5. Paragraphs 6, 7, 8, and 9. As the company elect that the Government finance, these paragraphs are thereby answered. The 5 per cent. was to cover all expenses, and, as this passes to the Government and the company becomes merely the instrument by which the works are carried out, any office expences evidently fall to be paid as thus provided. The Government has in its power to limit such expences to any sum which, in its opinion, will secure efficiency.

I have, &c.,

J. LOGAN CAMPBELL,

Chairman, Thames Valley and Rotorua Railway

The Hon. Sir Julius Vogel, Colonial Treasurer.

Company (Limited).

10. The Chairman, Thames Valley and Rotorua Railway Company, to the Hon. the Minister for Public Works.

The Hon, the Minister for Public Works, Wellington.

(Telegram.) Auckland, 19th March, 1885. Kindly hasten provisional agreement. Bank requires acceptance by Government of terms arranged before becoming liable to finance for company; letter from you to above effect will answer same purpose. Articles of association posted.

J. LOGAN CAMPBELL,

Chairman, Thames Valley and Rotorua Railway Company.

11. The Hon, the Minister for Public Works to the Chairman, Thames Valley and Rotorua Railway Company.

Public Works Office, Wellington, 20th March, 1885. SIR,—

In reply to your telegram of the 19th instant, I have the honour to say that the Government recognize that the terms of the purchase of the Thames Valley and Rotorua Railway are embodied and contained in the several letters, as follows: (1) 20th February, 1885, the company to the Hon. the Colonial Treasurer; (2) 24th February, 1885, the company to the Hon. the Colonial Treasurer; (3) 24th February, 1885, the Colonial Treasurer to the company; (4) 26th February, 1885, the company to the Hon. the Colonial Treasurer.

These terms are now being embodied in a formal contract between the company and the

Government, the draft of which will be forwarded to you in the early part of next week.

The Government is advised that it is necessary that the company should pass a special resolution authorizing the sale by the directors to the Government, and you will please take care that the resolution is so framed as to fully cover the terms agreed upon.

I need hardly repeat that the arrangement is to be subject to ratification by Parliament.

I have, &c.,

EDWARD RICHARDSON,

The Chairman, Thames Valley and Rotorua Railway Company, Auckland.

Minister for Public Works.

12. The Chairman, Thames Valley and Rotorua Railway Company, to the Hon. the Minister for Public Works.

Thames Valley and Rotorua Railway Company (Limited),

Sir,-

Auckland, 30th March, 1885.

I have the honour to acknowledge the receipt of your letter of the 20th instant, and to inform you that the board of directors have convened a general meeting of the company, to which they will apply for confirmation of the agreement entered into with the Government. I enclose for

your information a copy of the resolution, which will be submitted to the meeting.

I have further to state that tenders have been invited for completing the first section of the railway, returnable to the company's engineers on the 22nd instant. I now await the draft of

agreement, which will probably come to hand from you by the mail now due.

I have, &c.,

J. Logan Campbell,

Chairman, Thames Valley and Rotorua Railway Company (Limited). The Hon. the Minister for Public Works, Wellington.

Enclosure 1 in 12 of No. 9.

The Thames Valley and Rotorua Railway Company (Limited).

NOTICE is hereby given that an extraordinary general meeting of the Thames Valley and Rotorua Railway Company (Limited) will be held at the registered office of the company, No. 147, Queen Street, Auckland, on Thursday, the 16th day of April, 1885, at noon, when the subjoined resolution, with or without modification, will be proposed: "That the directors be empowered and authorized to contract for the sale or lease of the whole of the company's property, upon the terms expressed in a draft contract between the Government and the company to be submitted to the meeting."

By order of the Board, By order of the Board,
JOHN BATGER,
Secretary, Thames Valley and Rotorua Railway Company (Limited).

Dated 30th March, 1885.

13. The Hon. the Colonial Treasurer to the Chairman, Thames Valley and Rotorua Railway Company.

Christchurch, 8th April, 1885. SIR. I have the honour to enclose you a draft contract for giving effect to the agreement made with your company, subject to the approval of the shareholders and of Parliament. I may remark that, as I led you to believe that we were dealing equally liberally with you as with other railway companies, and as we have made some concessions to companies in the South, I have thought it fair to you to add £2,000 to the purchase-money. I have also, with regard to the line between