

in the way of the approval being given to the draft regulations submitted by the company for dealing with lands under clause 33 of the Midland Railway contract.—H. J. H. BLOW, Acting Under-Secretary, Public Works.”

To this Mr. Wilson replied, of course, denying the soft impeachment made, and still urging approval of the regulations, and non-advertising of applications, if the mining reserves were made. To this the reply was given on the 20th August, that the mining reserves were being made as rapidly as possible, and that, when reserves were made, draft regulations would be dealt with. From the 20th August to the 14th December, 1891, Mr. Wilson did not communicate with me further as to regulations or land-settlement under clause 33; and, in the meantime, the proclaiming of the reserves in Westland was proceeded with as rapidly as the terms of the contract permitted.

On the 14th December, 1891, Mr. Wilson telegraphed, urging dealing with lands on western slope under the company's regulations. To this, on the 23rd December, 1891, I directed the following reply to be sent to Mr. Wilson:—

“Re *Midland Railway. — Proposed Regulations for dealing with Lands under Clause 33 of the Midland Railway Contract.*

“SIR,—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 terms of the contract relating to the matter, it would appear that no provision is contained therein for making regulations such as those proposed by the company.—H. J. H. BLOW, Under-Secretary for Public Works.”

To this, on the 24th December, Mr. Wilson replied, contending still in the first part of his letter that there was power to make regulations, but by the concluding paragraph he accepted the inevitable. The paragraph was as follows: “In consequence of your letter 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.” Mr. Wilson, therefore, on behalf of the company, as regards the making of regulations, “threw up the sponge,” after fighting for same with a persistency worthy of a better cause for one year and three months. For it was by letter dated the 29th August, 1890, that my predecessor, the Hon. Mr. Fergus, acting under the Law Officers' advice, notified the company that the Minister could not delegate his powers, and that selections under clause 33 were governed by clause 29, which gave the Minister the power of veto.

The next and very important communication was from Mr. Wilson, dated the 21st January, 1892, as follows:—

“SIR,—I have the honour, by direction of the general manager, to forward under separate cover a number of applications for land which the company desires to deal with under clause 33 of the Midland contract, and to request that you will forthwith cause the value of such land to be assessed, as provided in subsection (2) of the above clause. These applications can all be located by the Commissioners of Crown Lands for the districts from the information given. There is therefore no reason why they should not be dealt with at once. For convenience the Westland and Nelson applications have been divided according to lists enclosed.—W. KENNEDY, Secretary.—The Hon. the Minister for Public Works.”

Now, this list contained 125 applications from Nelson, and fifteen applications from Westland. This, however, completes the applications in order under clause 33 up to February, 1892, the date mentioned by Mr. Wilson in his letter.

I will now, from the afore-recited data, reply to the points raised in Mr. Wilson's letter categorically.

1. I said the applications sent in by the people of the West Coast were greatly delayed by the company, although they were expeditiously treated by the Public Works and Survey Departments. The Government were asked to make regulations which they had no power to make. Mr. Wilson in the first paragraph of his letter coolly left out the words, “The Government were asked to make regulations which they had no power to make.” These words explained how the company had caused the delay. Surely, in the face of the correspondence given, Mr. Wilson will not say that regulations were not demanded and fought for by the company, and that at last by the company's action they have admitted there was no legal power to make such regulations. Mr. Wilson says that between February, 1890, and January, 1892, he sent in for assessment 230 applications. Seeing the contract was signed in August, 1888, what became of the West Coast applications from that date to February, 1890? And why did Mr. Wilson not state to whom the applications were sent each month in the two years? And why give so large a margin? It might be inferred that the whole were sent in on the 1st February, 1890, or the last day of January, 1892. The letter from Mr. Wilson of the 26th January, 1892, speaks for itself: A hundred and forty applications were sent in on that date. What has become of the other ninety-one? Mr. Wilson knows best. Perhaps the making of the mining reserves prevented these applications being proceeded with, or perhaps they have been sent to the Commissioners of Crown Lands without reference to the Minister for Public Works. Under the terms of the contract the Minister for Public Works is the authority mentioned as having the power of veto under clause 29.

The applications for assessment of lands in Westland were forwarded to the Survey Department on the 16th February, and by the Survey Department here were then sent to Hokitika, and returned complete from Hokitika on the 14th April. I used every expedition, and Mr. Strachan used every expedition. I made my speech on the 22nd April, and stated the actual facts when I said the Public Works and Survey Departments had expeditiously dealt with the applications. Owing to the absence of the Surveyor-General from Wellington, the applications had to be held over until his return. He dealt with same immediately, and forwarded to Mr. Wilson the Westland assessed applications on the 10th May, 1892. The total area covered by the sixteen applica-