

McLean and Neil McLean, receiving for the capital invested by them in such contracts 85,000 deferred shares of £1 each.

7. That the said contracts were duly assigned to your petitioner company.

8. That the whole of the capital of your petitioner company has now been exhausted in the carrying-on of the works of such contracts, and the shareholders thereof refuse to find any further capital for such purpose.

9. That in the carrying-on of the works of the contract your petitioners have from the initiation of the same up to the present time been faced with difficulties in connection with the labour necessary for the efficient manning and working of the works included in such contract.

10. That your petitioners, despite the fact that they have paid considerably higher wages on the contract than those fixed by mining awards in the Dominion, have been unable to obtain a sufficiency of labour to properly man the works of the contract.

11. That your petitioners have found that they have been unable to obtain from the labour employed by them those results which their long experience as contractors satisfies them should have been achieved.

12. That your petitioners are now convinced that there is not available in the Dominion to a private contractor a sufficiency of the labour requisite for the efficient and profitable carrying-on of the works contemplated by the contract, and that there is no possibility under the present labour-conditions of any private contractor obtaining the necessary labour in the Dominion or elsewhere at the present time or in the immediate future.

13. That your petitioners have brought the whole of their wide experience into practice in the carrying-on of the works, and have used every means in their power to successfully and profitably complete the same, but have so far failed in so doing.

14. That your petitioners gratefully acknowledge the financial and other assistance given by the Government to them when desired by them in order to assist them in carrying on of the works, but your petitioners are afraid that such assistance will not have the effect so confidently anticipated by them when obtaining such assistance.

15. That your petitioners have expended to date in connection with the works of the contract a sum of £59,581 9s. 2d. in excess of all moneys received from the Government on every account whatsoever.

16. That your petitioners feel that under all the circumstances connected with such contract your honourable House should take into its favourable consideration the position of your petitioners in connection therewith, with a view of relieving your petitioners from the said contract and authorizing the Government to take over from them the works thereof, and the machinery and plant used and employed therein, on fair and equitable terms.

Wherefore your petitioners humbly pray,—

1. That your honourable House will take into its favourable consideration the position of your petitioners in connection with the works of the said contract for the construction of the Otira Tunnel :
2. That your honourable House will taken into its favourable consideration the advisableness or otherwise of the Government taking over the works of the contract as a public undertaking, and of your petitioners being released from carrying on the works of the contract upon fair, just, and equitable terms :
3. For such further or other relief as to your honourable House may under all the circumstances seem meet and just.

And your petitioners will ever pray.

[SEAL.]

MURDOCH McLEAN.

NEIL McLEAN.

(JOHN McLEAN AND SONS.)

The common seal of John McLean and Sons (Limited) was hereunto duly affixed in pursuance of a resolution of the board of directors, this 9th day of August, 1912.

MURDOCH McLEAN, } Directors.
NEIL McLEAN, }

C. B. MORRISON,
Solicitor for the Company.

REPORT.

PETITION OF MURDOCH McLEAN AND ANOTHER (No. 100, Session II, 1912), praying that the Government should take over the works of the Otira Tunnel contract as a public undertaking, and that the petitioners be released from carrying on the works of the contract upon fair, just, and equitable terms.

THE Committee to whom was referred the above-named petition have the honour to report as follows :—

(1.) On the 1st day of August, 1907, the tender of Messrs. Murdoch and Neil McLean, carrying on business under the style of "John McLean and Sons," was accepted by the Government for the Arthur's Pass Tunnel contract, and on the 9th August, 1907, a contract was signed