

125. Was there any *quid pro quo* offered to the Government in connection with the mining reserves?—The Government had a right to make certain mining reserves as required for *bona fide* mining purposes. Clause (c) of section 16 of the contract says: "All lands which from time to time in the opinion of the Governor are or may be required for *bona fide* mining purposes, and the several purposes connected therewith or incidental or conducive thereto, and which lands shall from time to time be set apart and defined by Proclamations to be issued in that behalf; but no more than 10,000 acres shall be so set apart or proclaimed in one block at any one time; and the lands so set apart and proclaimed from time to time shall not in the aggregate exceed 750,000 acres."

126. Will you compare that clause with clause 8, subsection (9), of "The Midland Railway Act, 1884," as follows: "No lands now used for mining purposes, or which shall be known gold-workings, shall be deemed Crown lands under this Act." Would you not say that there is this distinction: that in the Act reference is only made to land in use for gold-mining purposes, whereas by clause (c) of the contract it is lands which are or may be required from time to time. Does not that give a much wider limit than the Act?—It is wider in range, but still it is limited by the words "required for *bona fide* mining purposes."

127. Was that not one of the advantages the Government got by giving the company the new contract?—I cannot see the advantage. Of course, if it were an advantage the company would yield it, for this reason: if you have a large development of gold-mining in the district which the railway traverses, and you have population for settlement and other purposes connected with mining, it must be to the advantage of the company; and I may say that the company has never yet raised the question that *bona fide* mining would do it any harm, or that any rush or settlement of that kind has done the company any harm. But it is maintained that if the land is locked up without there being a fair prospect of payable gold being worked on it, it is detrimental to the company.

128. Under subsection (c), who is to be the judge as to the *bona fides*?—There is an arbitration clause if we are driven to it. I do not quite see who is to be judge.

129. The clause says, in the opinion of the Governor. What does that infer?

Mr. H. D. Bell: I submit that that is a question which cannot be answered by Mr. Wilson. It is a question for a court of justice.

The Chairman: He may throw some light as to the view he puts upon the section Mr. Seddon asks his question about. He may wish to give his opinion as to the position the company takes up under it.

Witness: The Governor, in deciding that it is required for gold-mining, must decide in a *bona fide* way and on proof that it is required. He must take it on proof. If it can be proved that it is required, I think the Governor could make the reserve; and I do not think objection would then be made. The objection is to the locking-up of land which is not *bona fide* required.

Mr. H. D. Bell: Would it not be more correct, if it is desired to obtain an opinion as to the legal position of the company, if the questions were addressed to myself. The position of the company is hardly in question here.

The Chairman: Mr. Wilson's opinion would be of no legal value.

130. Hon. Mr. Seddon:] I will ask you if you had plans sent to you showing the different reserves made for mining?—You have sent plans of the different reserves made, but we have protested against them on the ground that they are not required.

131. Do you say that you have protested against all the reserves made?—No.

132. Would I be correct in stating that in only two cases where reserves have been made the company has protested?—I think the company has protested against more than that. If not, it is an inexcusable omission on their part, because I have given instructions to protest against every one unless it is round a gold-mining centre.

133. If you have not protested, it is an admission that they are *bona fide* reserves?—No; we have made a general protest, and we shall protest in detail. One reason why we have not protested in detail is that you have not given us time. We have no opportunity for getting reserves tested or obtaining evidence. A notice is sent us, and within a few days the reserve is gazetted.

134. Have we ever agreed to a remedy by executing a reserve, and after the reservation altering it?—That was done at Lake Brunner, where the County Council applied for a recreation reserve, which, I think, the Government included in a mining reserve, and we objected to it.

135. I allude to one Mr. Butler wanted for saw-milling purposes?—You made a reduction there: it was 2,000 acres originally, and you reduced it to 1,700 because we objected that it was not gold-bearing.

136. Yes?—We have not the opportunities for going into the matter and testing whether the reserves are likely to be required for gold-mining. We reserve the right to get evidence.

137. You admit that up to the present time, though you petition the House on the ground that Government are violating the contract, you have not gone absolutely into the question at all?—I do not admit that at all. The time has not yet come when we shall bring evidence about your dealing with the mining reserves. If we were driven to arbitration, then would be the time to produce evidence as to whether the mining reserves were right or wrong.

138. You are not prepared to do that to this Committee? Then, paragraph 7 and the following paragraphs with regard to mining reserves you withdraw?—I do not withdraw them.

139. Do you intend to tender any evidence on behalf of the company?—Yes; and I hope to get evidence from the Government, because, if mining reserves are made I think we have a right to ask the Government what evidence they have that they are gold-bearing.

140. It is from the defendants you are going to prove what power is exercisable under section (c) as to *bona fides*?—I think we shall bring other evidence. It is a question whether the Committee will consider the matter from a broad point of view or go into the question of the reserves.