

1894.
NEW ZEALAND.

NEW ZEALAND MIDLAND RAILWAY COMMITTEE.

(REPORT ON THE FURTHER CORRESPONDENCE RELATIVE TO THE PROPOSALS
FOR A NEW CONTRACT.)

Report brought up 29th August, 1894, and ordered to be printed.

ORDERS OF REFERENCE.

Extracts from the Journals of the House of Representatives.

TUESDAY, THE 24TH DAY OF JULY, 1894.

Ordered, "That Paper No. 90 (Correspondence relative to the Proposals of the Midland Railway Company for a New Contract) be referred to a Select Committee."—Hon. Mr. SEDDON.

FRIDAY, THE 27TH DAY OF JULY, 1894.

Ordered, "That a Select Committee be appointed to take into consideration all correspondence received since last meeting of Parliament with reference to the Midland Railway; five to be a quorum. The Committee to consist of Mr. Fraser, Mr. Graham, Mr. Guinness, Mr. G. Hutchison, Hon. Mr. Mitchelson, Mr. McGowan, Captain Russell, Mr. Saunders, Hon. Sir R. Stout, Mr. Tanner, Hon. Mr. Ward, and the Mover."—Hon. Mr. SEDDON.

INTERIM REPORT.

THE New Zealand Midland Railway Committee desire to report that the evidence taken and the documents laid before the Committee have been published in the newspapers of the colony prior to the report being laid before the House, and that such publication is in contravention of the Standing Orders.

28th August, 1894.

W. R. RUSSELL,
Chairman.

REPORT.

THE Committee, having carefully considered the position of the Midland Railway Company, and its ability or otherwise to complete the present contract, and having also considered the proposals submitted by the company for an amendment of the contract, have the honour to report as follows:—

1. That the company is unable to complete the present contract, even with the concessions set forth in the resolution of the House last session.

2. Your Committee recommend that the present contract be rescinded, and that on such rescission a new contract be entered into (provided the Government are satisfied the company can give practical effect to such new contract) on the following lines:—

- (a.) That the company shall complete the Belgrove Section to a point at the junction of Norris Gully and Motueka Valley within two years, and that such work shall include everything necessary to the complete construction and equipment of the line, with the exception of rolling-stock, and on completion that portion shall be handed to the colony absolutely free from all claims whatsoever.
- (b.) That the making of the portion of the line beyond the junction before mentioned to Reefton be left over for future negotiation.
- (c.) That, in respect of the uncompleted portion of the line between Patterson's Creek and Jackson's, the company be given, in lieu of land-grants, Government $3\frac{1}{2}$ -per-cent. debentures to the amount of £618,250, to be delivered as follows: £200,000 within one year from the date of new contract, and £200,000 within two years from same date, such first and second deliveries of £200,000 each be made only on the company satisfying the Minister for Public Works that the company is making satisfactory progress with the work of construction, and the balance, £218,250, on the completion of the through line.