

contract had to run, and that was not sufficient for the completion of the line. That was the position when you went to Parliament?—Yes.

135. Next, as to the question of taxation. I did not do more than just mention it before. There is no correspondence on that subject. Your grievance is ventilated by the petition?—Yes.

136. The prayer of the petition to the House of Representatives is, “That your honourable House will be pleased to appoint a special Committee to consider the matter of this petition, and to report to your honourable House thereon”; and it is signed for the company by you, its attorney, Robert Wilson. That petition was referred to the Public Accounts Committee?—Yes.

137. Which took evidence, and you appeared before it?—Yes.

138. There was no relief granted?—No.

139. That was in 1892?—Yes.

140. What did you do then?—In January, 1893, I left for England to consult with the directors about the position. The whole of the next proposals appear in the correspondence.

141. Hon. E. BLAKE.] The result of that interview was some other proposals, which come out in correspondence?—Yes.

142. *Mr. Hutchison.*] Was there any result to the company?—No.

143. What followed that?—I left for England again in November, 1893, to go into the question further at Home, and further proposals were made by the company. I returned in 1894.

144. Was there any result to the company from the Government—any definite arrangement come to and given effect to?—Not given effect to. The proposals of the Government were thrown out by the House.

145. Then, nothing was done in consequence of the negotiations that took place subsequent to 1892?—No.

146. Now we will go back to take up the thread of these various matters subsequent to 1892, when you presented the petition to the House in reference to the mining reserves. Was anything further done? Can you say whether any more Proclamations were made?—Yes.

147. And aggregating how much?—We have got on the list about 452,000 acres.

148. Hon. E. BLAKE.] The total extent indicated as intended by the map is how much?—A total of 687,000 acres.

149. *Mr. Hutchison.*] Passing from that, and coming again to the settlement clause 33, were there further applications subsequent to 1892?—Yes.

150. Hon. E. BLAKE.] This paper contains the correspondence on the subject since July, 1892, and carries it down to the present time?—Yes. [Correspondence put in.]

151. *Mr. Hutchison.*] I was asking you how that interfered with the applications under clause 33?—It simply stultified the whole thing.

152. It had the effect of stultifying the operation of section 33 from the company's point of view?—Yes.

153. You did, as you earned the right, select lands?—Yes, on the eastern side—lands that were readily saleable, to assist us to finance.

154. Hon. E. BLAKE.] From the beginning, because it suited your purpose?—Yes. The moneys which the Government received and the company might have received, under clause 33, would have been an accumulating fund to the advantage and credit of the company, and we intended to deal with those lands, which were readily saleable at the time, and the funds would have been accumulating from the sale of the western lands.

155. The injury you say you suffered in not getting settlement was that the fund would have accumulated and been a credit?—Yes, and we could have shown the financiers that the line was paying and the lands were being taken up.

156. Where you selected were lands that were not affected by the railway?—Many of the lands are on the eastern side, and are not affected by the railway.

157. Speaking generally, and subject to verification if required, what was the monetary result of the selections on the eastern side?—I think our average increased over the B 1 price. The land was valued in the B 1 Schedule. The increase we got on selling over and above these values worked out something like 33 per cent.—that is to say, the pastoral lands on the east coast. The lands we did sell on the west coast showed a very much bigger price than that. They were more important spots, because most of them were estimated in blocks, 10s., 15s., and some as high at £1 5s. Some of the good lands brought us in, I think, a selling-price of something like £2 in some instances, and we sold some lots, but better land, in the Lake Brunner District at £1 7s. 6d., one special piece to an old settler who wished to add to his property.

Hon. E. BLAKE: That is not a criterion.

158. *Mr. Hutchison.*] What were the lands you were unable to select?—They are shown in the exhibit of applications not dealt with; they could only be dealt with by the Government. They represent a total of £2,199.

159. What proportion would they be in area to those not dealt with?—A very small proportion indeed.

160. Hon. E. BLAKE.] Do you mean there were no decisions in respect to them, or that it was adverse?—There were some adverse, and some were not dealt with at all.

Hon. E. BLAKE: Either that they did not decide, or that they decided not to let them have them. Your objection to one point is for delay in deciding, and in the other that the decision was wrong.

161. *Mr. Hutchison.*] You say, as a matter of fact, that applicants were tired of waiting?—Yes. There was strong excitement on the West Coast about the delay.

162. To your knowledge, did any applicants leave the district?—Yes; to my knowledge.