190,000 0 0 Selling-value (a.) Crown's interest 314,604 6 355,932 (b.)

(a) and (b) being in excess of the selling-value, nothing remains for the debenture-holders or

We now return to your Excellency the Commissions with which you honoured us, together with this report. The evidence, minutes of proceedings, exhibits, appendices, and other documents are being printed, and will be forwarded to your Excellency as soon as possible.

In witness whereof we have hereunto set our hands and seals, this

day of

June, 1901.

Certain formal verbal amendments were made therein.

Resolved, on the motion of the Chairman, to insert the following words in paragraph 1: "Mr. Back resigned on the 11th February and Mr. Morrison on the 16th February, and Mr. Graham, M.H.R., and Mr. James McKerrow, late Chief Commissioner of Railways, were appointed to fill these vacancies.

Resolved, on the motion of the Chairman, That details of the various amounts making up the sum actually expended by the company (question 1) be shown as an appendix to the report.

Mr. Fraser moved, in regard to question 2 (Stillwater to Reefton and Brunnerton to Jackson's line), That the deduction of £1,036 17s. from Exhibit No. 110, representing the value of land retained by the Receiver, be agreed to.

The Chairman moved, as an amendment, That the Commission deduct the sum of £1,152 from the Land Compensation Account (Exhibit No. 110), as requested by Mr. Young and noted on Exhibit No. 169, the sum of £115 having originally been wrongly included in Exhibit No. 110 (see Mr. Young's evidence).

And the question being put on the amendment, the Commission divided, and the names were taken down as follow:-

Ayes, 2.—Mr. McKenzie, Mr. McKerrow.

Noes, 3.—Mr. Fraser, Mr. Graham, Mr. Hudson.

So it passed in the negative.

And the question being put on the motion, the Commission divided, and the names were taken down as follow:

Ayes, 3.—Mr. Fraser, Mr. Graham, Mr. Hudson. Noes, 2. —Mr. McKenzie, Mr. McKerrow.

So it passed in the affirmative.

The Chairman moved, That the words "land representing this amount having been retained by the Receiver," in the same paragraph, be struck out.

And the question being put, the Commission divided, and the names were taken down

follow:

Ayes, 2.—Mr. McKenzie, Mr. McKerrow. Noes, 3.—Mr. Fraser, Mr. Graham, Mr. Hudson.

So it passed in the negative. Words retained.

The Chairman moved, That the following paragraph in the answer to question 2-viz., "With regard to interest on capital during progress of construction, the Commissioners, having in view the fact that at least a moiety of the funds provided might prudently have been invested on fixed deposit, have computed interest for the full amount of each contract at 3 per cent. per annum, counting from a date three months prior to entering on each contract until the issue of the final certificate, and have allowed twelve months' interest at the same rate on importations of railway material and for minor works. This represents in respect to this line a sum of £30,700 "—be struck out, and the following words substituted in lieu thereof, viz.: "The company's 6000 648 for having been already paid the sum of £77,162 15s. 4d. and the debenture-holders £206,648 for interest during construction from the commencement of operations until the completion of all construction-works (see Exhibit No. 156), and bearing in mind that the company made default in carrying out its contract, we are of opinion that there is now no equitable claim for further interest during construction."

And the question being put, the Commission divided, and the names were taken down as

follow:

Aye, 1.—Mr. McKenzie.

Noes, 4.—Mr. Fraser, Mr. Graham, Mr. Hudson, Mr. McKenzie.

So it passed in the negative.

Resolved, on the motion of the Chairman, That the details of the various amounts allowed for interest during construction on these three sections be shown as an appendix (No. 2).

Resolved, on the motion of Mr. Fraser, That the sums shown in the last paragraph of the answer to question 5 be totalled, and the amount of £7,331 3s. 9d. be shown in the report.

At 11.50 p.m. the Commission adjourned till 10 a.m. on Thursday, 20th June, 1901.

The Commission resumed the consideration of the report at 10 a.m. on Thursday, 20th June,

1901, when all the Commissioners were present.

The Chairman moved, in connection with question 8, That 5 per cent. increase per annum be struck out, and $7\frac{1}{2}$ per cent. increase per annum be inserted in lieu thereof.

And the question being put, the Commission divided, and the names were taken down as follow:-

Aye, 1.—Mr. McKenzie. Noes, 4.—Mr. Fraser, Mr. Graham, Mr. Hudson, Mr. McKerrow.

So it passed in the negative.