

33. The Hon. the Minister for PUBLIC WORKS to the SECRETARY, Waimea Plains Railway Company.

SIR,—

Wellington, 2nd June, 1886.

In pursuance of correspondence which has already passed on the subject of the proposed purchase of the Waimea Plains Railway, I have now the honour to inform you that the Government is willing to enter into an agreement for the purchase of this railway on the following conditions:—

1. The agreement shall be subject to the ratification of Parliament.
2. The price to be paid to your company to be £35,000 in cash, the Government undertaking to settle with the Insurance Association as regards your debt to it, amounting to £75,000, not including, however, any interest that may have been due by your company on the 31st March, 1886.
3. The Government does not undertake to make the payment above provided for prior to the 31st January, 1887, but may make it sooner than that if it can conveniently be done; provided however that payment cannot in any case be made until contract is signed and all conveyances of land, &c., duly completed.
4. The above offer is made on the assumption that the purchase will take date as from the 31st March, 1886.
5. The company to forego one-half of the rates due by the ratepayers up to the 31st March, 1886, and to have no claim to any rates, profits, or Government contributions towards guaranteed interest after that date.
6. Interest to be paid by Government on the amount of purchase-money, namely, on £35,000, from the 31st March, 1886, until conveyances are completed and money paid over, at the rate of 4 per cent. per annum.

If you agree to sell the railway on the terms above mentioned, it is, of course, to be understood that it includes all land upon which the railway itself, and the buildings and erections of every kind in connection with the railway, at present stand, and also all lands in any way acquired for the railway or for any purpose in connection therewith; and that the company will remain liable for the discharge of all liabilities in connection with the works done or in progress, and also in connection with all materials obtained or agreed for; and that a good and satisfactory title shall be given by the company to the Government for all the lands above referred to, and also for all works, materials, buildings, tools, rolling-stock, furniture, goods, chattels, effects, and things of what nature soever in use upon the said railway, or in hand for future use upon or in connection therewith; and the company shall, before transferring the lands as above provided for to the Government, pay for all such lands all such sums of money and do all such things in connection therewith as may be due or awarded to the owners, lessees, or occupiers on account thereof, including the cost of completing the titles thereto and of transferring the said titles to the Government.

It is also to be understood that, before the purchase-money herein provided for is handed over, the company shall give full effect to all existing agreements, either written or verbal, with the landowners or the adjoining local bodies. I have, &c.,

EDWARD RICHARDSON,

The Secretary, Waimea Plains Railway Company.

Minister for Public Works.

34. The SECRETARY, Waimea Plains Railway Company, to the Hon. the MINISTER for PUBLIC WORKS.

(Telegram.)

PURCHASE Waimea Railway: Meeting my Board Monday to consider your letter 2nd June. Presume line deemed to be worked on behalf Government from 31st March, and consequently maintenance and cost of carrying on the business (exclusive of payments properly chargeable to construction) are to be charged against traffic receipts; also that, in consideration of company waiving half-rates, Government will undertake to facilitate recovery of other half by putting beyond question company's power to do so, thus providing against possible technicalities.

R. H. LEARY, Secretary.

35. The Hon. the MINISTER for PUBLIC WORKS to the SECRETARY, Waimea Plains Railway Company.

(Telegram.)

You interpret my offer correctly. As to recovery of half back rates, if offer is accepted by company, Bill will be introduced to give effect to purchase, with provision in it to enable you to collect said half-rates.

EDWARD RICHARDSON.

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