APPENDIX.

EMIGRANT AND COLONIST'S AID CORPORATION.

Proposals relative to the Extension of the Taonui Siding and Construction of Main Line of Railway from Bunnythorpe to Manawatu Gorge.

Mr. A. FOLLETT HALCOMBE to the Hon. the MINISTER for Public Works.

Office of the Emigrant and Colonist's Aid Corporation (Limited),

Feilding, 30th September, 1879.

SIR,-Referring to former correspondence on the subject, I have the honor now to forward plan of proposed extension of the tramway lately formed from the main railway line into the Government Totara Reserve on the Manchester Block, for a distance of 1 mile 16 chains to the Feilding Gorge

This extension has been surveyed and plan prepared by Mr. Howard Jackson, the Chief Surveyor of the Emigrant and Colonist's Aid Corporation, formerly engaged by the Government as Engineer in charge of a portion of the Manawatu-Wanganui Railway: its accuracy can therefore be relied on.

I propose, with the consent of the Government, to complete this extension at the expense of the Corporation, and as part of our road work, if the Government will supply the rails and fastenings, and allow the use of an engine for ballasting; and, on the completion of the work, to hand the line over unconditionally to the Government.

The extension proposed will bring the timber of a large area of very fine and level land, covered with valuable forest, within easy reach of a market; and I have every reason to believe that the tramway, when extended, will shortly be a valuable feeder to the main line.

The work proposed will, of course, be subject to the approval and inspection of the Government Engineer, as though the Corporation were contracting with the Government for the work.

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I have, &c.,

Emigrant and Colonist's Aid Corporation (Limited), by its Attorney, A. FOLLETT HALCOMBE.

The Hon. the Minister for Public Works, Wellington.

Mr. A. FOLLETT HALCOMBE to the Hon. the MINISTER for Public Works.

Wellington, 19th November, 1879. SIR,-Understanding that it is not the intention to proceed at present with the formation of that portion of the Napier-Wanganui main line of railway which lies between Bunnythorpe and the

Manawatu Gorge, and as the speedy formation of that portion of the line is important to the successful settlement of a large part of the Manchester Block, I have the honor to submit, for the consideration of the Government, the following proposals on behalf of the Emigrant and Colonist's Aid Corporation:

1. The Corporation will advance the whole of the cost of the formation, plate-laying, and ballasting of the line, the Government finding the rails and fastenings, and giving to the Corporation the use of a locomotive when required for ballasting.

2. That before commencing the work a schedule of prices for the work to be performed, or a lump sum, shall be agreed upon between the Corporation and the Government as the cost of the work.

3. That the cost so agreed upon shall be repaid to the Corporation on the 30th June, 1884, or at any previous time in the option of the Government, and that in the meantime the Corporation shall

receive interest half-yearly at the rate of 4 per cent. per annum on the amount of its outlay.

4. The relations between the Government and the Corporation with respect to the execution of the work as to time, superintendence, alterations, extras, &c., shall be in every respect similar to those

existing between the Government and any other contractor.

5. The payments of interest shall be computed on the engineer's certificate of the value of the work completed at the end of every six months after the commencement of the work, it being contem-

plated that the work will occupy from eighteen to twenty-four months.

The portion of the main line to which these proposals refer is about six and a half miles in length, commencing at the Bunnythorpe Station and ending in the centre of the Town of Ashurst, at the western end of the Manawatu Gorge. The line has been definitely laid off by the Government Engineers, and is I believe in such a position that the working plans, specifications, and estimates can be at once prepared. The line runs through heavily-timbered country the whole distance, and its formation will give an outlet to some 20,000 to 30,000 acres of first-class timber land, held partly by the above Corporation, and partly by the Wanganui Harbour Board as an endowment for their harbour works.

The object which the Corporation has in view in making these proposals is to enable it to provide an outlet for the timber on that portion of its lands which will be tapped by the proposed line. Experience has proved that, when such an outlet is provided, a large working population can be advantageously settled on these timbered lands. It is also contemplated by the Corporation to make its expenditure on the formation of this line the means of settling a working population on the lands adjacent, which will, when the line is finished, find further occupation in the timber trade. I may also point out that this additional link in the chain of railway communication between Napier and Masterton with Wanganui will greatly facilitate the traffic between the East and West Coast, and the prosecution

of the work in this period of depression will be a great boon to the working classes.

The traffic returns from the stations in the timber-producing parts of the Manawatu will abundantly prove that this line is likely to be an important feeder to the main line, and a source of profit to the Government in its working. The receipts from the Feilding Station alone, contributed mainly by the saw-mills, are at the rate of from £700 to £750 a month; and there is every reason to expect that the Ashurst Station will in a short time become equally productive. The plan annexed shows the

position of the proposed line, which is coloured red.

I have, &c.,
A. FOLLETT HALCOMBE,

Agent, Emigrant and Colonist's Aid Corporation (Limited).

The Hon. the Minister for Public Works, Wellington.