

SUPPLEMENTARY ORDER PAPER.

HOUSE OF REPRESENTATIVES.

Friday, the 29th Day of September, 1893.

Hon. Mr. SEDDON to move, on consideration of Report of Public Accounts Committee on Midland Railway,—

That, seeing the Midland Railway Company has signified its inability to complete the construction of the several railway lines enumerated in its contract, and having submitted an amended contract :

This House is of opinion that the proposals contained in the amended contract should not be agreed to.

Further, that with a view of enabling the Company to complete the construction of the several lines between Springfield and Brunnerton, and from Bellgrove to Reefton, and to enable the five million of acres of land now reserved for selection by the Company to be freed and thrown open for settlement :

It is expedient that the following suggestions for the modification of the contract be forwarded to the Government for its favourable consideration :—

A. That in lieu of land grants being made to the Company on account of work hereafter executed by it, debentures of corresponding value to the B. I. value be issued to the Company, bearing interest at the rate of $3\frac{1}{2}$ per cent. per annum ; such issue of debentures in lieu of land grants to be conditional on the Company surrendering its right to select land within the reserved area of about 5,600,000 acres, after deducting the quantity to which it is entitled, and to which it may be entitled to, for works done.

B. That an extension of time for completion of the work be granted to the Company ; such extension not exceeding five years from the date of signing the new contract.

C. That, if desired by the company, the debentures to which it may become entitled to from time to time be deposited with the Public Trustee, to be issued to the Company in as near as may be twenty equal half-yearly instalments ; the interest of each debenture, while in the hands of the Public Trustee, to be applied as the Company may direct. That these modifications shall not be considered a variation of other terms of the contract.

D. That these modifications of the contract be made conditionally only on the Company having first satisfied the Government that it is in a position to raise the necessary capital required to complete the several railway works enumerated in the contract.