

15. Do you not know that it is required under the regulations that if there is anything dangerous in the face it is the duty of the miner who is leaving to communicate the fact to the shift-boss?—That is so. But take the case of a miner at the Progress Mine, where there are over a hundred employed: The men are distributed through several levels, and a man is not going to hunt through the mine for the shift-boss in order to tell him that, say, timber is required at a certain place. He would rather go off, and leave the next man to find it out for himself. Of course, he should communicate with the shift-boss, but this is very often not done. It all depends where the shift-boss is. In the majority of cases he would see the men coming off, but in some cases he would not, and consequently would not be able to tell the on-coming shift.

16. *The Chairman.*] And he would not warn those going on?—If he knew that there was anything wrong he would warn them, but he might not know. In other cases he would not be there to warn them.

17. You know that it is his duty to warn them?—Certainly, if he knows of any risk. He does go through the mine. He visits every working-face during each shift.

18. *Mr. Guinness.*] Once, or more frequently?—It all depends. Always once, generally twice. But he may have some difficulty in some part of the mine which may engage his attention for the principal part of the shift.

19. Is not the industrial agreement or the award of the Arbitration Court as to the rate of wages founded upon the number of hours that the miners work at the face?—I should say that every consideration was given to that.

20. Is not that the principal consideration upon which the rate of wages is fixed?—Undoubtedly.

21. Then, would not the passing of this proposed legislation have a tendency to reduce the miners' wages, and not increase the cost of output to the proprietors?—At the present time we are working under an agreement which has eighteen months to run.

22. I am not dealing with that. Would not the passing of this proposed legislation have a tendency in the direction I indicate?—It all depends on how the Arbitration Court looks at the matter.

23. If the Committee had a proviso similar to that in the Act of 1901—to the effect that the Bill, if passed, should not affect any industrial agreement or award—put in the Bill, would that satisfy you on that point?—No, it would not.

24. Give us your reason why?—The Arbitration Court always hesitates very much to reduce wages.

25. Then, you object to this proposed legislation because of your fear of the Arbitration Court doing its duty?—I think this is essentially a matter that should be left entirely to the Arbitration Court. It seems to me to be preposterous that the Arbitration Court should be deemed capable of settling one part of a dispute and not another.

26. It is not proposed to tie the hands of the Arbitration Court. It is proposed to enact that beyond a certain time a miner shall not be underground. We propose to fix a maximum time, for the benefit of the miners' health?—You would tie the Court on the one hand, and not on the other.

27. *Mr. J. Allen.*] What is the present position of the gold-mining industry, as far as your own mines are concerned?—It can best be expressed in these words: if we could get back the money that we have put into the mines, without the interest at all, we should be most happy to take it.

28. It is not as profitable an industry, then, as you would like it to be?—It is not.

29. Are your investors satisfied with the returns they receive?—That is hard to answer in one word. We are paying a fair rate of interest, but we are not getting back our capital; and the mines are becoming worked out. We are getting a fair return for our money without seeing any prospect of getting the capital back. You must have a sinking fund, because your mine gets worked out in a certain number of years in any case, and during that period you must get your capital back, with interest, or your investment is unprofitable. From that point of view, the Reef-ton mines are not a profitable investment. I will give as an illustration the case of the Golden Fleece Mine. It cost us £12,950 to purchase, and we expended £59,777 in developing it before it became productive. We have now worked out six levels, and partially worked out two others. The profit has been some £12,000.

30. *Mr. Herries.*] Net or gross?—Net profit, after paying actual working-expenses, but without charging anything for management or London office expenses at all.

31. *Mr. J. Allen.*] The office expenses have to come out of the £12,000?—Yes. We started crushing in November, 1900, and had been working some three or four years before that in developing: £12,826 is the actual profit from the crushing. As I said, we have worked out six levels, and partially worked out two others; consequently, on that basis, we shall have to work out between thirty and forty levels before we get our money back, and ten, I think, is the greatest number that we have so far in any mine in the Reef-ton district. The result of this proposed legislation would be to practically close down that mine. I will give you figures in support of that statement. When we started to open up the ore yielded us a profit for the five months after the first two of over £1,000 a month—from £1,000 to £2,000. Since then it has fallen, and I will give you the returns since last July of the net profit per month. In July, 1901, it was £108; August, £535; September, £384; October, £320; November, £368; December, £208; January, 1902, £118; February, £613; March, £227; April, £398; May, £340; and June, £334. The July figures were not out when I left Reef-ton.

32. You have not taken off those earnings the cost of your London office and Reef-ton office, and other outside expenses?—No.