

Adjoining Mr. Kennedy, but lower down the river, the Coal-pit Heath Company took up ground and wrought it, taking out coal for many years. Then, there was the Greymouth Company on the south side of the river from the Coal-pit Heath shaft; they spent a considerable amount of money, and had to give up; the mine was sold. Finally, the Westport Company purchased the mine, and sunk a new shaft. Afterwards they amalgamated with the Coal-pit Heath and Mr. Kennedy, in order to work the mines all together. Although the output from each of the leases is kept separate, the conditions of the original leases were to be fulfilled and maintained. That was the condition upon which the amalgamation was allowed to be made.

876. Do you not think, in doing so, they are tending in the direction of monopoly?—My experience is, if you come to look at it this way, that no company in New Zealand can ever do any good for themselves in developing the coal industry unless they have a good extent of ground and considerable capital: it requires a very strong company to succeed: you want a large amount of ground to work. At the present time the coal output from all the mines is limited to a great extent to the local consumption. There is not sufficient depth of water on the bars of the harbours to get in vessels large enough to send coal away to compete, say, with Newcastle and foreign markets. Until that is done, it is limited to the consumption within the colony, and that limit has been reached.

877. *Mr. Withy.*] You are speaking of the two rivers—the Buller and the Grey?—Yes; they are the only rivers navigable to any extent. It would be of no use to insist on a large output at the present time, so long as sufficient is supplied for local consumption. The reason is that you could not possibly take it away. About 600,000 tons was taken out last year. If you were to double that or treble that you could not get a profitable market for it.

878. Then, these two rivers form, as it were, the “neck of the bottle;” if you widen the neck of the bottle you could get more out; and the question is the draught of water at these two places?—Yes.

879. Speaking about this amalgamation, are you of opinion that any parties who have surrendered their leases to companies have made a good thing by doing it—men who have secured leases from the Crown and held them, making very little expenditure upon them and perhaps fallen into arrears with their rent, then surrendering to the company to the advantage of themselves?—Well, I could not exactly say.

880. Doing that for the purpose of speculation?—The department has done everything it could to guard against any speculation of that kind. A good amount of speculation of that kind was formerly done by people taking up leases without a solitary sixpence; also taking out prospecting licenses, and holding on from year to year to make money. I believe there are some who have made money by doing that.

881. *Mr. Feldwick.*] Like what they are doing now with the tin discoveries at Stewart Island?—Something like that. The department will not allow any more prospecting licenses to be issued.

882. *Mr. Withy.*] You say that every care is taken to prevent speculation of that kind?—Yes; but at first these licenses were allowed to be taken out. Once the party got a license after the ordinary term he made an application to get it renewed. The thing at that time was not looked very closely into, nor for some time after; but latterly the department has put a stop to that.

883. Are there any of these licenses still in existence?—I am not aware.

884. *Mr. O'Connor.*] At Collingwood, Mr. Gordon?—I believe there is one at Collingwood.

885. *Mr. Withy.*] Do you say there is one of those leases in existence, held by a person who has not the means of developing the lease, but still holding the property?—I am not sure whether Messrs. Kerr and Adams do not hold under prospecting license. As far as Collingwood is concerned, there is no real harbour there to take out coals; it is only small vessels that can get in there.

886. There is no real harbour?—No real harbour. You go up Golden Bay, then enter the inlet; there is very little water.

887. You look on it that Collingwood is never likely to become a leading coal-mining district without a coal-shipping harbour can be made there?—No.

888. *Mr. Guinness.*] When was the last time you inspected the Brunner Coal-mine officially?—Over twelve months ago.

889. Cannot you give us the month?—I cannot give you the month.

890. Was it when the mine was in full working-order?—Yes; it was before the amalgamation.

891. That was before last session?—Yes.

892. Before the 10th of May last year?—Yes.

893. Did you ever inspect the Wallsend Mine?—Yes.

894. When was the last time?—It was about that same time.

895. Were you down through all the workings?—Yes; I was down through all the workings.

896. Do you see on the plan 150 acres freehold in the Wallsend lease?—Yes.

897. Can you tell the Committee what coal they were working when you went down the mine?—Yes.

898. Was it the freehold or the leasehold they were working?—They were working partly both: I could tell exactly when underground whether it was the leasehold or the freehold, but, judging from the distance, I should say part of it was leasehold and part freehold.

899. Have you a map in your office of the workings, or can you furnish the information to the Committee?—I cannot furnish it, because the Mines Act says that we must not give such information to any person.

900. *Mr. O'Connor.*] With regard to the workings?—With regard to the workings: but at the present time most of the plans have been sent to Mr. Binns to get the workings put on, so that we have only a portion of the plans in the office.

901. Are you aware whether the coal-seam under the Grey River, along the boundary of the