

No. 6.

The GENERAL MANAGER, Midland Railway Company, to the ASSISTANT UNDER-SECRETARY for PUBLIC WORKS.

SIR,—

Christchurch, 7th November, 1889.

I have to acknowledge the receipt of your memorandum of the 4th instant, and to thank you for the five copies of the Working Railways Statement sent therewith.

I have, &c.,

ROBERT WILSON (per J.P.K.),

General Manager, Midland Railway Company (Limited).

H. J. H. Blow, Esq., Assistant Under-Secretary, Public Works, Wellington.

No. 7.

The GENERAL MANAGER, Midland Railway Company, to the Hon. the MINISTER for PUBLIC WORKS.

SIR,—

Christchurch, 23rd December, 1889.

In further reference to your letter of the 1st October, 1889, I have the honour, on behalf of the New Zealand Midland Railway Company, to submit the following proposal to complete the Greymouth-Hokitika Railway:—

1. The Government to give the company a subsidy in the form of the works already executed on the line, together with the necessary lands for line, sidings, stations, &c.

2. The schedule of maximum rates and fares to be the same as that contained in the New Zealand Midland Railway contract of 1888.

3. This section of railway to be always exempt from all local taxation, and for a period of at least ten years from general taxation; the remainder of the company's lines to be also exempted from all local taxation, and the Government to use its best endeavours to relieve the company from property-tax in respect to its line of railway and works in progress.

4. The company to complete and open for traffic the Hokitika line within twelve months from completion of agreement.

5. The Government to grant to the company a lease of the Greymouth-Brunnerton line and sidings, including rolling-stock, plant, &c., together with machinery and appliances for loading vessels at Greymouth. Such lease to remain in force until the Government, under the powers in the contract, purchases the whole of the company's lines.

The conditions of lease to be—(a.) The maximum rates and fares chargeable by the company to be the same as those now in force on that line. The method of apportionment of through traffic to be the same as at present in force, and the same system of books and returns to be retained and to be kept separate for this section, the Government having power to inspect and audit the same at any time. (b.) The company to maintain rolling-stock, working-plant, way, and works, including surface of wharves at Greymouth, but not the wharf-piles or harbour-works. (c.) The company to be empowered to charge for haulage of stone for harbour-works, to cover cost and maintenance, and percentage payable to Government on that traffic. (d.) The company to pay the Government half-yearly 40 per cent. of the gross receipts earned by this section. (This system of payment enables the Government to benefit by all increase of traffic over the section.)

This offer is made on the understanding that the arrangements will be completed between the Government and this company before the 31st March next, subject to ratification by Parliament as soon thereafter as it may meet, and also subject to my directors cabling that special finance for this purpose is arranged.

I have, &c.,

ROBERT WILSON,

General Manager, Midland Railway Company (Limited).

The Hon. the Minister for Public Works, Wellington.

No. 8.

The UNDER-SECRETARY for PUBLIC WORKS to the GENERAL MANAGER, Midland Railway Company.

Public Works Office, Wellington, 24th January, 1890.

SIR,—

Re *Greymouth-Hokitika Railway*.

I am directed by the Minister for Public Works to acknowledge the receipt of your letter of the 23rd ultimo, containing proposals for the completion of the above-mentioned railway by your company.

In reply, I am to state that the company's proposals have received the careful consideration of the Government, but, as the terms thereof are not considered to be sufficiently favourable, the Government is unable to see its way to recommend them to Parliament for acceptance. I am also to state that it is considered that it would be very objectionable in any case that such questions as the remission of property-tax on the Midland Railway should be involved in a contract for the completion of the Hokitika to Greymouth Railway.

I have, &c.,

C. Y. O'CONNOR,

Under-Secretary for Public Works.

R. Wilson, Esq., C.E., General Manager, Midland Railway, Christchurch.