

*Dr. Findlay* : I am not answering any legal point. We acknowledge that our legal rights are now gone, and I am merely answering the question of whether we are responsible for the delay. I say that we have not caused the delay, but that it is the Government who are responsible.

*Rt. Hon. Mr. Seddon* : The point was this which was put before the Arbitration Court : that the company could not complete its contract in consequence of reserves not having been made, and that we made mining reserves which should not have been made. The Arbitration Court held that we had made the mining reserves properly, and that we had in no way hindered the company.

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FRIDAY, 28TH SEPTEMBER, 1900.

*Résumé of Facts disclosed by this Correspondence, showing who was Responsible for delaying Settlement.*

*Dr. Findlay* : Mr. Chairman and gentlemen, when the Committee last adjourned I had submitted to your consideration a number of letters which passed between the general manager of the Midland Railway Company and the Public Works Department; and from those letters I endeavoured to show that the company had persistently from the beginning of 1890, right on until the end of the record of correspondence, struggled to get the Government to put into operation clause 33 of the contract, whereby a ready means would have been afforded of settling the lands in Westland and Nelson. I showed, also, that on one side—that is, our side—there had been a persistent effort to have that settlement which we now hear so much about, while there was persistent obstruction on the other side—the side of the Crown. I hope those letters will be read by you, as I have no doubt they will be, and they will be a convincing proof to you that the charge made against us that we were blocking settlement on the West Coast is totally without foundation; and that, on the contrary, we are entitled to put that charge on the Government and say that they alone were the cause of this locking-up of settlement. It is alleged by Mr. Bell and Mr. Blow that this action of the Government is excusable. It is suggested that the delay in dealing with the applications sent in by the company was due to the necessity for ascertaining whether the land was or was not required for mining purposes. But I submit to you that that is not the reason given in the correspondence with the general manager of the company, and also that even if it were the reason given it would not be a sufficient answer. There were other reasons given which were pure red-tapeism, and how-not-to-do-it-ism. They say it was a question of whether these lands were required for mining purposes or not; but I hope I have shown that that is totally insufficient to justify the Government for delay in getting the land settled on the West Coast and in Nelson under clause 33 of the contract. I will ask you to bear in mind that applications were sent in as early as 1890—something like two hundred—under that clause. The provisions of the clause, as I have shown, provide that, immediately upon applications being sent in to the Government by the company, the Government will have the value of the land assessed, and co-operate with the company in selling or leasing the land—that is, whether the company has earned such land by way of grant or not. The words of the clause are, that the Government shall “forthwith” take the steps mentioned. Now, what happened? As early as February, 1890, a large number of applications had been sent in. We sent in letter after letter to the department urging that expedition should be used in dealing with these applications; but for various reasons the department still took no action, and no advance was made. Then, we come down to May, 1892, or over two years afterwards, and then it was found that these applications could not be granted, because it was necessary to ascertain what lands were required for mining purposes—that is to say, it took the Crown two years and two months to find out that some or all of these areas of land applied for might be required for mining purposes. Surely it was as easy for the Crown to determine whether these lands were required for mining purposes as it was to have the value assessed under clause 33 of the contract, and yet the Government which complains of this loss from delayed settlement took over two years to ascertain whether the lands were required for mining purposes. It cannot in the face of these facts be contended, as Mr. Bell really contends, that the Crown was all along eager to promote settlement, and that we and our contract alone were the obstacles. But there is another point which is raised by the Premier, and that is that all these matters were before Mr. Blake and were settled in 1895. What was before Mr. Blake? It was a claim by the company, not by the debenture-holders, for money. It was a claim made by the Midland Railway Company, based on legal grounds and dealt with strictly as a legal claim against the colony. What does Mr. Blake’s award say? “I find and award that the company has not any claim against the Crown or any right to recover any sum of money from the Crown in respect to the premises”—meaning the alleged delay. Mr. Blake does not say whether the Crown was guilty of delay or not; all he said was that a legal claim had not been made out by the company against the colony, and no doubt as a lawyer he was right. His award is no more than this: that a right to recover damages had not been legally made out. But we are in a totally different position now from that in which the company was when it was then suing the Government. We are now before you really as defendants. It is the Crown that is in a sense suing us, and raising as a counter-claim against us, for blocking settlement. We are now merely defending ourselves. We are not making any claim against the colony, but are attempting to show that we are not really the culprits in regard to this delay. I say that we are entitled to show that the real culprits were the Crown, and not us. Mr. Blake’s award does not touch this aspect of the matter at all. I have no doubt if he had been called upon to decide merely the bare question, who was responsible for this blocking of settlement, he would have certainly said the Crown. I am content to let the correspondence put in and the facts it establishes speak for themselves. I am satisfied that an impartial review of the whole of this correspondence will show from beginning to end an eager