

For the proposals of the Company relative to an amendment of their present contract, see Appendix H. of R., D.—4, 1892.

## MINUTES OF EVIDENCE.

A. R. GUINNESS, Esq., Chairman.—THURSDAY, 18TH AUGUST, 1892.

The Hon. Mr. Seddon attended the Committee as representing the Public Works Department.

Mr. H. D. Bell, solicitor, attended on behalf of the New Zealand Midland Railway Company (Limited).

Mr. ROBERT WILSON, F.R.S.E., M.Inst.C.E., examined.

1. *The Chairman.*] You are attorney for the company in New Zealand, and engineer-in-chief and general manager?—Yes.

2. You wish to make a general statement with regard to the petition?—I wish particularly to draw your attention, in the first instance, to the original contract of 1884, in which it was stated that the land-grant given to the company should consist of alternate blocks; that is to say, the company should take one block, the Government should take the next, and so on, right through the whole length of the railway; and these blocks were to extend a distance of not exceeding fifteen miles on each side of the line. It was also arranged that, if there was not sufficient Crown land adjoining the line, other land should be set aside at places which would be specially benefited by the construction of the railway. I wish you to note particularly the point that land was to be set apart which was to be specially benefited by the railway. When the contract was altered it was considered that the company was not getting sufficient advantage by the alternate block-system, and preferably the company wished to have lands thrown open in an area where it could select lands most suitable and beneficial. The contract was altered in 1888, and, in going to the public for money, particular stress was laid upon the fact that all the lands within the limits of the authorised area were available for selection with the exception of lands which were to be worked for gold-mining, and which, in the opinion of the Governor, would be required in the course of the exigencies arising from the growth of population and the discovery of goldfields, and he had power to reserve such blocks when required. There was a limit that no more than 10,000 acres should be set apart or proclaimed at any one time, and that the amount should not exceed in the aggregate 750,000 acres. The result of working the new contract has been that the mining reserves have been made along the line, and by the method in which they have been set apart the advantage of settlement to the company along such line has been of course materially decreased, and the company argue that such mining reserves as have been set apart are not required for the *bond fide* mining purposes of to-day. And I think, in proof of that, I may point out that from the very earliest times of gold-mining on the West Coast, and when rushes took place and a big population was there, I believe I am right in saying that the whole of the land used for mining purposes did not exceed 20,000 acres. At present the Government have selected, I think, 184,000 acres, and have arranged to select something like 500,000 acres. Now, as the population has not increased, the inference is that these mining reserves far exceed anything likely to be required for generations to come. The effect of making these mining reserves is to exclude the lands from settlement. The evil of these reserves being made in such large blocks and close along each side of the line, which, I may say, go probably from Stillwater to Reefton and right to Belgrove by the Buller Valley, is that, practically speaking, all that section of the company's lands is shut off from settlement, and the only land available must be some distance back from the railway. Consequently, the company is not getting the advantage of close settlement along its line. I maintain that the close selection of mining reserves is against the spirit and intent of the contract, and the company would not have entered into the contract had it foreseen that such an advantage would be taken by the alteration in the first contract, which was presumably in favour of the company, but which proves to be the reverse, and now enables the Government to select all such land for mining purposes along the course of the line.

Foreseeing the difficulties of these mining reserves, and knowing the Government desired to make these big selections, I proposed to the Inangahua County Council that the company should make an agreement with the Government that no mining reserves should be made; but that the company, to meet this difficulty, would undertake that all applications for land should be advertised, so that, in the event of a person wishing to take up land for settlement, the experts in the district and those who knew the area and thought there were gold-leads upon it might object on the ground that the land might be required for mining purposes. The Inangahua County people were strongly inclined at one time to come to an arrangement which would facilitate both gold-mining and settlement. The question was discussed, I believe, with the present Minister for Public Works, Mr. Seddon; and the Inangahua people informed me, after interviewing Mr. Seddon, that it was perfectly right to have these mining reserves made, because the Government could sell the lands for settlement even if the reserves were made.

*Hon. Mr. Seddon:* I do not wish to interrupt at this stage, but I may say that I never made such a statement to the Inangahua County.

*Mr. Wilson:* I am only saying, of course, what I proposed to the Inangahua people, and what they told me. Probably they may have been mistaken in Mr. Seddon's explanation. The company under its contract had power to select and settle the lands, and the making of these mining reserves stultifies the company, and prevents it from dealing with the land for settlement purposes; and whether Mr. Seddon said what he did or not does not weaken the case. The company has also the right of selecting timber on such lands reserved for mining purposes in lieu of other land. Supposing a block is valued at 10s. an acre, the company, if it so desires, might select the timber