

No. 13.

The GENERAL MANAGER, Midland Railway Company, to the Hon. the PREMIER.

DEAR SIR, —

Wellington Club, Wellington, N.Z., 29th October, 1892.

I have been in communication with London by cable, and my directors have given me instructions to submit two offers to the Cabinet. These are the best they can make with any prospect of being able to finance the balance of capital required to finish the East and West Coast line. I have sent these offers formally to the Government, but thought it better to inform you of this in the hope that you might be able to look into the question yourself. I much regret troubling you, but the importance of the business as well as its pressing nature will, I trust, be accepted as my excuse.

Briefly, the offers from London are as follows:—

(a.) The company to sell the balance of the land-grant for East and West Coast line for £850,000, the colony guaranteeing 3 per cent. on £250,000 new share capital. Or,

(b.) The company to sell the balance of the land-grant for East and West Coast line for the B1 value—viz., £618,250, and the colony to guarantee 3 per cent. on £500,000 new share capital.

These offers will, I trust, meet your views. They are certainly a great sacrifice for the company to make in the face of the evidence sent to England in the first instance—that one block of western lands, 60,000 acres in extent, was valued at £500,000, and would bring this sum as soon as railway communication was opened.

Even if the colony had to meet the entire guarantee on the larger amount, this liability would only be £15,000 per annum, which is a small sum compared with the great advantages offered by throwing open the entire reserve of 5,000,000 acres, and the profit which will be made by the Government on the B1 value of land through the construction of the railway by the company.

I trust the subject will receive an early and favourable consideration by the Cabinet, and that you will be able to submit one of the two offers to Parliament next session, with your recommendation for its acceptance.

I am, &c.,

The Hon. the Premier, Wanganui.

ROBERT WILSON.

No. 14.

The GENERAL MANAGER, Midland Railway Company, to the Hon. the PREMIER.

SIR,—

Wellington Club, Wellington, N.Z., 29th October, 1892.

Upon receiving the letter of the Minister for Public Works, dated 25th (? 24th) instant, I communicated with my directors in London; and, since then, have received instructions by cable to submit to the Cabinet two proposals, either of which I am prepared to accept on behalf of the company, subject to the approval of Parliament when it next meets.

My directors desire to settle the present difficulty under the contract in a fair and friendly spirit, and have therefore stated the smallest amounts they can accept for the sale of the land-grant to the Government, and the least amount of guaranteed interest on new capital which will enable them to finance the balance of capital required to finish the East and West Coast line. I therefore trust the Government will endeavour to meet the proposals of the company in the friendly spirit in which they are submitted, and, with the desire to arrive at a prompt settlement of the question, I have the honour to submit the offers as cabled to me from London:—

(a.) The company are prepared to sell the balance of the land-grant for the East and West Coast line for the sum of £850,000, to be paid to the company against engineers' certificates for work done; and, in addition, the colony to guarantee 3 per cent. interest on £250,000 new share capital; or,

(b.) The company are prepared to sell the balance of the land-grant for the East and West Coast line for the sum of £618,250, to be paid to the company against engineers' certificates for work done; and, in addition, the colony to guarantee 3 per cent. interest on £500,000 new share capital.

I have the honour to request that I may be favoured with an early answer from the Cabinet to enable me to cable to London, as long as possible, before the annual general meeting of the company next month.

I have, &c.,

ROBERT WILSON,

Engineer-in-Chief, and General Manager,

New Zealand Midland Railway Company (Limited).

The Hon. the Premier, Wellington.

No. 15.

The GENERAL MANAGER, Midland Railway Company, to the Hon. the PREMIER.

SIR,—

Wellington Club, Wellington, N.Z., 4th November, 1892.

I have to thank you for your telegram stating that the offer sent by me on behalf of the company will receive the consideration of the Cabinet.

I see by the newspaper that these proposals are to be considered by a full Cabinet. I have to point out that it is most important that I should cable some information to my directors, before the annual general meeting on the 20th instant. Should you not have a full Cabinet meeting before then, can you tell me, unofficially, if the proposals contained in my letter to you of the 29th October last are likely to receive the favourable consideration of the Government? and whether I may state this to my directors?

I have, &c.,

ROBERT WILSON,

Engineer-in-Chief and General Manager,

New Zealand Midland Railway Company (Limited).

The Hon. the Premier, Wanganui.