REPORT OF THE SELECT COMMITTEE ON THE PETITION OF JOHN MARTIN.

YOUR Committee, to whom was referred the Petition of John Martin, have the honor to report that they have passed the following Resolutions:—

(1.) Mr. B. Smith contracted for the erection of Government House for the sum of £10,583, besides receiving the old buildings.
(2.) The petitioner became surety for the contractor, under a penalty of £1,000, but was not bound to complete the work.
(3.) The contractor having become insolvent the Government could have enforced the penalty of £1,000, and would then have had to finish the work at their own cost.
(4.) The petitioner might, on the contractor having become insolvent, have paid the £1,000 penalty, which would then have been his total loss on the transaction.
(5.) The petitioner instead of so doing was induced to carry on and complete the work, in the belief that he might thereby avoid the whole or a portion of that loss.
(6.) The value of the work done, according to the statement of the Colonial Architect, is £16,245 12s. 9d.
(7.) The petitioner and the Government respectively ought to be placed in the same position as if the petitioner had forfeited his penalty, and the Government had been obliged to carry out the work on their own account.

That the Committee do recommend that the Government, in carrying out the principles of the above Resolutions, do refer the whole question between the Government and petitioner to arbitration.

THOMAS GILLIES,
Chairman.

7th November, 1871.