

1885.

NEW ZEALAND.

EAST AND WEST COAST (MIDDLE ISLAND) AND
NELSON RAILWAY

(COPIES OF TELEGRAMS RELATIVE TO PROPOSED AGREEMENT WITH MESSRS. MEIGGS & SONS)

Laid on the Table by the Hon. Mr. Stout, with leave of the House.

Mr. SCOTT to Sir JULIUS VOGEL.

London, 10th July, 1885.

PROVISIONAL arrangements made subject to further concessions. Very important submit personally. What latest date Fell Dobson arrive, and get Bill through House?

The COLONIAL TREASURER to the AGENT-GENERAL.

Wellington, 13th July, 1885.

TELL Scott unlikely delegates return before session closing. Better cable concessions required. Cable your opinion strength syndicate, names principal men.

The AGENT-GENERAL to the COLONIAL TREASURER.

London, 15th July, 1885.

DELEGATES. Yours thirteenth. Firstly, requested delegates report exact present position their negotiations, which they have done as follows. Report begins: Meiggs and Sons, South American contractors and financiers, of good standing and repute, have agreed in writing take contract, probably completing works in three to five years, provided absolute Government guarantee given of £97,000 payable in London half-yearly above working expenses for twenty years dating from completion works; this being $2\frac{1}{2}$ per cent. upon estimated cost, namely—works with contingent margin, £3,025,000; interest during construction, £400,000; syndicate allowances for underwriting, £385,000; engineers and administration, £50,000: total, £3,860,000. Government allowed control over working by appointing half local directors for managing railways but not land. Government to have full power purchase railways any time at full cost as above, less depreciation, any further works being paid for at valuation. Powerful financial houses known to delegates promise support and ready take substantial interest if concessions granted. Report ends. Secondly, no syndicate yet formed.

The COLONIAL TREASURER to the AGENT-GENERAL.

Wellington, 17th July, 1885.

RAILWAY. Understand yearly payment not commence until entire line completed; also Government retain surplus over working expenses whilst yearly payment continues. Reply also, are other special features required in Bill besides those cabled?

The AGENT-GENERAL to the COLONIAL TREASURER.

London, 17th July, 1885.

DELEGATES. Yours to-day. Reply on first question you are right. Reply on second question and reply on third question Monday.

The AGENT-GENERAL to the COLONIAL TREASURER.

London, 21st July, 1885.

DELEGATES cannot reply on second question yet. Do not act till you have received it.

The COLONIAL TREASURER to the AGENT-GENERAL.

Wellington, 22nd July, 1885.

ASK delegates if intended Government liable for more than ninety-seven, supposing receipts not equal working expenses.

The COLONIAL TREASURER to the AGENT-GENERAL.

Wellington, 24th July, 1885.

TELL Scott unless guarantee limited to total ninety-seven thousand, including working expenses, and unless excess receipts applied reduction guarantee, approval hopeless. Reply quickly.

The AGENT-GENERAL to the COLONIAL TREASURER.

London, 24th July, 1885.

DELEGATES. Your three last. Firstly, reply on second question on third question. Report begins: Treasurer's message to-day means contribution not guaranteed as asked. Net amount receivable by syndicate must be ninety-seven, Government paying also any deficit in working expenses. All profits from land must belong to the syndicates, these profits being chief inducement investors. Payments under guarantee during twenty years recouped from profits line. Probably built three or more portions by separate issues, land being allocated here rateably, therefore necessary provide guarantee divided rateably, and failure one portion not entail forfeiture others. Saving clause present contract also necessary. Nothing less than these terms any use whatever. Report ends. Secondly, instruct whether shall, because Fell and Dodson return "Tongariro."

The COLONIAL TREASURER to the AGENT-GENERAL.

Wellington, 7th August, 1885.

PARLIAMENT refuses sanction delegates' agreement.