

1909.  
NEW ZEALAND.

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# GOLDFIELDS AND MINES COMMITTEE

(REPORT (OF) ON THE MINING AMENDMENT BILL; TOGETHER WITH MINUTES OF EVIDENCE.)

(MR. POLAND, CHAIRMAN.)

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*Brought up on the 14th December, 1909, and ordered to be printed.*

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## ORDERS OF REFERENCE.

*Extracts from the Journals of the House of Representatives.*

FRIDAY, THE 8TH DAY OF OCTOBER, 1909.

*Ordered*, "That a Goldfields and Mines Committee be appointed, consisting of ten members, to whom shall be referred all matters relating to mining and all Bills relating to mines; with power to call for persons and papers; three to be a quorum: the Committee to consist of Mr. Anderson, Mr. Colvin, Mr. J. Duncan, Mr. Greenslade, Mr. Poland, Mr. Scott, Mr. Seddon, Mr. E. H. Taylor, Mr. J. C. Thomson, and the mover."—(Hon. Mr. R. McKENZIE.)

FRIDAY, THE 26TH DAY OF NOVEMBER, 1909.

*Ordered*, "That the Coal-mines Amendment Bill and the Mining Amendment Bill be referred to the Goldfields and Mines Committee."—(Hon. Mr. R. McKENZIE.)

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## REPORT.

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THE Goldfields and Mines Committee, having bestowed careful consideration upon the provisions of the Mining Amendment Bill referred to them by your honourable House, have the honour to report that they recommend that the said Bill be allowed to proceed, subject to the amendments shown on a copy of the Bill hereto attached.

14th December, 1909.

H. POLAND,  
Chairman.

## MINUTES OF EVIDENCE.

MONDAY, 6TH DECEMBER, 1909.

WILLIAM PRYOR, Secretary of the New Zealand Employers' Federation, examined.

1. *The Chairman.*] You have some objections to offer, on behalf of your Federation, to this Bill?—Yes. Clause 7 is the first to which I wish to refer, but I have nothing further to say than what I have already stated in my evidence on the Coal-mines Amendment Bill in connection with this clause. Objection is taken also to clause 8, which is regarded as an unwarrantable interference.

2. That is the law at present?—Evidently there is a slight alteration, and that is the trouble.

3. What is the trouble?—The Otago Association is taking the stand that the Government Inspectors are capable of doing the work of inspection. There is another objection to subsection (2) of clause 8, "The workmen's inspectors shall have full liberty to visit and inspect . . . once at least in every month." I think it is a valid objection.

4. That is the present law?—It is desired that they should be allowed to inspect the workings once every month.

5. But there might be special occasions when it would be necessary to inspect them four times a month?—Then there would have to be provision made for that. We ask that in subsection (4), instead of the words "mine-owner and mine-manager," there should be substituted "mine-owner, mine-manager, or any person deputed by the mine-manager." It seems a reasonable request, because they would not send any one but a responsible person for their own protection.

6. *Hon. Mr. R. McKenzie.*] The mine-manager and mine-owner under this law have a legal standing. You could not appoint any person without reporting to the Mines Department?—You have deputies certificated. Suppose you say "certificated person."

7. I have no objection so long as you put the responsibility upon some responsible person?—Would "any other certificated officer or person" do?

8. I do not object to mine-managers or deputies being appointed. I shall have to submit it to the Law Officers. The manager might consider that any person should be able to act as his deputy?—It might be necessary in the interests of the mine, and, as the manager has responsible duties in other places, it seems to me to be reasonable to ask for the amendment.

9. It is not mandatory. They need not go unless they like?—Naturally they desire to go. If the clause could be widened a little it would be more satisfactory. In subsection (5) we ask that provision should be made for workmen's inspectors to furnish a copy of their report to the mine-owner the day after the inspection. It should be within twenty-four hours.

10. *The Chairman.*] What is your next point?—Clause 10, "Wardens shall have power, when granting any license, either in respect of Crown or private lands, to impose such conditions, terms, or reservations as shall tend to obviate the destruction of the surface of pastoral or agricultural land the subject of the license." This is a matter of very great importance to the Otago mine-owners, and they very strenuously object to it.

11. What is their objection?—They say with regard to clause 10, "We desire to object on the grounds that granting such power to the Warden may lead to conditions being imposed which would make the working of the ground not only unpayable but possibly impracticable, and lead to loss of capital invested in dredging machinery and dredging claims. In many cases land the agricultural value of which would be £2 or £3 per acre has been purchased for dredging at up to £30 per acre, in some cases this payment being for 'right to dredge' only, and not for freehold, and carrying to the freeholder a royalty also. Large capital expenditure has been incurred also in placing up-to-date machinery on the ground, and, as stated above, conditions may be imposed which would make it impossible to work payably. Most of the ground being used for dredges is of very low agricultural value, being usually creek-beds or low-lying flats. In the alternative, we consider that if the clause is carried it should only apply to lands acquired after the passing of this Amendment Act, and not to land *bona fide* held for mining at the time of the passing of this Amendment Act." I might say that there was a representative from the Otago Union here, but he had to go home on Saturday. He had intended to be present at this meeting of the Committee, but had to return hurriedly.

12. *Hon. Mr. R. McKenzie.*] What is your objection to that?—First of all, the Warden might make conditions that would practically kill the industry. The industry is not in an enviable condition, taking it all through, and, although agricultural land has been used for dredging, they say that it is of low value, and there is no harm being done in the way that is suggested.

13. This has nothing to do with the owners of the land—it is only put in in the interests of the public. It is really done for the protection of the community?—They seem to fear the Wardens.

14. *The Chairman.*] What is your next point?—Clause 15, subclause (g), providing that forfeiture may take place in six months instead of twelve months. That is objected to. They say there should be a latitude of twelve months before forfeiture takes place.

15. *Hon. Mr. R. McKenzie.*] The Warden gives them twelve months, and the Minister can give them reasonable protection up to two years or more; but often they simply hang on to it in spite of the Warden, and you cannot take it away from them?—Six months leaves very little margin if a man should be absent, or ill, or anything of that kind. Also, the law already provides that the claim-holder is liable for arrears of surrender or forfeiture up to date. We say the State is already adequately safeguarded, and object to the alteration from twelve months to six months. Now, with regard to subclause (1), I am advised in connection with this that bars 3 ft. from the ground will be both dangerous and impossible. Men will constantly leave them up, and they had far better be omitted altogether.

16. As a matter of fact, the men have nothing to do with it. We found the limit up to 4 ft. was too high, and it was not safe. That is why we are reducing it?—That is all I have to say about that. Now, with regard to subsection (n) of clause 15.

17. Every mine-manager with a first-class certificate of competency is capable of doing his own survey?—Auckland and Reefton both object to this. They seem to suggest that the work will continue to be done by second-class men and be just simply signed by a first-class man.

18. That is all right so far as Auckland is concerned, but we have small mines in other parts?—Reefton says it is a retrograde step.

19. If there is an accident, unless you have the plans you would not know where to look for them. We want to be able to rely on the plans of the men. This only applies where there are less than twelve men at work. In all the larger mines there are mine-managers with first-class certificates?—Does this clause only apply where twelve men only are employed? The Reefton objection says, "Paragraph (n) of clause 15 is a retrograde step, as mining engineers are more skilled at underground survey than the majority of authorised surveyors. Suggest that paragraph be made to include mining engineers and mines surveyors approved by Inspector of Mines, as well as mine-manager and authorised surveyors. The Mines Department can then object to plans being made by any one it considers incompetent." These are two amendments that have been desired by the mine-owners.

20. *The Chairman.*] Those are all the objections you have to the Bill?—Yes. Acting on the request of the mine-owners of the Dominion, my Federation has submitted both to the Minister of Mines and Government generally the necessity for some legislation to deal more effectively with gold-stealing.

21. That takes place, does it?—It takes place, I am advised, to the extent of many thousands of pounds a month. The matter is a very serious one indeed to the industry, to the mine-owners, to the country at large, and, I submit, to the workers themselves.

22. *Hon. Mr. R. McKenzie.*]—Have you anything further to report about the Reefton thieves?—No, except that I am advised that it is going on month after month to a very serious extent, and a deputation of the mine-owners waited on the Minister of Mines and pointed out that it would probably be necessary to make provision for it under the Police Offences Act. Mr. Free, of the Consolidated Company, is known to a number of the members of this Committee as being a solicitor as well as the attorney of the Consolidated Company, and he has gone into the matter. He writes, "Since our last conversation I have given this matter some consideration, and think that the suggestion that gold-stealing should be brought under the Police Offences Act is wrong. The Police Offences Act is framed to deal with minor offences, and is designed to enable Justices to deal with this class of work. Gold-stealing is a serious offence—more serious than the value of the gold stolen would seem to indicate, as it usually involves some breach of trust by an employee. It is probable that it would be more workmanlike to alter the law by a direct amendment of the Crimes Act; but it seems to me that it would not be out of place to do it through the Mining Act, which is really a code of laws affecting gold-mining. You will remember that the Minister of Mines said that the Law Officers were of opinion that the clause as drafted would be ineffective if inserted in the Mining Act, and you were good enough to promise to see Dr. Findlay on the subject. I have drafted a further clause which I think will remove any doubt as to the amendment being effective, and, if you have not made other arrangements, will be glad if you can arrange with the Minister for its insertion." This is the amendment proposed: "1. Any person charged with theft of gold shall be deemed to have stolen the same if the Court is satisfied that such person has been in possession of gold within one year prior to information being laid charging him with theft thereof, unless the person accused proves that such gold came lawfully into his possession; and in any information or indictment it shall not be necessary to allege, or in the hearing or trial to prove, the ownership of the gold. 2. The preceding section shall be read and construed as if it were incorporated with and formed part of 'The Crimes Act, 1908,' but nevertheless the word 'gold' when used therein shall have the meaning ascribed to it by 'The Mining Act, 1908.'" That is Mr. Free's suggestion to get over the difficulty.

23. *Mr. Seddon.*] What is the present position?—If any one is suspected of stealing gold, the accuser has to prove that it came out of his particular mine. It is a matter of impossibility even where it has been absolutely known where the gold has come from. The suggestion is that the onus of proof shall be on the person charged with stealing it. There are only certain persons who have the right to have gold in their possession. You will remember there was a gold buying and selling clause in the Act, and it was thought that would stop it; but it proved a failure. The onus of proving innocence is put on the person charged, as is done in certain cases, and we ask that it be done in this. The Otago members of the Federation also ask for some provision with regard to dredging boundaries. They ask that the holder of any dredging claim shall have the

right to dredge until the lower tumbler of his dredge shall be on the boundary-line, providing that, if the adjoining owner objects, appeal may be made to the Warden, who shall have power to impose such conditions as he shall consider necessary for the protection of both parties.

24. *Hon. Mr. R. McKenzie.*] Before you leave the gold-stealing question, I would like to point out to the Committee that this question has been before the Mines Committee and members of the House ever since I have been in Parliament. That there has been a good deal of gold-stealing going on is very well known; but this proposed clause will have a very far-reaching effect. There are many ways in which people get possession of gold. With a view of drafting a clause to meet it I submitted this question to Professor Salmond, who says it would have the effect of making every other man a criminal. Gold is an article that cannot be identified?—It does not mean making every other man a criminal, because those in possession of gold are restricted to men with mining licenses, mine-owners, gold-buyers, and gold-sellers.

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