

Mr. Graham gave notice to move at the next meeting, "That the company have shown no sufficient reason why resolution No. 198 of the House of Representatives, dated 2nd October, 1893, should be departed from."

Mr. G. Hutchison gave notice to move, "That the Committee, being satisfied that the company cannot raise the capital necessary to complete the several railway-works enumerated in the original contract, resolves that it is necessary to confine future negotiations to the railway between Springfield and Jackson's, the Belgrove Section being arranged to be completed to a point at the junction of Norris Gully and Motueka Valley."

On the motion of Hon. Mr. Seddon, *Resolved*, That the Clerk write to the Railway Commissioners and inquire if the charge of 40 per cent., mentioned in paragraph (e) of Mr. Wilson's letter page 12, is a fair proposal.

The Committee then adjourned until Wednesday next at 11 o'clock.

Minutes confirmed.

WEDNESDAY, 15TH AUGUST, 1894.

*Present*: Mr. Fraser, Mr. Graham, Mr. Guinness, Mr. G. Hutchison, Mr. McGowan, Captain Russell, Hon. Mr. Seddon, Mr. Tanner, and Hon. Mr. Ward.

Minutes of the previous meeting read and confirmed.

Letter from the Railway Commissioners, dated 14th August, 1894, respecting the working of the Belgrove-Motueka Section of railway, was read.

*Resolved*, on the motion of Mr. Tanner, That the same be printed.

Mr. Graham proposed, "That the company have shown no sufficient reason why resolution No. 198 of the House of Representatives, dated 2nd October, 1893, should be departed from."

After discussion, and upon the question being put, a division was called for, and the names were taken down as follow:—

*Ayes*, 4: Mr. Fraser, Mr. Graham, Mr. McGowan, Captain Russell.

*Noes*, 5: Mr. Guinness, Mr. G. Hutchison, Hon. Mr. Seddon, Mr. Tanner, Hon. Mr. Ward.

So it passed in the negative.

Mr. G. Hutchison proposed, "That the Committee, being satisfied that the company cannot raise the capital necessary to complete the several railway-works enumerated in the original contract, resolves that it is necessary to confine future negotiations to the railway between Springfield and Jackson's, the Belgrove Section being arranged to be completed to a point at the junction of Norris Gully and Motueka Valley."

Upon the question being put, it passed in the affirmative.

*Resolved*, on the motion of the Hon. Mr. Seddon, That a sub-committee, consisting of Messrs. G. Hutchison, Tanner, Graham, Fraser, and the Mover, be appointed to draw up amended proposals for submission to the Committee.

The Committee then adjourned until 11 o'clock on Wednesday next.

Minutes confirmed.

THURSDAY, 16TH AUGUST, 1894. (Sub-committee, Mr. G. Hutchison, Chairman.)

*Present*: Mr. Fraser, Mr. Graham, Mr. G. Hutchison, Hon. Mr. Seddon, Mr. Tanner.

*Resolved*, on the motion of the Hon. Mr. Seddon, That Mr. G. Hutchison be elected Chairman.

After some discussion, the Committee drew up the following proposals:—

1. That the company shall complete the Belgrove Section to a point at the junction of Norris Gully and Motueka Valley within two years, and after completion shall work the same, or arrange with the Railway Commissioners for doing so.

2. That 3½-per-cent. debentures equal to 50 per cent. of the cost of such construction (to be ascertained by the Public Works Department) be handed over to the company on completion of the work.

3. That in respect of the foregoing, as also of all other works at any time contracted for by the company, the right to select land by the company be absolutely surrendered.

4. That in respect of the uncompleted portion between Jackson's and Patterson's Creek, on the East and West Coast line, the company be given 3½-per-cent. debentures, representing 50 per cent. of the cost of construction; such cost to be ascertained by the Public Works Department. Such debentures to be handed over as the work progresses, in such sums and in such manner as may be arranged between the Crown and the company.

5. That new contracts be made on the basis of the above resolutions, all former contracts and claims being rescinded.

6. That an extension of the time for completing the East and West Coast line be granted for a period not exceeding four years.

7. That the new contracts as above be made conditionally on the Government being satisfied that the company is in a position to give practical effect to the foregoing.

*Resolved*, on the motion of Mr. Tanner, That the proposals be printed for revision at the next meeting of the sub-committee.

The meeting then adjourned until Tuesday next at 11 o'clock.

Minutes confirmed.