

lands, Auditor-General combats this, and has sent in a statement showing, after examination of portion only of amounts surcharged, that the arrears on Native lands amount to one hundred and thirty-seven pounds nineteen shillings (£137 19s.), as shown by your cash-books, in which the previous half-year's rents were brought to charge, and found marked as Native revenue. The statement is as follows: Special Claim No. 146, T. Henderson, Waitekauri Proprietary, £16; Ralph, No. 216, Waihi Grand, £20 16s.; W. G. Nicholls, No. 226, Ruapehu S.C., £20 16s.; A. McLoughrey, No. 269, Crown Woodstock Junction, £1 1s. 3d.; J. S. White, No. 312, Locksley S.C., £5; W. Elliott, No. 329, Norma S.C., £8 6s. 8d.; J. Thorne, No. 330, Gothic, £8 6s. 8d.; J. H. Fleming, No. 367, Fusilier, £15 10s.; J. H. Fleming, No. 368, Privateer, £15 5s.; R. Worth, No. 396, Glamorgan, £7 16s. 3d.; J. Kennedy, No. 405, Gabriel's Gully, £8 1s. 1d.; S. Campbell, No. 474, Parsimon Extended, £10 18s. 9d.: total, £137 19s. Are these claims all on Native land? If not all, how many, and which of them? Reply to-night, please, as important to have information at once." We had no reply to that when I brought the matter up before the Committee when your letter was read, but the Mines Department have gone through the documents concerning these mines, and they find that the rent charged is 10s. an acre on Crown lands, and that under the law the amount charged for Native lands is 1s. an acre; and on going through the deeds they find that the following paragraph is struck out: "(And in case of Native land, where the rent is one shilling an acre.) And the licensee shall, in addition to such rent, in each year of the aforesaid term, take out as many miners' rights, each of the value of twenty shillings (20s.), as there are or may be men employed during such year in mining, either on wages, or as tributers or contractors, on the land comprised in this license; and all such miners' rights shall be taken out in the name of the licensee." [See Exhibit K.] By the deeds in the Mines Office, therefore, it is shown not to be Native land, because the Natives are only entitled to receive 1s. an acre, and these rentals, as shown by yourself, are 10s. an acre?—My evidence was that the arrears went to Natives.

5. Now, I have just received the following telegram from Mr. Moresby through the Under-Secretary, Mines Department: "In reply to your wire of yesterday, all revenue received from rents, miners' rights, &c., is allocated to credit of Native revenue, Ohinemuri, in accordance with instructions from Treasury dated 25th June, 1897 (397/1043), revenue being afterwards distributed by Mr. Cave, Thames. None of the claims mentioned in your wire are on Native land. My telegram, dated 8th instant, is correct"—I still adhere to my evidence that the rents go largely to Natives.

6. You are tied down now, for you have given us the names of the claims?—I have examined the accounts, and find that the payments made immediately on arrears went to Natives, and it is impossible to suppose they were then immediately diverted. But if the arrears belong to local bodies the point of my evidence is very much stronger. The local bodies being trustees can neither alienate nor give away, while the Natives, being individuals, can.

7. The Natives were on my mind more in that district, and I think they were more on your mind. You said local bodies in all other parts of the colony?—Natives were on my mind, but if I had said local bodies I should have strengthened the position. My evidence was that the money went to Natives, and that it went to Natives immediately before the arrears commenced the accounts show there is no doubt whatever.

8. *Hon. the Chairman.*] The surcharging would be the same?—Yes, just the same.

9. *Right Hon. R. J. Seddon.*] I have ascertained the law on the point, as to whether rent can be enforced for more than twelve months on titles issued prior to the coming into operation of section 16 of "The Mining Act Amendment Act, 1895," or whether the provisions of that section are restricted to titles issued after its coming into operation; and in either case, whether more than arrears for one year can be recovered if rent is unpaid for twelve months after the due date thereof, seeing by section 60 of "The Mining Act, 1891," section 16 of the Amendment Act, 1895, and section 56 of "The Mining Act, 1891," forfeiture by statute has eventuated. I find that the law is that section 16 of "The Mining Act Amendment Act, 1895," would apply to titles issued prior to the coming into operation of that section, but its terms are, of course, controlled by the proviso, and in cases within such section no more than twelve months' rent or license-fee could be recovered. In cases under section 60 of "The Mining Act, 1891," the liability to rent or license-fee would continue until the rights of the holder are declared or deemed to be forfeited, or have otherwise ceased to exist under the present law?—The failure to collect these arrears has been through the negligence of the Receiver. The arrears forming the surcharge on the Receiver at Paeroa are all payable on surrenders under section 135, and the importance of the matter is that these arrears are due to the *cestui que trust*—the beneficiaries.

THURSDAY, 29TH SEPTEMBER, 1898.—(Hon. W. J. M. LARNACH, Chairman).

TRACY ARCHER MORESBY examined.

1. *Hon. the Chairman.*] What is your position in the Government service?—Mining Registrar, Receiver of Gold Revenue, and Clerk of the Court at Paeroa.

2. Are there any arrears of goldfields revenue that you have not received?—Yes.

3. What is the amount?—There is one amount of £780 odd, for which I am surcharged by the Auditor-General.

4. You have been surcharged that?—Yes.

5. Does it remain at your debit now?—Yes, at present. Of course, I have appealed to the Minister to rescind the surcharge under the Treasury regulations.

6. And no action has been taken yet?—Well, the Minister has not replied yet.

7. *Right Hon. R. J. Seddon.*] What has been the cause of the non-collection of these moneys? Have you been negligent in any way? Or what has led to so large a sum being in arrear?—You are speaking with regard to the surcharge?