

149. How is it that these works have not been undertaken by parties resident upon the spot?—These undertakings are too large to be carried out by any small parties of miners. There is not sufficient capital in the neighbourhood to invest in works of such magnitude, and the country is all very rough and densely bushed, and without roads. Capitalists would not like to invest their capital in a country like this, which they cannot visit, and about which the only information they can get is from the miners and storekeepers of the various districts, who, of course, are naturally supposed to be desirous of obtaining a large expenditure of money in their respective districts. In fact, there are no reliable statistics available. There have been works of the character indicated constructed on the West Coast on a small scale, at an expenditure of from £2,000 to £3,000, some of which have been found to be highly remunerative, and have repaid the original outlay within a year and a half. I may state that another reason why the miners do not undertake these works themselves is, that the nature of the country is unfavourable to the combination of miners for any undertaking. They are scattered over a large area of country. They very seldom meet together in any large numbers. There are no public meetings held, and the miners do not combine for any political or mining purposes the same as miners in Victoria, where they are in the habit of meeting in large numbers. The whole of the sea beach on the West Coast, for 200 miles, is auriferous. Some of the sand on the beach contains sufficient gold to keep men steadily at work; but there is also a large extent of beach where there is just sufficient gold in the sand to pay from £1 10s. to £2 a week to a hard-working man. This auriferous sand seems to be practically inexhaustible. After a very heavy gale of wind and westerly swells, the whole formation of the beach is entirely changed, so that I have known men living on the working of the same beach for two years,—and finding the sand at the same place to be quite as auriferous at the end of the two years as when they commenced work. If these sand deposits could be developed, either by improved machinery or the employment of cheap labour, great advantage would be the result.

150. *Hon. Mr. Gray.*] What is the rate of wages on the West Coast?—The Government day-labour wages is 10s. per day. Ordinary labourers about the town might sometimes be got to work for 8s. a day. The skilled miners receive wages according to their ability, ranging from 10s. to £1 a day. Witness was thanked, and withdrew.

Theophilus Heale, Esq., Inspector of Surveys, in attendance and examined.

151. *The Chairman.*] The Committee, understanding that you have had considerable experience of the copper mines in this Colony, are desirous of ascertaining from you the causes of the decline of that branch of industry, and whether by any legislative action it would be revived?—I think that, as regards the North Island, the operation of the Native Lands Act has placed the subject out of the reach of legislation, the whole Island being practically private estate. As regards Otago and Southland, the Government regulations are not encouraging to explorers. The Otago Land Regulations enable the explorer to take up a section not exceeding eighty acres for mining purposes, subject to a royalty of one-fifteenth; but they do not enable him to purchase until after three years' work. He gets permission to occupy the land subject to that royalty, but as he cannot acquire the freehold until after three years' work, he has no inducement to make the mine successful during those years.

152. Have you reason to believe that Otago and Southland are rich in minerals?—There is a large extent of unexplored mountainous country in which minerals are very likely to be discovered.

153. Do you know of any formations peculiarly favourable to the development of minerals?—I have always thought that the junction of the granites and felspar on Stewart's Island presents very likely spots for finding tin.

154. Will you explain to the Committee the causes of the non-continuance of the copper mines at Kawau?—The ore in depth proved to be very poor. It was quite impossible to work it without smelting on the spot, and the great price of coal consequent on gold discoveries made that unremunerative.

155. With cheap coal, do you think these mines might again be worked with advantage?—I think, with the present price of coals, if the Kawau mines had not been closed, they could be worked at a profit; but I do not think they can ever be reopened.

156. *Mr. Macfarlane.*] Why?—The old workings, which were extensive and deep, will all have run in, and the capital required before any return could be realized is too large.

157. What was the richness of these ores?—Our first cargoes produced 16 per cent.; they then fell off to 8 per cent.; and I do not think at the bottom they were over 5 per cent. But then the ores were massive; there was no dressing or even selection.

158. What was the width of the lode?—It averaged not less than 8 feet.

159. Have you acquaintance with any other copper mines in the Colony?—I know of the existence of copper in several other places.

160. In any of these places, do you think copper is likely to be worked remuneratively?—After what has passed, copper mining will always be looked upon as very speculative.

161. It has been stated to the Committee by Dr. Hector that the generally received opinion as to the existence of a large deposit of sulphur on White Island is incorrect. Does that agree with your opinion?—The deposits of sulphur there are quite insignificant, and would not pay. On the adjacent island, Motutohora, the working would be more convenient, but I do not think they would pay unless there was an object in producing sulphuric acid on the spot.

162. Are there any general observations you could make bearing upon the subjects of investigation by the Committee, calculated to advance the object they have in view?—I have already stated that the Northern Island is practically private estate, and a serious question arises as to the operation of the law on the working of gold on private property. I am aware that a question arose on that subject in the early part of last year, which deterred parties from searching for gold on private estate.

163. Have you any suggestions to offer with the view to remedying that?—I think any determination of the law would be better than the present state of uncertainty. I think the rights to the minerals should pass with the freehold. As the law now stands, the freeholder has the power of preventing the working of the gold without being able safely to work it himself.

Witness was thanked, and withdrew.