

It would, moreover, appear that the company desires to avoid publicity being given to the proposed selections of land in localities where gold-mining operations are being carried on. This has already been—and is likely to be—an obstacle in the way of approval being given to the draft regulations submitted by the company for dealing with lands under clause 33 of the Midland Railway Contract.

I have, &c.,

H. J. H. BLOW, Acting Under-Secretary for Public Works.
Robert Wilson Esq., C.E., General Manager New Zealand Midland Railway Company, Christchurch.

This is plainly an evasion of the point of the letter under reply. You will remember that clause 33 was expressly inserted to enable lands to be settled which the company had not earned. See how this evasion is exposed in this letter:—

The GENERAL MANAGER, Midland Railway Company, to the UNDER-SECRETARY for PUBLIC WORKS.

SIR,—

New Zealand Midland Railway Company (Limited), Christchurch, 28th July, 1891.

Regulations for dealing with Lands under Clause 33.—I have the honour to acknowledge receipt of your letter of the 22nd instant on the above subject, in reply to mine of the 10th instant, calling the attention of the Government to the injury caused by their not permitting the company to proceed with dealing with lands under the above-mentioned clause.

After careful examination of the correspondence which has passed between the Government and the company on the subject, I am reluctantly forced to the conclusion that the Minister has either not studied the correspondence or has entirely misunderstood the subject, the Minister's statements, as expressed in your letter, being inaccurate.

In the first place, the lands earned by the company have not all been granted to it, as there are earnings to the amount of £50,000 (about), over and above what has been selected, now due; and the only block of western lands (No. 240) which the company has applied to select (notice of which selection was given on the 24th November, 1888) is still awaiting a final reply. The Minister's remarks, however, about the company's selections of blocks on the eastern side of the range are quite foreign to the point at issue, and my letter to which you reply did not attempt to cast any blame on the Government *re* the blocks which the company has found it expedient to select, and did not even mention the subject in any way. The subject of my letter was clause 33, which was especially inserted in the contract to enable the West Coast lands to be dealt with irrespective of block sections, it being obvious that the selection of a block, say, of 5,000 acres to 10,000 acres, near Westport, would not in any way facilitate settlement, say, near Hokitika. Successive Governments have caused the delay in settlement, which would have been going on under the clause during the last two or three years, by the unworkable regulations issued by the late Government, which have not been withdrawn or altered up to the present time, though reasonable and workable modifications were proposed by the company, and sent with my letter of the 10th February last. Though this is now nearly six months ago, yet, judging from your letter under reply, consideration of the subject by Government has not apparently advanced.

As to the allegations that the company desires to avoid publicity being given to the proposed selection of land in localities where gold-mining operations are being carried on, if the Minister refers to the correspondence he will find the contrary to be case, and that the company has been urging the Government to adopt the system of advertising all applications where any question of the land being payable auriferous is involved—*vide* my letter of the 10th February, and regulations therewith, and subsequent letters, in which I urged the adoption of advertising instead of making at once large mining reserves, which would, I consider, be a useless and needless hindrance to settlement, without profiting the gold-mining industry. Of course, the company would object to the advertising if these large gold-mining reserves were made, as once they are made there can be no necessity for advertising, as the question of auriferous lands would then be done with. There can, therefore, be no obstacle in the way of approval of the draft regulations on this account.

I must ask you for a further explanation of the Minister's statements on these points, as contained in your letter under reply.

I have, &c.,

For the New Zealand Midland Railway Company (Limited),

ROBERT WILSON, Engineer-in-Chief and General Manager.

Under-Secretary for Public Works, Wellington.

But here is a beautiful example of the eagerness of the Crown to promote settlement. Applications were sent in in September, 1890, and now, fifteen months after, the Government make this discovery,—

The UNDER-SECRETARY for PUBLIC WORKS to the GENERAL MANAGER, Midland Railway Company.

SIR,—

Public Works Office, Wellington, 23rd December, 1891.

Re Midland Railway: Proposed Regulations for dealing with Lands under Clause 33, of the Midland Railway Contract.—Referring to former correspondence on the above-mentioned subject, I have the honour, by direction of the Minister for Public Works, to state that, upon a closer examination of the provisions of the contract relating to the matter, it would appear that no provision is contained therein for making regulations such as those proposed by your company.

I have, &c.,

H. J. H. BLOW, Under-Secretary for Public Works.

Robt. Wilson, Esq., C.E., Engineer-in-Chief and General Manager,
New Zealand Midland Railway Company, Christchurch.

They had sent us draft regulations, had discussed them, and we had written about them, and yet fifteen months afterwards, during all of which time applicants are waiting for land, they make the discovery that they cannot make regulations at all.

The GENERAL MANAGER, Midland Railway Company, to the MINISTER for PUBLIC WORKS.

SIR,—

New Zealand Midland Railway Company (Limited), Christchurch, 24th December, 1891.

Proposed Regulations for dealing with Lands under Clause 33, and Proposed Timber Regulations.—In reply to your two letters of the 23rd instant, in which you state that "upon closer examination of the provisions of the contract relating to the matter it would appear that no provision is contained therein for making regulations, and also that there is no power under the contract to make timber regulations such as those proposed by this company," I have the honour to point out that in the first paragraph of clause 33 of the contract it is provided that "The Queen shall from time to time, on the request of the company, sell any such lands for cash or on deferred payments in such manner as may be agreed upon between the Queen and the company, or may let the same on lease to any person or persons desirous of purchasing or leasing the same."

This clearly shows that there is power to make an agreement for mutual convenience between the Queen and the company as to the method of dealing with western lands under clause 33, and this is all the company has been asking to have arranged on a workable basis.

In consequence of your letters under reply, the company will be compelled to cause applicants for land and timber to proceed in the manner provided under clause 33, without waiting for any further or more detailed agreement to be made.

I have, &c.,

For the New Zealand Midland Railway Company (Limited).

The Hon. the Minister for Public Works.

ROBERT WILSON, Engineer-in-Chief and General Manager.

Still the company send in applications and try to get them through for settlers, notwithstanding all this disheartening obstruction. Here is another letter:—