E.—10. 16

As your Honor is aware, the Government is going to considerable expense in exploring the above reserves, and they view with surprise the proposal of your Government to grant a lease on such terms as those now submitted to them, as it would appear from the best information now in the hands of the General Government, the portion of land proposed to be leased is the key to the whole of this valuable coal field. Soliciting your early attention to this subject.

His Honor the Superintendent, Nelson.

I have. &c JOHN BATHGATE.

Mr. R. C. CHAMBERS to the Hon. the MINISTER for Public Works.

Wellington, 10th March, 1873. SIR,-

In compliance with request contained in yours of this date I have the honor to enclose a copy of a letter received from the Provincial Secretary of Nelson, re the granting of lease to the

Ngakawau Coal Mining Company.

I may state the Company has already been at considerable expense in proving the value of the coal seam at Ngakawau, which was condemned in most of the reports on that coal field, and it was only after considerable labour and expense we have been able to demonstrate the value of this seam. Our perseverance and success has led to a more thorough examination of this coal field, and the result has been the proving of an extensive area of first-class coal in several separate seams. From the appearance of the seam in our lease, we must, at an early date, either erect machinery or put in a tunnel for some distance on the east side of Mine Creek in unproductive works to reach the coal level Either arrangement will necessitate a further outlay of £1,500 or £2,000, so that your Honor will see the necessity of treating our Company in a liberal manner, seeing we are the pioneers of this coal field, and also as soon as a tramway is made to Westport sufficient mines may be opened up to supply a large export trade.

The Hon. the Minister for Public Works, Wellington.

I have, &c., R. C. CHAMBERS.

The Provincial Secretary, Nelson to Messrs. Thomas Field and others, Westport. Superintendent's Office, Nelson, 9th December, 1872. GENTLEMEN,

Referring to the telegram from this office, dated 6th December instant, wherein you are informed that Dr. Hector having waived his objections, a lease of 400 acres would be granted to you at Ngakawau, I have now to inform you of the special conditions upon which the lease will be granted, which are as follows namely:

 The term of lease shall be twenty-one years.
The rent shall be 1s. per acre for the first year, and 5s. per acre per annum for the remainder of the term.

3. The lessees shall raise during the first year not less than 5,000 tons of coal. second, third, fourth, and fifth years of the said term, not less than 10,000 tons each year. sixth, seventh, eighth, ninth, and tenth years of the said term, not less than 15,000 tons each year; and during the remainder of the said term not less than 20,000 tons each year.

That the block to be leased shall be subject to the approval of the Superintendent, and shall not

be within two chains of the River Ngakawau.

In addition to the above, special conditions as to royalty required by "The Waste Lands Act, 1863," and those usually inserted in coal leases, will be imposed in the lease to be granted to you. I have, &c.,

ALFRED GREENFIELD, Provincial Secretary.

P.S.—The object of reserving one or two chains on the bank of the river is to prevent any monopoly of facilities for shipping by any one Company, whether for coal mining or other purposes.

The Superintendent of Nelson to the Hon. the Colonial Secretary.

Wellington, 22nd May, 1873. SIR,— I have the honor to forward herewith a copy of a resolution passed unanimously by the Provincial Council of Nelson, relative to the late discoveries of coal at Ngakawau and Waimangaroa, and to the urgent importance of the immediate construction of a railway to convey the proceeds of the mines to the port of Westport.

As I have already on several occasions recently pressed this matter on the attention of the Government, I need now only express my entire concurrence with the resolution, and my earnest hope that the Government will lose no time in coming to a decision upon a question of so great interest to the

Colony, as well as to the Province of Nelson.

I have, &c.,

OSWALD CURTIS,

The Hon. the Colonial Secretary, Wellington.

Superintendent of Nelson.

"That, in the opinion of this Council, the late discoveries of coal of high quality and in large quantities at the Ngakawau and Waimangaroa render the construction of a railway suitable for coal traffic from the Ngakawau to Westport a matter of urgent importance, and the Council trust that the Colonial Government will proceed with the work without delay under the authority of "The Railways Act, 1872," from funds therein appropriated for Mount Rochfort Coal Railway."

COPY of a RESOLUTION unanimously passed by the Provincial Council of Nelson, on the 19th May,