

The object of the undertaking is, it will be obvious, not so much to conduct an existing traffic as to create one, by opening up a large extent of country hitherto practically inaccessible, much of which is believed, and some of which has been proved, to be payably auriferous.

The belief of the Government is, that important gold fields would be opened up along the line as the country became accessible through its means; and that, as the means of providing miners with provisions at a more moderate cost than by the present expensive modes of conveyance, on pack-horses and on men's backs through a very rough country, became available, a large population might be profitably and permanently employed where at present a few adventurous miners prosecute their avocations under great difficulties and hardships, and at an expense for carriage of provisions which forbids the working of any but the very richest patches of ground.

It is scarcely necessary to point out that, under present circumstances, the transportation of machinery for gold-mining on a permanent and extensive scale is a matter of absolute impossibility as regards the greater part of the country of the Buller and Grey.

The great value of the hitherto almost entirely undeveloped coalfields of the Grey and Buller is a matter largely affecting the traffic receipts of the line, as well as the value of the granted land; but as Mr. Wrigg has entered at length on this subject, and much information is contained in the reports of Dr. Hector, Dr. Haast, and Mr. Burnett, the Government do not think it necessary to do more than draw your attention to the important fact that these coals are shown by the Admiralty report to be far superior to the best Australian coals, and to be equal to the average of the North of England coals supplied for the use of the Royal Navy.

The various reports upon the nature of this country with which you are now furnished distinctly show that, with two or three exceptions, there are no large tracts of land available for agricultural or (without improvement) for pastoral purposes; and the Government wish that this fact should be clearly placed before all inquirers on the subject, so as to avoid the possibility of disappointment, or of any ground for a charge of misrepresentation on the part of this Government of the character of the property offered in consideration of the construction of the railway.

The statistical tables published under the authority of the General Government of the Colony, of which you are already in possession, will supply you with all the available information as to the present population, exports and imports of each district of the Province; but if any further attainable information not furnished by the volume of statistics, or by the various other documents sent to you, should be inquired for, or appear to you to be desirable, the Government will do their best to supply you with it.

By the 8th clause of the Act, the nature and amount of security to be obtained of intending contractors is left to your discretion, in reliance upon your judgment in not entering into a contract with mere speculators or other persons destitute of the means or influence to carry out their undertaking, and in obtaining such security as may in your opinion be satisfactory. But in reference to the resolutions of the Provincial Council which formed the foundation of the Act, you will find it stipulated that a sum of £20,000 should be lodged as security; and although these resolutions are of course superseded by the Act of the General Assembly, you are requested to obtain security in this form if practicable.

It is anticipated that the private lands required for the site of the line at and near the Nelson terminus can be obtained upon reasonable terms by private contract; but in the event of immoderate demands on the part of the owners, the Provincial Government and Council can, and doubtless would, exercise the powers conferred upon them by "The Provincial Compulsory Land-taking Act, 1866," without further reference to the General Assembly.

Sir George Grey has expressed much interest in this undertaking, and has kindly offered to render you any assistance in his power in promoting its success; I have therefore to request that you will communicate with Sir George Grey on the subject, and avail yourself of his intimate knowledge of the Colony, and of the weight and influence in any matter concerning it which attach to the high position he has so long filled, in any way that might suggest itself to you, and that may meet with the approval of Sir George himself.

Mr. Fitzgibbon, C.E., the Engineer of the Queensland Railway, and also one of the Engineers of the Dun Mountain line, who was for some years a resident of this Province, and is well acquainted with a portion of the country through which the line would pass, has also been good enough to say that he will be glad to give you any information and assistance in his power.

The Government hope that the want of confidence which has prevailed in the London Money Market for the past two years may shortly abate, and that among the many proposals for the employment of capital which will doubtless be submitted to notice as that improvement takes place, the project upon which I am now addressing you will meet with a fair and favourable consideration.

I have, &c.,

OSWALD CURTIS,
Superintendent.

John Morrison, Esq., London.

Enclosure 2 in No. 4.

The PROVINCIAL SECRETARY, Nelson, to JOHN MORRISON, Esq., London.

SIR,— Superintendent's Office, Nelson, 4th January, 1869.

Referring to letter No. 884, of the 5th ultimo, addressed to you from this office, enclosing a power of attorney appointing you Agent for this Province under "The Nelson and Cobden Railway Act, 1868," I have the honor to inform you that as it is not proposed you should appeal, in the first instance at all events, to the general public, but should confine yourself to making the proposals known to capitalists likely to entertain them, the Government do not consider that any material expense would be incurred; they therefore do not think it necessary to place any considerable sum at your disposal, but consider that an allowance of £100 a year during the time this matter is intrusted to you will enable you to defray any items of expense you may be put to, and will also afford you some remuneration for the time and attention which the subject will require.