

Mr. J. C. Buckland then gave evidence, and produced a document; and, having been thanked for his evidence, withdrew from the Committee.

Mr. W. J. Steward, M.H.R., attended the Committee.

The Chairman referred to some correspondence he had received from the Official Liquidator of the Duntroon and Hakateramea Railway Company.

Mr. Steward withdrew.

The Committee deliberated.

On the motion of Mr. Garrick, *Resolved*, That the Committee adjourn until 10 o'clock to-morrow, the 18th, and that Mr. Peacock, M.H.R., be requested to attend the Committee to give evidence.

FRIDAY, 18TH JUNE, 1886.

The Committee met pursuant to notice.

Present: Mr. J. W. Thomson (Chairman), Mr. Barron, Mr. Bruce, Mr. Cadman, Mr. Fulton, Mr. Garrick, Mr. McMillan.

The minutes of previous meeting were read and confirmed.

The Chairman produced papers relating to the sale of the debentures of the Rotorua Railway.

Mr. Peacock, M.H.R., attended the Committee.

The Chairman stated to Mr. Peacock the reason for his being requested to attend the Committee, and requested him to give any evidence he had to offer on the subject.

Mr. Peacock then gave evidence before the Committee.

Mr. Peacock, having been thanked for giving evidence, then withdrew.

The Committee deliberated.

The Chairman produced correspondence from the Official Liquidator of the Duntroon and Hakateramea Railway Company.

On the motion of Mr. Fulton, *Resolved*, That all papers produced before the Committee be printed.

The Committee adjourned *sine die*.

TUESDAY, 6TH JULY, 1886.

The Committee met pursuant to notice.

Present: Mr. J. W. Thomson (Chairman), Mr. Barron, Mr. Bruce, Mr. Garrick, Mr. McMillan, Mr. Ormond.

The minutes of previous meeting were read and confirmed.

The orders of reference of Thursday, the 24th day of June, and Monday, the 5th day of July, were read.

Resolved, That the Committee do now adjourn until to-morrow, Wednesday, the 7th of July, at 10.30 a.m.

WEDNESDAY, 7TH JULY, 1886.

The Committee met pursuant to notice.

Present: Mr. J. W. Thomson (Chairman), Mr. Barron, Mr. Bruce, Mr. Duncan, Mr. Fulton, Mr. Garrick, Mr. McMillan, Mr. Ormond, Mr. Pearson.

The minutes of previous meeting were read and confirmed.

The Committee deliberated.

Resolved, That the Committee do now adjourn till Friday, the 9th July, at 10.30 a.m.

FRIDAY, 9TH JULY, 1886.

The Committee met pursuant to notice.

Present: Mr. J. W. Thomson (Chairman), Mr. Barron, Mr. Bruce, Mr. Cadman, Mr. Fulton, Mr. Garrick, Mr. McMillan, Mr. Ormond, Mr. Pearson.

The minutes of the previous meeting were read and confirmed.

On the motion of the Chairman, the following resolutions were considered *seriatim*:—

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.

On the question being put, "That Resolution No. 1 be agreed to," the Committee divided, and the names were taken down as follows:—

Ayes, 7.—Mr. Barron, Mr. Bruce, Mr. Fulton, Mr. Garrick, Mr. McMillan, Mr. Ormond, Mr. Pearson.

Noes, 1.—Mr. Cadman.

The resolution was therefore agreed to.

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."

Resolution agreed to.

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 and consequent influence of Mr. Steward as a member of Parliament in dealing with the Government for the sale of the company's debentures, and that the payment of commission was apparently a secondary consideration to that of securing his services in the conduct of the negotiation for sale.

Resolution agreed to.

4. That your Committee are of opinion that, while Mr. Steward has avoided any technical breach of the Disqualification Act, they unanimously regard the transactions referred to as calculated seriously to reflect upon and impugn the integrity of any member of Parliament engaged therein, and to give rise, as has been the case in this instance, to public scandal.

Resolution agreed to.

5. That it may fairly be assumed that, had the Government dealt directly with the companies, the amount of the commission might have been saved to the colony.

Resolution agreed to.

6. That it is greatly to be regretted that neither Mr. Steward nor Sir Julius Vogel, as appears by their respective evidence, recognizes any impropriety in a member of Parliament acting as a paid agent in making a sale to the Government.

On the question being put, "That Resolution No. 6 be agreed to," the Committee divided, and the names were taken down as follows:—

Ayes, 7.—Mr. Barron, Mr. Bruce, Mr. Fulton, Mr. Garrick, Mr. McMillan, Mr. Ormond, Mr. Pearson.

Noes, 1.—Mr. Cadman.

The resolution was therefore agreed to.

The resolutions were then put to the Committee and agreed to.

On the motion of Mr. Fulton, *Resolved*, That the report of the Committee, with the evidence and minutes appended, be presented to the House by the Chairman this day.

The Committee then adjourned.