

*Witness* : That letter will have to be put in, as it does not appear in the parliamentary paper.

90. *Mr. Hutchison*.] Which are the letters you refer to that are not in?—The two to the Minister.

*Mr. Hutchison* : There are two letters which, apparently, will come in, one from the then manager, Mr. Scott, to the Minister, dated the 27th September, 1888, and the reply thereto, dated the 6th October, 1888.

Hon. E. BLAKE : Have you the originals?

*Mr. Hutchison* : No. These letters will be admitted, I presume?

*Sir R. Stout* : Yes.

Hon. E. BLAKE : Subject to verification. It might be generally understood that these copies are taken for convenience, subject to verification.

*Witness* : It was arranged by the Minister of Lands that the Chief Surveyor, Mr. McKerrow, should act as the officer representing the Government in dealing with all lands under clause 33, and the arrangement was that he should deal with those lands as Crown lands. That you have got in Mr. McKerrow's evidence.

91. *Mr. Hutchison*.] Is it in writing or evidence?—It is in evidence.

91A. Was there any communication with Mr. McKerrow, or did he inform you to that effect?—Mr. McKerrow personally informed me.

92. Mr. McKerrow informed you what?—That the Government had instructed him to act in dealing with all the assessments under clause 33, and that he was to deal with them as ordinary Crown lands.

93. When was this conversation?—In 1892.

94. What was Mr. McKerrow then?—Surveyor-General.

*Sir R. Stout* : He was a Railway Commissioner.

95. *Mr. Hutchison*.] It would only be while he was acting as Surveyor-General, as an officer of the Government in connection with these matters, that any statement he made would be evidence. Had you any conversation with him while he was Surveyor-General?—Yes, I had many conversations.

96. The effect of it was as to the procedure with reference to these applications?—That is what he informed me.

*Sir R. Stout* : Of course, it is not evidence what Mr. McKerrow informed the witness in 1892.

*Mr. Hutchison* : It was not in 1892.

*Sir R. Stout* : When was it?

*Mr. Hutchison* : The witness said it was when Mr. McKerrow was Surveyor-General.

*Sir R. Stout* : He was Surveyor-General up to the time he became a Railway Commissioner on 1st January, 1889.

96A. Hon. E. BLAKE.] While he was discharging the duties in connection with the office of Surveyor-General he gave you this information?—Yes.

97. *Mr. Hutchison*.] You say in the following paragraph of the petition, "(e.) One hundred and forty-eight applications have been sent to the Minister, of which 106 were sent in the month of January, 1892, and as yet only 16 assessments have been received by the company upon the 148 applications." Is that correct?—I have no doubt it is correct. The details will be shown in the list of applications sent in.

98. You also say, "Settlement has thus been hindered; such lands as the company was able to dispose of to selectors it has been prevented from dealing with, and persons who were willing and anxious to deal with the company, and had made applications for lands to the company, have left and are still leaving the district in consequence of the delays and difficulties thrown in the way of the company by the Government." Is that correct?—Yes.

99. Will you tell the Court how the Proclamations of the reserves impeded or prevented settlement?—We had been dealing under clause 33, and, of course, people could apply to us for land, and all we had to do was to refer them to the Government for the assessment of the value. Well, they were objected to. The Minister wrote and said that he would not deal with these applications until he had completed his mining reserves. [Letter dated 20th August, 1891.] We maintain that there is nothing whatever in the contract to justify him taking that action.

100. Were there any applications for areas threatened to be proclaimed?—Most of these applications were in before the areas were proclaimed; but, as soon as the areas were proclaimed, and it turned out that they would be proclaimed as reserves, these applications were knocked on the head.

101. Can you give the Court an idea how many applications were thus frustrated?—We have the list in the exhibits put in.

Hon. E. BLAKE : I would ask that these lists be put in subject to verification.

*Sir R. Stout* : I have no objection.

[Returns showing applications made by company for reserves under clause 33 of the contract put in—Exhibit No. 65.]

*Mr. Hutchison* : There is a note attached to these returns which may not be taken as evidence.

*Sir R. Stout* : If you take off these notes I will not object.

[Observations and notes cut out, and returns put in as amended.]

102. *Mr. Hutchison*.] You say a great number of these applications related to land which was either proclaimed or notified as intended to be proclaimed under subclause (c) of clause 16?—Yes.

103. And in that way you say that settlement was impeded. Will you indicate what was the procedure of the company obtaining the benefit of its applications: the money was not to be paid directly to the company we know?—The process was this: The party wishing to purchase land had to give notice to the company.