

have been suitable for settlement had it not been required for gold mining?—I do not know of any suitable land for settlement that would not have been taken prior to the company's contract if it had been allowed to be sold.

25. If allowed to be sold it would have gone?—It would only have been taken by persons for the purpose of levying black-mail on the mining community. It would not have been taken up for *bona fide* settlement.

26. Do you think that applies to the seven hundred odd blocks applied for to the company?—The applications will speak for themselves. Immediately it was understood they could go and buy from the company there were a large number of applicants from different parts of the country. I happen to know, because I saw the applications when they were first sent in. I say the country was spotted, and the fact that there was spotting is quite clear. Many of these blocks were simply spotted and taken up with no intention of settlement.

27. Do you say that of the seven hundred odd applications?—My remarks only refer to the spotting that took place.

28. Do you say that any of this spotting was for settlement?—No; I should say it was more for speculative purposes than for settlement.

29. With regard to clause 33 of the contract and the regulations, will you tell me when the first discovery was made that there was no power to make regulations under clause 33, as asked for by the company?—From the first time that the late Government made inquiries about the regulations. I think some inquiries were made of the County Council of Westland.

30. About how long ago was that?—I should say I would be within the mark if I said within twelve months of the time I became a Minister.

31. Not before: I do not want to catch you on a date?—There were some papers on the subject sent down to Westland about the regulations, and I think I saw them first with Mr. Mueller, who was Commissioner of Lands at Hokitika, and I then interested myself to know if such regulations were possible under the contract.

32. Did you not write a letter to the company in which you stated that the regulations were before you, and that such modifications would be considered as were necessary as soon as the mining reserves were made?—You have got the letter. It speaks for itself.

33. Was it not a natural inference on the part of the company that if you had no power to make the regulations asked for by them, you would then have stated this?—Well, it was the word regulations that caused the difficulty. You can call them anything you like, but I should say the proper word would be agreement, as provided by clause 33. Whether agreement or regulation, the Government have maintained right through that the powers of the Minister and the Queen could not be delegated to the Commissioners of Lands as proposed by you. You were told this in the letter of the 29th August, 1890, the year before I came into office. In the face of that it would be impossible to say that the regulations could be agreed to, and you must read that with the letter I have sent.

34. Should we not have saved considerable time, otherwise wasted, if by chance you had informed us that it was impossible to make these regulations, so that we could have come to an agreement earlier?—I do not think it. I do not think you cared much. The amount involved in the way of these selections on the West Coast was so small as compared with what you were doing with the land earned on the East Coast, that I do not think the company were at all anxious about dealing with the applications on the West Coast. The amount involved was really very small.

35. Does not the correspondence show that we were very anxious to encourage settlement apart from any big profits the company might make?—No; if you said you were anxious about the timber regulations it would apply with greater force than to settlement.

36. Did we not state that we were anxious to deal with both?—If you had been anxious you would have sent in the applications as provided for in clause 33, and not stuck cut for the regulations.

37. As a proof of the company's desire to promote settlement, did we not write that we could not waste time in waiting for the agreement, and should deal with the land under clause 33?—I say that you had been negotiating for over two years for regulations, and must have known all the time that you had the power to deal with the applications without regulations, and could have exercised it. When told straight that you could not get the regulations, you said, "We will deal with each application separately." Why did you not exercise that power during the previous two and a half years instead of asking for regulations?

38. If you do not know, I will tell you. The reason why the company endeavoured to make this agreement was because they wished to facilitate settlement, and avoid delays under this direct clause 33?—No, most decidedly not. You did deal with a number of applications separately from the first of the contract. The land was advertised and sold, and the titles given to the selectors; and had you continued on in the same way that you started—and of which I was cognisant—and which could have gone on, then all the delay about the regulations would have been avoided; and you knew it. The company were well aware that they could take any application, or any twenty applications. It was within their power to have applied immediately in each case separately, as had been done in others, and have put the people on the ground.

39. You are not aware that it took considerable time to put people on the land under clause 33, and that it was with the object of more rapidly facilitating dealing with the land that we wanted the regulations?—Clause 29 would operate, of course. This gives the Minister the power of veto, and so inquiries would have to be made.

40. Did you not write and state that the regulations would be considered as soon as the mining reserves were made?—The letter will speak for itself. You were told that the regulations as proposed could not be considered.