

compensation to the people through whose land the Kamo line passed. These are facts, and can be proved by Sir George Grey, Mr. Blackett, Engineer, and all the parties in connection with the railway.

Secondly. Our late secretary and large part-owner always assured us that the Minister for Public Works in the late Government promised him that on the completion of the line it would be taken over by them. This may be a fact or it may not—unfortunately Mr. Sloan is away in England, and not get-at-able. Anyway it was used by him as a strong inducement in floating the company, and many shareholders were influenced thereby to take up shares, and more than one director joined on this understanding. Knowing of the £2,000 voted, and hearing of the promise on all sides, the directors accepted it as a fact, and went so far as to view the money sunk in the line merely as a loan to be repaid the bank when the Government should take over the line.

Thirdly. We would now ask your consideration of a few facts in connection with the present line. The line, as you no doubt are aware, runs from the Kamo-Whangarei line to the Whauwhau Mine, and is a few chains over one mile in length. The amount of coal carried for the last two months, January and February (average months), on which we paid Government freight, was 2,203 tons, at 2s. per ton, equal to a yearly revenue to the Government of £1,320. We need scarcely point out the injustice of charging us full haulage-rates, whilst part of the line is a yearly charge against us for interest and maintenance of between £600 and £650. The mine at the present time is in splendid working order, and is capable of putting out ever-increasing quantities.

A large sum of money has been spent in storage-bunkers and permanent "dead work," all tending towards the development of the mine. This yearly revenue could be considerably augmented by throwing the line open to passenger-traffic. By the expenditure of a few pounds for a platform near the mine all the settlers and miners living in the neighbourhood of the pit would use this line for goods as well as passengers. Our wages alone amounted to £320 last month. The district is rapidly being settled. Our coal is a first-class steam coal, and is used by the local steamers and the island steamers, &c., and is growing in favour.

So far the Government has not assisted this company at all; the advantage has all been to the Government. The line was built under their own supervision, according to their rules and regulations; it is run over by their own rolling-stock, and kept in repair by them at our cost; whilst we are charged full haulage for every ton of coal that leaves the pit-mouth.

We would sincerely ask your Government to assist us in this matter, not only in redemption of your predecessor's promise, but in doing so you will aid and foster a legitimate native industry, which we know is the endeavour of your Government, and also enable us to work our other coal lands, on which we know coal to exist.

We have, &c.,

WHANGAREI COAL-MINING COMPANY,
Per T. JAMES, Secretary.

The Hon. the Premier, Wellington.

No. 3.

THE SHAG POINT BRANCH RAILWAY COMPANY to the Hon. the MINISTER for PUBLIC WORKS.

(Memorandum.)

APPLICATION made in 1877 to Minister for Public Works to construct line. After considerable delay, was advised by the then Minister for Public Works, Mr. J. D. Ormond, that the District Railways Act was to be brought in, by which the company could make the line with a guaranteed interest. Directly the Act was passed, and acting upon the above advice, the Shag Point Company had the necessary survey made, plans, &c., called for tenders, and accepted same conditionally—*i.e.*, of receiving the Governor's assent for the line under the District Railways Act. The company's solicitor took the steps required by the Act just when the company were daily expecting the Governor's assent. They were advised that the Attorney-General could not recommend that the Governor's assent should be given, as the Act was not meant to apply to such a short line as the one in question. £1,000 would not repay the company for the expenses incurred and loss sustained through this action of the Government. As there was considerable difficulty in obtaining the land from the adjoining proprietors to make a private tramway, the Government were asked to take steps to get it under the Public Tramways Act. The Government at last declared the foreshore a Government road, and we were advised we could commence operations for the tramway. Acting upon this, the company purchased the necessary sleepers, arranged for the rails, and went to considerable expense in earthworks. Again the company were brought to a standstill, as it was found that, through a defect in an original survey, there was no foreshore. A great loss and expense were thus again sustained by the company.

The Assembly being in session, an application was made asking that—as the company considered it the duty of the Government to make the line under the Public Works Act—if they would have it included in the schedule of lines to be made, the company would complete surveys, &c., and find the necessary capital for the completion of the line. This was finally agreed to by the Government.

The line had been completed, and was opened for traffic on the 17th June last, and has been handed over to the Government in perfect working order, and is now being used by the Railway Department; and the line is the means of contributing at the present time from £6,000 to £7,000 a year to the railway returns, and by the early part of next year will reach £10,000, besides supplying the locomotives with coal at such a price as to cause a further saving of £10,000 per annum; and also that the coalfield in the occupation of the company is public property, and that a small portion—sixty acres—was recently put up to auction, and brought a bonus, over and above the annual rentals, of £570. The company are therefore of opinion that, as the coalfield is public property, and