

No. 7.

The AGENT-GENERAL to the Hon. the PREMIER.

(Telegram.)

London, 21st July, 1888.

MIDLAND.—Message received. Money impossible, unless clause 38 operative. On the other hand nothing else prevents seal affixed, capital issued, works proceeded. All now depends upon your decision insertion, providing that, if powers exercised before terms agreed or arbitrated, then terms, whenever settled, shall relate back.

The Premier, New Zealand.

F. D. BELL.

No. 8.

The CHAIRMAN, Midland Railway Company, to the Hon. the PREMIER.

(Telegram.)

Folkestone, 21st July, 1888.

RUNNING-POWERS essential; promised from first.

The Premier, New Zealand.

T. SALT.

No. 9.

The Hon. the PREMIER to the AGENT-GENERAL.

(Telegram.)

Wellington, 24th July, 1888.

GOVERNMENT absolutely declines permit running till agreement made, but willing make agreement immediately. Question as much one of public safety as pecuniary. Clause as last amended practically same as Salt's letter fifteenth April, eighty-six. Parliament irritated at delay, and Government has had to promise withdraw contract unless signed soon.

The Agent-General, London.

H. A. ATKINSON.

No. 10.

The CHAIRMAN, Midland Railway Company, to the Hon. the PREMIER.

(Telegram.)

London, 24th July, 1888.

CONTRACT will be sealed immediately if Agent-General's clause accepted. Company will execute unaltered agreement as to running-powers when received from Government.

The Premier, New Zealand.

T. SALT.

No. 11.

The AGENT-GENERAL to the Hon. the PREMIER.

(Telegram.)

London, 24th July, 1888.

MIDLAND.—Upon my advice Company agrees that running shall be regulated absolutely by Government until terms agreed or arbitrated. Therefore, supposing you agree, clause 38 would read thus: firstly, omit first thirteen words proviso; secondly, insert these words instead, "the terms on which such powers may be exercised shall be settled by agreement;" thirdly, after word "Act" insert your addition of the 21st July; then continue as follows, "and until such agreement or arbitration as the case may be the said terms shall be fixed by regulation to be made in that behalf by the Governor."

The Premier, New Zealand.

F. D. BELL.

No. 12.

The Hon. the PREMIER to the AGENT-GENERAL.

(Telegram.)

Wellington, 27th July, 1888.

MIDLAND.—38: cannot agree; but will agree as follows: First, strike out proviso. Second, after word "Company," third line, strike out eight words, and insert "for carrying traffic on the line of the one party through or on to the line of the other party, and in particular shall." Third, add after "Christchurch" following words: "but neither party shall have the right to compete with the other party by carrying on the line of the other party traffic originating and terminating on such line. The terms and conditions under which such running-powers and terminal facilities shall operate shall be set out in an agreement to be made under section 5 of the said Act; or, if the parties cannot agree, the form and contents of such agreement shall be determined by arbitration; and while no agreement is in existence binding the parties, then on terms to be prescribed by regulation to be made by the Governor."

The Agent-General, London.

H. A. ATKINSON.

No. 13.

The AGENT-GENERAL to the Hon. the PREMIER.

(Telegram.)

London, 30th July, 1888.

MIDLAND.—Your clause accepted.

The Premier, New Zealand.

F. D. BELL.