

that it was so. The amount of drift is not so great as from the south, but occasionally there is a drift from the north. The current, as a rule, is from the south. It varies somewhat, apparently according to the time of year.

35. *Mr. Carrington.*] What kind of bottom is there in the river? I have never driven piles, but I have every reason to think that there is a firm substratum. The other day I noticed a part that had been cleared by the wash of the sea and the river apparently to the bottom. Mr. McNairn, who lives at the mouth of the river, and acts as ferryman, informs me that the river and sea wash down as far as this bottom and no further. This bottom seemed suitable for a foundation.

36. *The Chairman.*] If the Government go into extensive works, what proportion would the company undertake? I do not think it is necessary to go to the expense that Mr. Higginson speaks of. If the Government expend £20,000 on the pier-heads, the company will do the rest. A number of companies besides the Albion may open into the Ngakawau River. Dr. Hector has shown that it is the natural outlet of the Mount Rochfort Coal Field. It is quite possible we may have half a dozen companies discharging coal from the Ngakawau.

37. If the Albion Company undertake these works, possibly they might object to other companies having the use of them? We will not object to other companies using the river improvements up to the present effected by us. We have already spent a considerable sum; and if the Government do not assist us in doing anything for the river, then we will have to make the harbour ourselves. In that case, the company would apply for an Act to enable us to make a charge on using the harbour. Mr. Higginson mentions £51,000 as the cost of the pier heads, but I think the work could be done for much less. I would not run them out so far as 25 chains, and of course one chain at the far end costs double what a chain costs at the upper end.

38. *Mr. J. Shephard.*] Something under £15,000 would be required if a pier was erected on only one side? Yes. Something must be done inside, which should be considered part of the harbour works. The company will have to take this in hand.

39. *The Chairman.*] Are the company disposed to pay the Government interest, or guarantee for advances on any part of that work? The Albion Company is only one of perhaps seven or eight companies that will discharge coals into the Ngakawau. We will pay our share, or become security to a certain amount.

40. *Mr. J. Shephard.*] That is to say, that amongst the companies using the harbour works, the cost should be distributed according to export? Yes. While we are the sole exporters we have to a certain extent a monopoly, and can pay to a fuller extent than when there is competition.

41. *The Chairman.*] What rate of interest would you guarantee to the Government? Mr. Carruthers speaks of sixteen years as the time within which the railway ought to pay its cost. I do not think there is anything unreasonable in sixteen years' purchase. Of course I am assuming that a reasonable amount is spent, and not the large sum spoken of by Mr. Higginson. If only £20,000 were spent, we would pay our share in export charges to cover it in sixteen years. We will do the wharfares and other works required ourselves.

42. *Mr. O'Connor.*] Is the Albion Company a registered one? If it is not registered, it is because the articles of association have to be sent all round New Zealand to be signed. Messrs. Adams and Kingdon of Nelson are the solicitors, and will furnish copies of the articles of association and memorandum, and I have no doubt have by this time registered the company.

Mr. CURTIS, Superintendent of Nelson, present and stated,—

I should like, in the first place, to give some information with reference to the evidence given before the Committee last year in regard to the Ngakawau Coal Mine. At that time I stated that it was not my intention to grant a certain application for a lease at Ngakawau to a greater extent than 20 or 30 acres, that being the amount recommended by Dr. Hector, who was of opinion that to grant a larger quantity would lead to locking up the coal field. Afterwards, finding that this area was not sufficient to encourage the expenditure of capital, I consulted again with Dr. Hector, and as full rights of way both over and under the land were reserved, I agreed to grant a lease of 400 acres to the Albion Company. This company has a capital of £60,000, the whole of which has been subscribed for. The company has set to work energetically, and promises to be of great value in developing the coal field. With respect to the question of the Ngakawau being the natural outlet for the mines, I should like to say that engineers take totally different views. Dr. Hector is not an engineer, and probably his opinion will not have so much weight as that of a professional man. The Provincial Engineer of Nelson, who is also the General Government Engineer in the Province, has given an opinion to the contrary effect, which I produce.

43. *Mr. O'Connor.*] To what extent have applications been made for leases over the remaining part of the coal field, or for prospecting licenses? There have been numerous applications.

44. Are you not aware that all that ground has been applied for by members of the Albion Company? I do not think so.

45. Is there not an application from Mr. Beetham, another from Mr. Dobson on behalf of Mr. Beetham, for 640 acres, and one by Field, for the same company? I think there are these applications.

46. Will not these take in the whole of the coal field that is available? No. It would be but a trifling part of the coal field referred to. None of these applications has yet been granted, nor indeed yet considered. All the applications for prospecting licenses and leases have been deferred altogether, not to be considered until the question of the railway is settled, partly at the request of the General Government, partly at the request of the people of Westport, who thought they might prejudice getting the railway. No permanent right has been acquired, only the right to be first considered. Applications can be put in for prospecting licenses over an area of 15,000 acres. These licenses may be granted for twelve months, and are usually granted for six or twelve months. At the expiration of or during that time, the applicant to whom the license has been granted may put in an application for any quantity of land not exceeding two square miles, or 1,280 acres, which application