

41. Did you practically refuse to consider the regulations until after the reserves were made?—How could that be when the correspondence has been going on for three years?

42. Did you deal with the regulations before the reserves were made?—No. The applications were no applications at all under the terms of the contract. They were preliminary notices merely, and you could call them anything you like. You had to say under the terms of the contract whether the land was to be disposed of for cash, on deferred payment, or perpetual lease, but all you said was that Smith, Brown, Jones, and Robinson notify that they will take the land and deal with it.

43. Did you notify the company that these applications were irregular until quite recently?—The Government told you before I came into office that they could not be assented to.

44. Because they were irregular in application?—I think the letter of Mr. Fergus must speak for itself.

45. Does the contract state, or in any way provide, that these applications shall not be dealt with before the reserves are made?—Yes, and no. If the land is wanted for mining, and applications came in for that land, then the Governor or Government would say you could not have it. Therefore that would apply to the meaning “until the reserves are made.” After the reserves are made you cannot come in with these applications at all. And if you read the contract you will see that clause 29 gives the Minister this power of veto pending the making of the reserves, which must naturally take some time to select and declare. Pending the making of these reserves suppose the country was flooded by people such as these “spotters,” then, to stop the auriferous lands being secured, clause 29 says that after giving notice the selection shall not take effect for two months. The intention of that was to enable the Government to stop this land being taken up. Once the land is proved to be auriferous it would naturally be included in a mining reserve. Once the company is told, under clause 29, that the land is auriferous, it must be reserved, and cannot be open to them or anyone else to apply for it.

46. Did you decide upon the reserves in consequence of the applications?—No. The reserves were decided upon from the commencement. The reserves were intended to be made, and I believe a number of applications were in under the old contract before the new contract was signed at all. People rushed the Land Office to put in applications, and wanted the thing dealt with right straight off.

47. When were the reserves decided to be made?—The reserves made will speak for themselves. Some of your applications were in before the contract was signed at all, under the alternate block system. I have a recollection of a large number of applications being before the Waste Lands Commissioner at Hokitika before the new contract was signed.

48. Is it not a fact that the company have, to their very best endeavour, tried to promote settlement on the West Coast?—No, they have not.

49. In the face of your statement, and in the face of the applications we have sent in, do you adhere to that?—I do.

50. Will you state how the company has interfered with settlement on the West Coast?—Because there have been *bona fide* applications coming in, and you have stuck £2 an acre on them. The applicants could have bought the land before you got the right of selection over it for £1 an acre. Charging that rate was not promoting settlement.

51. Was that price fixed by the assessment of the Land Commissioner in respect of the relative value of particular pieces as compared with the whole block?—Some was fixed, I believe, at £1 an acre, and the company got £3 for it.

52. If the Commissioner fixed it at £1 an acre, and the average value of the block was assessed on the B1 map at 10s., was it not on the assumption that some part of that block was not worth 10s.?—No; that would not follow, because you could not have got any land in Westland under £1 an acre. That was the amount fixed by statute. We have not the same regulations as Nelson, and you could not have bought any land under £1 an acre; consequently I take the land value as £1 an acre, and the land I am alluding to was well worth £1 an acre. I know that that sold to Mr. Kahmbach was open for £1 an acre.

53. If the minimum was £1 an acre, why were the company's blocks assessed at 10s.?—The minimum, as fixed by the Act, was 10s. At that time, when the Act was passed, a number of areas included mountain-tops (coloured white). When the B1 valuation was made, these mountain-tops were excluded from the blocks; therefore the company get the benefit of them. Under the alternate block system you would have taken mile for mile frontage with fifteen miles back. Under the new contract you can go anywhere you like, and it makes all the difference in value to the company.

54. The mountain-tops are not excluded from the value?—What is this country here? [Map referred to.]

55. That land was subsequently included; it was left out by a printer's error?—I am only going by the map attached to the contract.

56. Have you any correspondence relative to that?—I have not. I say that according to the certified map and plans handed to me, that land is excluded, just as you excluded the coalfield reserve. This is the map I have certified to, and it is the map which accompanied the contract. As to the correspondence, I have not read it up. Under the old contract, if that land came within the fifteen miles radius, you would have to take it. Then portions of land with the mile frontage to the railway might be level in front and go right up to the mountain-tops. Taking that into consideration, 10s. an acre would be a fair average. But under the B1 valuation you can select from the 7,000,000 acres, included in the area all the best lands, and there is sufficient there to satisfy your requirements without touching the mountain-tops or the bad lands at all.

57. The alternate blocks went back to the watershed from the one frontage, and not necessarily fifteen miles?—From the time you leave Bealey you would go sideways on.