Buller by far the best port for a stretch of above 200 miles of coast. The township of Westport has been in part sold in quarter acre lots, offered at £20 to £30 each; and some of these lots fetched at auction £40. There is good rural land also. The opening of the Western Coalfield cannot be looked on as a mere local affair. And I trust to have the most favorable consideration of Government for the proposed Loan, and to be informed in what way the Provincial Legislature can act so as to secure the appropriation of the proceeds of the land to be set apart to the purposes of the Loan.

Requesting the favor of an early reply.

I have &a

J. P. Robinson. Superintendent.

The Hon. the Colonial Secretary.

No. 5.

THE HONORABLE MR. WHITAKER, TO THE SUPERINTENDENT, NELSON.

Colonial Secretary's Office
Auckland, 7th July, 1864.

SIR,-

I have to acknowledge the receipt of your Honor's letter of the 21st ultimo, and, in reply, to inform you, with respect to the proposed Loan Bill of Fifty Thousand Pounds (£50,000) for the purpose of aiding the development of an important Coalfield on the West Coast, that His Excellency the Governor will be advised to assent to such Bill, on the security of the two blocks of land offered by your Honor, and containing both together about 110,000 acres of land, which blocks will have to be considered as set apart specially for the above purpose.

If after the land is set apart it should appear desirable that sales should be effected within the limits of such blocks, such sales can be made by the Provincial Government, with the consent of the General Government, according to the Land Laws of the Province, and the money accruing therefrom must be handed over to the latter for investment as a Sinking Fund for the money raised under the Loan Act.

I have, &c.,

FREDK. WHITAKER (In the absence of Mr. Fox).

His Honor the Superintendent, Nelson