

purposes or which shall be known gold-workings shall be deemed Crown lands under this Act.' Therefore the mistake was made there, because when the legal interpretation was given of what is called 'workings' the barristers gave an opinion that it meant the land actually being worked at the time. The company, under the present contract, have a right to surround every mining claim in Westland, and to select the land which surrounds every claim. They have that power under the first contract, and, seeing that they are willing to waive that condition, I think that to get out of the present bungle is worth fifty of the concessions which the Government ask the House to agree to this evening."

Speaking to the proposal as submitted by the Atkinson Ministry in 1887, these were the reasons given by me for supporting the proposals. I was one of the Committee appointed to go into those proposals. There was some change in the clause which stands as clause 16 in the present contract—that is, an addition was made to the clause by which it was provided that all lands required or likely to be required for mining purposes could be reserved from selection by the company up to a total area of 750,000 acres. Under the old contract, and the interpretation given to it, it was only land occupied for mining purposes at the time the contract was signed that was excluded from selection by the company; but the extension under the new contract is very much wider than this—namely, as is set forth in subclause (c) of clause 16 of the contract. During the labours of the Committee the question as to how the contract affected mining was more particularly left to myself and Mr. Vincent Pyke, the member for Dunstan, as being the two members on the Committee who understood mining matters and had the greatest experience in respect of them. I might say that I was personally asked by Sir Harry Atkinson to assist him in connection with this subject. I was, in my opinion, put on the Committee as representing the West Coast mining interest. Now, I say, from my experience on that Committee, and from what transpired from time to time in reference to this extension of the Government's right to make reserves, that the present contention of the Midland Railway Company, to the effect that reserves are only to be made in small areas as actually required for working, after absolute proof by prospecting or otherwise, is altogether contrary to the view taken either by the Committee or by the framers of the contract. I say, further, that I cannot understand how such an interpretation could have been put upon it. Neither can I understand how Mr. Scott, the then general manager of the company, could have inferred, from any interview or conversation he might have had with Sir Harry Atkinson, that such was the correct interpretation. From the interviews I had with Sir Harry Atkinson and Sir Frederick Whitaker I derived a diametrically opposite impression, and the several amendments that were made, particularly as regards the words "the several purposes connected therewith, or incidental or conducive thereto," were inserted at my suggestion to make the matter perfectly clear. There was some little doubt as to whether the words "mining" and "for mining purposes" did not embrace everything. However, after discussing the matter with Sir Frederick Whitaker, he came to the conclusion that my contention was right, and we had these words inserted. I showed him that if the lands which were below the workings were available for selection by the company—namely, the low-lying lands, on which the *débris* and stuff from mining operations would go, passing thence along the shallow creeks, and spreading along the sides of the creeks, to the direct injury of the adjacent lands—that this, if allowed, might be the cause of damages being claimed against the Crown, and therefore it was better to take these lands into consideration as land conducive to mining operations. It was conceded, and in due time a provision to this effect became a part of the contract.

*Hon. Sir J. Hall:* You mean these words——?

*Hon. Mr. Seddon:* These words: "All lands which from time to time, in the opinion of the Governor, are or may be required for *bonâ fide* mining purposes and the several purposes connected therewith or incidental or conducive thereto." I do not suppose the Solicitor-General keeps the slips on which his memoranda are written; but there is no doubt the suggestions with respect to these alterations were made by myself, through Sir Frederick Whitaker. I have not looked up the records of the Committee as to the precise terms of the proposal, but I am sure you will find the proposals which were made by the Committee were those which were submitted by me. I am leading up now to what Sir Harry Atkinson said as to his own interpretation of this part of the contract. There can be no doubt in respect of that interpretation; he could not be labouring under any misapprehension. It was made deliberately. He was telling the House what conclusion had been arrived at, and what the Government had determined upon. When I shall have read the following paragraph it will show that Mr. Scott must have been labouring under some hallucination in regard to Sir Harry Atkinson's views on the matter:—

[Extract from speech by Sir H. A. Atkinson, in the House of Representatives, 24th November, 1887 (Hansard, Vol. 58, page 581).]

"Speaking for myself, I do not believe the guarantee is worth anything—that is, as to costing the colony anything. I am of opinion that the land the company gets will certainly sell for considerably over the amount it is now valued at. That is my opinion. There are various opinions about it, and, that being so, it was thought advisable to put the clause in its present form. There has also been considerable difficulty under the original contract with regard to gold-mining rights, and the Committee has proposed that the Government should have an absolute right to take up 750,000 acres out of the authorised area for *bonâ fide* gold-mining purposes. These are the main alterations; but there are several others of less importance, which honourable gentlemen have, no doubt, seen for themselves."

As regards the value of the concessions and the guarantee that was asked, I say clearly and deliberately, as to the question of there not being sufficient land in that 7,000,000 acres for the company to get £1,250,000 out of it, that it is clearly made out that it had nothing whatever to do with the concessions that were given to the company. On this point—namely, the doubt as to whether £1,250,000 could be realised by the company for its share of this 7,000,000 acres of