

The New Zealand Midland Railway Company (Limited),
Cathedral Square, Christchurch, 4th June, 1890.

SIR,—

Referring to our various conversations as to the best method of granting timber licenses within the area reserved for the New Zealand Midland Railway Company in the Westland District, I have now to make the following suggestions:—

1. The old form of Government timber licenses to be discontinued.
2. You to issue, on behalf of the Government and the company, under clause 33 of the New Zealand Midland Railway Contract, timber licenses, on the company's form, to applicants who define to your satisfaction a certain area, which the applicant must undertake to cut out within a specified time (say, three or five years).
3. The applicant to be bound to cut out regularly all marketable timber within that area, in accordance with the terms of license.
4. Royalties to be received by you and paid into Suspense Account, as provided by clause 33 of the contract.
5. The duty and cost of collecting same to rest with the company, as mentioned in the contract.
6. In ordinary cases you need not refer to the company before granting a license, but merely advise by first mail of your having done so.
7. In special cases, or where the areas are large (say, fifty acres), the matter to be referred to the company before concluding it.
8. All applications for such licenses near any line of railway to be referred to the company before granting.

As the matter is pressing, I shall be glad of an answer at your earliest convenience.

I have, &c.,

ROBERT WILSON,
General Manager.

G. Mueller, Esq., Commissioner of Crown Lands, Hokitika.

An agreement made the day of , one thousand eight hundred and , between the New Zealand Midland Railway Company (Limited), a company duly incorporated in England under the Companies Acts, 1862 to 1883, carrying on business in the City of Christchurch, in New Zealand, and having its registered office at Gracechurch Street, in the City of London (hereinafter referred to as "the company"), of the one part, and of , of the other part, whereby the company agrees to grant and the said agrees to accept and take full and free liberty and license to cut and convert timber growing upon all that piece or parcel of land mentioned and described in the schedule hereunder written for the space of , from the day of , one thousand eight hundred and , at the royalties hereafter mentioned, subject to the following conditions and restrictions, that is to say:—

1. The said piece of land shall be forthwith divided into blocks of acres in extent.
2. The said shall cut out the timber on the said blocks consecutively in such order and commencing in such a way as shall from time to time be prescribed by the company, through its manager or agent for the time being in New Zealand, and shall completely finish cutting the timber on each such block before commencing to cut the timber on another.
3. And shall, upon the completion of the cutting of any block, yield up to and allow the company to resume possession of the same. And shall at any time, upon the request in writing of the company through its manager or agent for the time being in New Zealand, yield up to the company any portion of the said parcels of land hereinbefore mentioned whether or not all or any portion of the timber on such land has been cut—save and except any lands used as mill-sites, or upon which any buildings have been erected—on payment by the company of compensation for such land, the amount to be determined by agreement or arbitration in the usual manner, but not to exceed in any case £ per acre.
4. And shall pay monthly, on the day of each month, to the company royalties on all timber cut and converted by him, and upon all firewood, posts, rails, fencing, stakes, palings, and shingles cut by him, at the following rates—namely: (a.) Kawaka, silver-pine, and totara, one shilling per hundred superficial feet. (b.) Black-pine, ninepence per hundred superficial feet. (c.) Birch, red-pine, white-pine, and any other timber not herein specified, sixpence per hundred superficial feet. (d.) Stakes and palings, two shillings per hundred. (e.) Shingles, two shillings per thousand. (f.) Firewood, one shilling per cord. (g.) Posts and rails, five shillings per hundred. (h.) Round timber (excepting kawaka and silver-pine), three to six inches in diameter, one shilling and sixpence per hundred running feet; from six to nine inches in diameter, two shillings and sixpence per hundred running feet.
5. And will convert the timber at a rate of not less than superficial feet per week.
6. And will cut and convert all serviceable trees exceeding twelve inches in diameter.
7. And will pay the said royalties at the times and in the manner aforesaid.
8. And will keep production books and way-bill books and any other books connected with the timber output to be supplied to him by the company, and enter therein daily, in the manner required by the manager or agent for the time being of the company, the quantity of timber cut, converted, or delivered by him.
9. And will permit the manager or agent for the time being of the company at any time to inspect and take extracts from or make copies of the said production and way-bill books or any other book or document having reference to the timber output.
10. And will pay all rates charged or imposed upon or in respect of the said premises.
11. And will not at any time assign or transfer the license hereby granted without the consent in writing of the company first had and obtained.
12. And will permit the company to make, construct, and use road-sidings and tramways