

It will be necessary, not merely to look at it from a financial point of view, although that, no doubt, is a very material point, but grave consideration must be given to the interests of the settlers, who are at the present moment more or less in very distressed circumstances, owing to the bad seasons and the depressed state of the produce- and stock-markets.

To enforce the collection of the railway-rate from these men would simply mean ruin to most of them and the depopulation of the district. I am now referring more particularly to the settlers who have purchased their land from the Government on deferred payment, and the majority of whom certainly bought their land in complete ignorance of their liability for the rate at the time these lands were sold. It is stated, and has not been denied, so far as I know, that no reference whatever was made by the auctioneer to the liability which existed, and which might have to be met by the purchasers.

Whether or not this is a matter of fact, it is now clear that these men were unaware of it, and are now unable to pay it.

At a deputation which waited upon the Premier at Dunedin on the 29th January last, it was stated that there were no less than 199 Government settlers, holding upwards of 58,000 acres of land, all of whom are in the position I have just stated. They are not only unable to pay this rate, but the mere fact of the liability attaching to their lands so hampers their movements in financing for the carrying-on of their operations, that, unless immediate relief is given, the consequences may be very serious indeed. No money-lending institution or agent will make them advances, fearing that at any moment their lands and crops may be confiscated for the payment of the railway-rate. The rate levied up to the present amounts to something like 50 per cent of the annual valuation of their farms, for which you must see it is impossible for them to provide.

In praying the Government to take over the line the settlers are only asking that the same justice be meted out to them as to the settlers on the other district railways which have been taken over, and to which you must admit they are fairly entitled. Besides, they consider that the line, when once in the hands of the Government, can be worked to a profitable issue, far more so in all probability than any other district railway in the colony. The line is now practically part of the main line from Dunedin to the Lake District, and, if any line should be acquired by the Government, they consider the Waimea Railway to have special claims for the favourable consideration of the Government.

It is needless for me to point out to you in how many ways the line can be more cheaply worked as a Government line than under its present administration. The Dunedin office and staff would be done away with, the cost for rolling-stock would be lessened, as I understand the company has at present to pay considerable rents to the Government for trucks, carriages, &c., and the interest upon the borrowed capital upon which the line is now worked would be materially reduced.

The existence of the railway-rate has been extremely detrimental to the settlement of the district. Even before the rate was actually levied, the fear of it kept many good farmers from taking up the land; and, unless the rate is abolished, or something very near it, I fear that settlement may be looked upon as at an end in the district, and, as I have said, even those now upon the land will have to abandon their holdings.

The settlers are friendly disposed towards the Government, and would, I am sure, do their utmost to help them in the accomplishment of carrying out the transfer of the line; but to expect them to meet this rate, or to face the consequences of future rates being levied upon them, is out of the question. I hope, therefore, that the Government will seriously consider the matter, and, as I am sure they are anxious for the genuine settlement of the country, endeavour if possible to save the Waimea District from utter ruin and probable depopulation.

The Hon. E. Richardson,
Minister for Public Works, Wellington.

I have, &c.,
THOMAS GREEN,
Mayor of the Borough of Gore.

16. The UNDER-SECRETARY for PUBLIC WORKS to His Worship the MAYOR, Gore, Dunedin.

Re *Waimea Plains Railway*.

SIR,—

2nd April, 1886.

I am directed by the Minister for Public Works to acknowledge the receipt of your letter of the 11th ultimo, urging the desirability of the Waimea Plains Railway being purchased by the Government, in order, *inter alia*, to relieve the settlers of the district from the payment of the district railway-rate, for which you state summonses have lately been issued by the railway company.

In reply, I am to inform you that the matter of arranging for the purchase of this railway has been under the consideration of the Government for some time past, and that the Government have all along been prepared to purchase the line, but as yet they have been quite unable to make any satisfactory arrangement with the company as to the price to be paid for it.