Sess. II.—1891. NEW ZEALAND.

EXTENSION OF WHANGAREI-KAMO RAILWAY

(PAPERS RELATIVE TO).

Laid on the Table, by permission of the House, by the Hon. Mr. Seddon.

The Agent-General for New Zealand to the Hon. the Premier.

Westminster Chambers, 13, Victoria Street, London, S.W., 30th April 1891. Sir.— With reference to the Hon. Minister's memorandum, of the 25th February last (No. 1), and to the Hon. Mr. Mitchelson's letter of the 21st January, on the subject of the Kamo-Kawakawa (Puhipuhi) Railway, I now beg to enclose a letter from Mr. R. Hunt containing a proposal for the construction of the line on the section Kamo to Waiotu, and Whangarei Railway-wharf to Grahamstown, under "The Railways Construction and Land Act, 1881.

Mr. Hunt also makes a proposal to introduce from four hundred to five hundred Swedes to help

to construct the line, and to be employed in felling the forest.

In accordance with Mr. Mitchelson's instructions these proposals are forwarded to the Government for consideration, and Mr. Hunt requests that their decision in the matter may be sent by I have, &c., F. D. Bell. cable.

The Hon. the Premier, Wellington.

Enclosure.

Mr. R. R. Hunt to the Agent-General for New Zealand.

Albion Chambers, 60, Haymarket, London, S.W., 29th April, 1891. Sir,— Re Whangarei Railway Extension: Referring to the conversation which I had the honour to have with you on the above subject, and when I introduced Mr. F. A. Cheesewright, A.M.I.C.E., Mem. Soc., Eng., of 60, Haymarket, London, and Mr. Emile Janson, of Sweden, I now beg to place on record what was said.

I informed you that Mr. Cheesewright had inspected the plans of the railway Kamo to Waiotu Creek, and Whangarei to Grahamstown, at deep water for ocean-going steamers, the said plans having been sent to you to "exhibit to any one interested in the matter." Mr. Cheesewright expressed his professional opinion that there would be no engineering difficulties whatever in the construction of the proposed extension of the Whangarei Railway; and, as to the capital, Mr. Cheesewright said that, taking as his basis the New Zealand Engineer-in-Chief's estimate of the cost of construction—viz., £104,900—there would be no difficulty in finding the capital to build the line, always supposing the present Government are willing to grant the same concession to a company finding the capital, as the late Government promised, in accordance with my proposals to them

under date the 26th August, 1890.

The Hon. T. Fergus said the Government were willing to grant a concession to any company who would construct the line, and would give a preference to those making it right through from Kamo to the Bay of Islands. As, however, the line from Kamo to Waiotu Creek, at the Puhipuhi State forest, would bring out all the scorched and other timber therefrom, and connect with the coalfield at the Hikurangi, the extension thereto would serve all useful purposes for some time to come; and if the present Government would be satisfied with having the railway extended only from Kamo to Waiotu, and from Whangarei to deep water, capitalists would be better satisfied to put their money into this section, and, if that paid them, the capital of the company could easily be

increased if prospect of the Kawakawa extension paying were found feasible.

I therefore beg to make an offer through you to construct the line on the shorter section, Kamo to Waiotu, and Whangarei Railway-wharf to Grahamstown, as per plans prepared by the New Zealand Government engineers, to be carried out under "The Railways Construction and Land Act, 1881," whereby 30 per cent. of the cost of construction of the line is to be given in land: (a.) The land agreed to be given was about 5,000 acres of the State forest at Puhipuhi, containing about 132,000,000 superficial feet of kauri and totara timber. (b.) The value of the land (as land) would have to be settled in terms of the Act—namely, by arbitration (c.) The timber as arranged