

by the Hon. Mr. Fergus to be valued also, but the minimum royalty for that near where the proposed railway would touch, the forest, was to be 6d. per 100 superficial feet, with a smaller rate for the timber in more inaccessible positions, but such price not to go below 2d. per 100ft., leaving it to the arbitrators to fix the rate intermediate between the 2d. and 6d. (d.) If any other land was required to make up the 30 per cent. it was to be found in blocks outside the forest boundaries. (e.) Further, it was agreed by the Government that the Auckland Land Board would be asked by them to grant to three individual members of my syndicate a lease each of 640 acres of the coal lands at Hikurangi for thirty years, at 3d. per ton royalty, with a dead-rent of 1s. per acre if the coal was not worked, under clause 9, subsections (1) to (4) of "The Coal-mines Act, 1886"; and that, under clause 15 of said Act, such leases will be amalgamated and extended to ninety-nine years, when the company opens the railway and is working its coal-mines with vigour.

The land for this purpose was specially withdrawn from sale or lease, being reserved for the purpose of assisting the construction of this line. In an interview of the writer with Mr. Humphries, Commissioner of the Land Board at Auckland, he said that no doubt his Board would agree to this, when requested by the Government to act, but that they might make the stipulation that if the company were formed, and duly constructed the railway, then the royalty to be 3d. per ton, but that if there should be any hitch in construction, then the royalty to be 6d. per ton.

With regard to Mr. Janson, he was brought to say that he proposed to introduce four hundred to five hundred Swedes to help to construct the railway-line, and to be employed in felling the forest, which must be quickly cut and sold to save it from perishing, and that these men it is proposed to settle on the land acquired under this concession. It was pointed out by Mr. Janson that Swedes are used to forest work, and are sober, hard-working, thrifty people, making the best of settlers, and that each man would have at least £50 wherewith to pay for his land, and passage, &c., which would be in itself a surety that once in the colony they would stay there.

It is proposed that the company to be formed shall take power, and have capital specially set apart, to encourage the settlers (introduced or otherwise) located near the railway, to enter on fruit-growing with vigour, believing that the fruit industry, north of Auckland, must be a great feeder to their line, and with this idea the company will be buyers of fruit in quantity, which they will convert into jam and otherwise preserve for sale.

I need scarcely point out to you the immense influence for good such a railway and commercial company would have on the north of Auckland. It would have its timber to cut up and sell, its coal-mines to work, and its railway-traffic to increase—specially in the direction of encouraging fruit-growing, for which the north of Auckland, from its lovely climate, is so admirably adapted.

Suffice it to say, that I trust you will transmit my offer to the New Zealand Government, and get their answer by cable. If favourable, it is likely that I will return to the colony to have the contract prepared and signed, leaving Mr. Cheesewright (of 60, Haymarket) to represent me here in case of my absence, and to raise the capital of the proposed company if the concession is granted.

Sir Francis D. Bell, K.C.M.G., C.B.,

Agent-General for New Zealand, Westminster.

I have, &c.,

R. R. HUNT.

#### THE NORTHERN RAILWAY.—(NEWS FROM MR. R. R. HUNT.)

MR. G. CLARK-WALKER, Secretary of the syndicate formed for the purpose of furthering the construction of a railway northwards from Whangarei, received a letter from Mr. R. R. Hunt this week in connection with the same. Mr. Hunt, it will be remembered, went Home to England for the purpose, amongst other things, of forming a company to make this railway on the condition that the Government gave certain concessions, amounting to 30 per cent. of the capital cost of the line, as well as the right to mine the Government coal lands at Hikurangi on a royalty. The late Government agreed to give 5,000 acres of freehold in Puhipuhi with the timber, and other concessions. This was before Puhipuhi was proclaimed a goldfield.

Mr. Hunt writes to say that he has arranged with a gentleman who is willing to float a company to make the railway—right through to Taumarere if necessary—providing the present Government will grant the concessions promised by the late Government.

It will be seen by advertisement elsewhere that a meeting of the original railway league is convened to be held in Whangarei, on Friday next, for the purpose of considering Mr. Hunt's letter and for the further purpose of recommending the present Government to confirm the agreement entered into with Mr. Hunt by their predecessors. As the matter is of considerable importance a full meeting is requested.

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