

XXIV.—From the Hon. Sir J. VOGEL to the AGENT-GENERAL.

RAILWAY. When will material enable preparation Ratification Bill reach colony?

27th April.

XXV.—From the AGENT-GENERAL to the COLONIAL TREASURER.

ALL away May 28, San Francisco.

27th April.

XXVI.—The AGENT-GENERAL to the COLONIAL TREASURER.

SIR,—

12th March, 1886.

Mr. Alan Scott came to me this morning with a telegram which he is sending to his committee, announcing that he has succeeded in arranging with a number of capitalists for the transfer of the East and West Coast Railway contract, if the Government will grant certain concessions which he describes. It is impossible for me, as the mail will close almost immediately, to do more than send you to-night a copy of so much of Mr. Scott's telegram as refers to the concessions desired, but I most likely shall have to write you fully on the matter by San Francisco.

I have, &c.,

The Hon. the Colonial Treasurer, Wellington.

F. D. BELL.

*Enclosure in No. XXVI.*

From H. ALAN SCOTT to CHRISTCHURCH COMMITTEE.

London, 12th March, 1886.

ARRANGEMENTS completed if Government telegraphs to Agent-General affirmatively to following: First: Whole selection lands to be made forthwith; then set aside for company, they taking possession of land earned in any sequence they desire. Second: Government purchasing-price to include cost, with interest during construction. Third: Mutual running powers upon most favoured basis. Fourth: Time for spending £150,000 extended six months, if necessary. Agent-General telegraphing names.

XXVII.—From the AGENT-GENERAL to the COLONIAL TREASURER.

RAILWAY. Directors appointed. Prospectus appears to-morrow. Assignment executed. Company's seal ordered affixed. £5,000 paid fortnight.

1st May.

XXVIII.—The AGENT-GENERAL to the COLONIAL TREASURER.

SIR,—

7, Westminster Chambers, London, S.W., 23rd March, 1886.

I received in due course your telegram of the 15th instant, directing me to report on the agreement entered into between the delegates of the East and West Coast Railway and the syndicate with whom Mr. Scott had been in treaty; but I was not then in a position to tell you that any definite agreement had been come to.

On the 17th I telegraphed to you that Mr. Scott's negotiations had been conducted with Mr. Salt, chairman of the Lloyds, Barnett's, and Bosanquet's Bank, and Mr. Brodie Hoare, a director of the same bank and Chairman of the National Bank of New Zealand. Those negotiations had, in fact, as mentioned in my letter of the 12th instant, No. 327, proceeded to a point at which Mr. Scott considered he might telegraph to his committee that the business was concluded, if the Government would grant certain concessions. In the meanwhile I had had an interview with Mr. Salt, who informed me that, when he knew whether the concessions would be granted, the gentlemen who had been treating with Mr. Scott would decide whether to take up the contract. From what he told me I was led to believe that, while he and his friends would not finally pledge themselves just yet, the negotiations had gone so far as to make it most likely the contract would be taken up if the concessions were granted.

On the 18th I received your further telegram, stating that, as far as the Government understood the concessions asked for, they saw no objection to them, but that they desired to leave the settlement of the matter with me, and, if I approved of the concessions as well as the proposed syndicate, I might get the matter arranged as quickly as possible. Thereupon I had a further interview with Mr. Salt, and telegraphed you on the 19th that I was endeavouring to bring matters to a definite point. I explained, at my conference with Mr. Salt, several points on which I thought it necessary to have proper safeguards before the concessions were granted, the principal one being a sufficient guarantee for the necessary money to be provided and the work proceeded with; and I telegraphed this to you on the 20th, adding that the prospect seemed favourable of forming a company with good names and adequate capital, but that it would be advisable for the present to keep the matter very confidential.

As I may be telegraphing to you in a few days what has been really done, I will reserve a full explanation for the next mail.

Copies of the telegrams between us are annexed.

I have, &c.,

F. D. BELL.

*Copies of Telegrams referred to in No. XXVIII.*

The COLONIAL TREASURER to the AGENT-GENERAL.

Agent-General, London.

(Received 15th March, 1886.)

REPORT on Scott's agreement with syndicate.

Wellington, 15th.