

1886.
NEW ZEALAND.

PURCHASE OF DISTRICT RAILWAYS COMMITTEE

(REPORT OF); TOGETHER WITH MINUTES OF PROCEEDINGS AND EVIDENCE.

Brought up 9th July, 1886, and ordered to be printed.

ORDERS OF REFERENCE.

Extracts from the Journals of the House of Representatives.

THURSDAY, THE 3RD DAY OF JUNE, 1886.

Ordered, "That a Committee be appointed to inquire into and report whether any member of the Legislature negotiated for, or claimed, or received any commission or other remuneration for promoting the passing of 'The District Railways Purchasing Act, 1885,' or for negotiating the sale or purchase of the debentures issued or to be issued thereunder, by the Government; such Committee to have power to call for persons and papers; five to form a quorum; to report in three weeks. The Committee to consist of Mr. Barron, Mr. Bruce, Mr. Cadman, Mr. Duncan, Mr. Fulton, Mr. Garrick, Mr. McMillan, Mr. Ormond, Mr. Pearson, and the mover."—(*Mr. J. W. Thomson.*)

THURSDAY, THE 24TH DAY OF JUNE, 1886.

Ordered, "That the District Railways Purchasing Committee have leave to postpone bringing up their report for ten days."—(*Mr. J. W. Thomson.*)

MONDAY, THE 5TH DAY OF JULY, 1886.

Ordered, "That the time for bringing up the report of the District Railways Purchasing Committee be extended for eight days."—(*Mr. J. W. Thomson.*)

REPORT.

YOUR Committee, having been appointed to inquire into and report whether any member of the Legislature negotiated for, or claimed, or received any commission or other remuneration for promoting the passing of "The District Railways Purchasing Act, 1885," or for negotiating the sale or purchase of the debentures issued or to be issued, by the Government, have the honour to report as follows:—

They first of all took the evidence of Mr. W. J. Steward, member for Waimate, the member regarding whom unfavourable reports have been in circulation in connection with the sale to the Government of certain district-railway debentures.

They have also taken the evidence of the Hon. Sir Julius Vogel, M.H.R., Mr. J. C. Buckland, M.H.R., and Mr. Peacock, M.H.R.

They have perused the correspondence between Mr. W. J. Steward, M.H.R., and the Official Liquidator of the Duntroon and Hakateramea Railway Company, and the correspondence between Mr. Steward, M.H.R., and the Rotorua Railway Company.

Your Committee have agreed to the following resolutions:—

1. That, while the evidence adduced does not warrant your Committee in reporting that Mr. Steward was directly influenced by any pecuniary consideration in his efforts to secure the passing of the District Railways Purchasing Bill through the House, they are nevertheless unable to conclude other than that he considered that in all probability he would be able to bring about the sale to the Government or Insurance Association of the Waimate and, possibly, the Duntroon and Hakateramea Railway debentures, and thus secure the receipt by him of a large commission on the transactions.

2. That Mr. Steward, in conducting the negotiations, presumably attached importance to his influence as a member of Parliament, as in his letter to the Hon. R. Campbell, of date 28th September, 1885, soliciting that gentleman's assistance in obtaining authority to sell the Duntroon and Hakateramea Railway debentures, he says, "I have influence in two different quarters which will enable me, I think, to get a better price than any one else could."

3. That it is manifest from the evidence of Mr. Peacock, a member of the House of Representatives and a director of the Rotorua Railway Company, that the Board appreciated the position