

1901.
NEW ZEALAND.

PUBLIC ACCOUNTS COMMITTEE.

NEW ZEALAND MIDLAND RAILWAY:

REPORT ON THE PETITIONS OF J. H. B. COATES (Nos. 132 AND 263, 1900) AND NORMAN H. M. DALSTON (No. 267, 1900), TOGETHER WITH MINUTES OF EVIDENCE.

Laid upon the Table of the House, 5th November, 1901, and ordered to be printed.

ORDERS OF REFERENCE.

Extracts from the Journals of the House of Representatives.

WEDNESDAY, THE 3RD DAY OF JULY, 1901.

Ordered, "That a Committee, consisting of ten members, be appointed to examine into and report upon such questions relating to the Public Accounts as they may think desirable, or that may be referred to them by the House or by the Government, and also into all matters relating to the finances of the colony which the Government may refer to them; five to be a quorum: the Committee to consist of Mr. J. Allen, Mr. Fisher, Mr. W. Fraser, Mr. Graham, Mr. Guinness, Mr. Morrison, Mr. Palmer, Captain Russell, Hon. Sir J. G. Ward, and the mover."—(Rt. Hon. R. J. SEDDON.)

THURSDAY, THE 10TH DAY OF OCTOBER, 1901.

Ordered, "That the Public Accounts Committee be directed to report on the petitions of the debenture-holders and the shareholders of the Midland Railway, and that the report of the Royal Commission on the Midland Railway be referred to the said Committee for the purpose of enabling the Committee to decide in respect to the said petitions."—(Rt. Hon. R. J. SEDDON.)

REPORT.

THE Public Accounts Committee, to whom the above-mentioned petition was referred for consideration, have the honour to report as follows:—

That, although the colony has received injury by the non-completion of the contract and the action of the debenture-holders, and notwithstanding the colony's proved legal rights, still, in consideration of the losses the debenture-holders and shareholders of the Midland Railway have sustained, and taking into the computation all moneys that have been paid by the debenture-holders or the company pursuant to demands made by the Crown, and also all profits that have been derived from the working of the open sections of the railway during the period between the seizure and the vesting in the Crown, the Committee have the honour to recommend,—

That the sum of £110,000 be offered to the Receiver for the debenture-holders, on condition that he gives a receipt on behalf of the debenture-holders setting forth that the colony has dealt equitably and justly, and that he is fully satisfied on their behalf.

That a sum of £20,000 be offered on similar terms to Mr. Dalston on behalf of the shareholders.

That a Bill be passed this session to give effect thereto, with such conditions as may be deemed advisable to completely safeguard the interests of the colony.

That each debenture-holder and each shareholder shall give a receipt to the Receiver and the attorney for the company for the money, stating that the colony has dealt equitably and justly with him, and that he is fully satisfied.

4th November, 1901.

GEO. FISHER, Chairman.

PETITIONS, AND REPORT OF COMMISSION.

[For Petitions *vide* I.—11, 1900.]

[For Report of Royal Commission *vide* H.—2, 1901.]