

58. The watershed of the valley must be taken?—You have got the one valley from Springfield to the Bealey.

59. Is it not a fact that under the contract and under clause 33 any piece of land which is applied for out of any block has to be assessed by the Government?—Yes.

60. Taking a block of 10,000 acres, if half of that were assessed at £1 would not the balance of the block be given to the company for nothing?—If the whole value were paid for one-half the other half would be left to the company for nothing.

61. Is it not a fact that the prices charged by the company for these blocks have been regulated by the assessment of the Government?—No; we simply say you can have the land at £1 an acre or 15s., whichever you agree to. You agree with a person as to what he has to pay you. I know some land at Kokatai for which you wanted £8 an acre. That land is very near a crossing.

62. There is a township reserve there?—Yes.

63. What is it valued to the company at?—I think £3.

64. It is valued to the company at £4.—Well, my information was given to me by a deputation which waited upon me in my position as a Minister. They told me that the amount you asked was £8; and all I can say is this, that for the adjoining land you have there I think you have been charged £1 an acre, and these people said you wanted double the value fixed by the Crown. I know that a whole host of complaints have been made by people at the Kokatai. The land was not required for mining and the applications would never have been objected to by the Government. It could have been, applied for from 1885, and you have never given the people a chance of buying it until about four months ago. I allude to Mr. Glass and several other applicants at the time; and I say that you kept that land in that valley back for five years.

65. Is it not a fact that the Government did not assess that land for the company to enable us to deal with it?—As far as I know the assessment was made by Mr. Mueller, the Commissioner of Crown Lands, and the company were told there was no objection to it. It could not be objected to as there is no mining within miles of it. You can get a copy of the *West Coast Times* and see the name of each of the applicants, and the complaints made with reference to the survey, and amounts charged in addition.

66. Did the Receiver of Revenue receive authority from the Government to accept deposits from these sales?—I cannot tell you that; I am not conversant with the details of the office at Hokitika. The valuations were made by the assessors.

67. Can you find out whether the Receivers did receive instructions to receive these deposits? I suppose the instructions go out from the head office at Wellington?—Certainly not.

68. The instructions to the Commissioners of Crown Lands relative to the Receivers?—The instructions go from the Chief Commissioner. There would be no written instructions—they would be verbal.

69. Have the Receivers declined to accept the deposits at the Kokatai?—I know of no general instructions.

70. May we take it that the Receivers have not received such instructions?—So far as I am aware.

71. And without these instructions these sales could not be completed?—My answer is this: Until the selections come to the Government under clause 33 of the contract, the Receivers are not able to and cannot receive the applications, or deposits on applications. The applications must come to the Governor, and it is not until after the Governor has ordered the assessment under clause 33 that the Receivers can receive the deposits or deal with the applications in any way. If the company or any person applied to the Receiver before this was done the application would be no application at all. If the company say the Receivers would not receive deposits, it must have been where the application has been made direct to the Receivers or the Commissioners of Lands. In that case the Receivers would be acting strictly within the law by refusing the deposits.

72. Were these applications sent to the Government?—I cannot tell you.

73. Is it not a fact that they were sent to the Government?—I should presume so.

74. After the applications were received by the Government did these Receivers get instructions to accept the deposits or not?—If the applications are not objected to then the Receivers would receive the deposits. But I say it was not promoting settlement to keep the applications in suspense from 1885 after you knew there would be no objection on the ground that the land was required for mining purposes, and then charging such rates as were required by the company. These people have complained bitterly to the Government; and I say that the company having these applications in, if they had been anxious to promote settlement, would have sent the applications direct to the Government, and asked that the land should be assessed in order to facilitate settlement.

75. Is it not a fact that several applications were dealt with completely and in accordance with clause 33, and that the applicants tendered their deposits to the Receivers, who refused them because they had not received instructions from the Government to accept them?—If the Receivers had not received instructions that the applications had been received in a formal manner, then the Receivers were quite right in so doing. I say that in each case, where the application is made in form, it must come down to be assessed.

76. Is it not a fact that certain applications were made and carried out in strict accordance with the contract under clause 33, and that when the applicants tendered their deposits in strict accordance with the contract they were not accepted by the Receivers because they had received no instructions from the Government to do so?—I would say, with regard to some of the applications in the Nelson district, that the Receivers of Revenue refused to accept any deposits, and for the reason that, as assumed from the correspondence, the Commissioners were told that the applications must come to the Government, and be dealt with by the Government and assessed. After