

dams, and that area was absolutely necessary for that party in working their ground. Although their claim was only an acre in extent, still it required 200 acres for dams in the different gullies and places about the workings. Then, they require other land for the deposit of tailings and so on. If we take Humphries' Gully, the land held by the company is only about 100 acres; but, manifestly, it would be unsafe for any person to go near them. They want water from Arahura River, and it would not do to allow anyone to select that land, or divert the water; and if I were asked what that one company wanted in additional reserved land I should say 150 acres. They would have to go seven miles to conserve their race. There may be payable drifts right along the seven miles. If any person applied for the freehold of that land before the races have been made, the application would be refused on account of the land being required for mining purposes. But if you give away the freehold to any person after the race has been constructed, the owners of the claim would come to the colony for compensation, owing to the depreciation of the property through the Government selling land which was wanted at the time, and because there was no freehold at the time the race was made. The rights of a race would be conserved where they have been granted by the Warden. The recent decision at Invercargill shows that the holder of a water-right holds a superior title. In a case where the ground along a race was proved to be auriferous, the person who built that race might say, "I did not spend £50 in constructing my water-race until I felt satisfied that there were other auriferous lands which the race and water would command."

*Hon. Sir J. Hall*: Supposing the race is seven miles long, do you say the owners of the Humphries' Gully Claim have a right to claim any gold outside their own area?

*Mr. Seddon*: Any party of miners could go and take up the ground and work it, but you cannot sell or dispose of it in any way. The company know that the Land Boards would not sell any land there owing to its auriferous nature. They spend their money in bringing in a race, knowing that that race would command the whole of the country, which is more or less auriferous.

*Hon. Sir J. Hall*: Have they any prior claim to that?

*Mr. Seddon*: Where mining claims are taken that the race commands they can sell the water to work them. But the moment you sell the land and make it a freehold you depreciate their property. There is a case in point in Craig's Claim at Hokitika. That was bought, and he exacts 33½ per cent. from the men who work the ground. Where this ground is Crown land any party can take up the land, pay for the water, and work the ground. Where you sell the ground to any other person you depreciate the property. I wish to state that the colony has spent, in round numbers, taking the area from Nelson Creek or Reefton down to the Waitaha River, in water-races constructed by the colony, in subsidies, and in private enterprise, over half a million of money.

*Hon. Sir J. Hall*: By Government and privately?

*Mr. Seddon*: Yes; over half a million. To have granted the company the right to select these lands would, in my opinion, have landed the colony in very heavy claims for compensation by the miners. This was pointed out to the Government at the time, and has been reduced to writing by Mr. C. Y. O'Connor to the then Minister of Mines, and which has been put before the Committee. That has been taken into consideration when making the reserves as shown on the map. I have had mining experience from the time I can remember. I was brought up at the mines at Home, and I might say that I have never been from the mines. I have had mining experience here for over a quarter of a century. I do not know the land in the Grey Valley so well personally as I do the land from Greymouth to the south; but the reserves which have been made, and which are numbered as appears on the map there—I will take them from the Waitaha and Mount Rangitoto to Ross first—are, from my personal experience, too small. In the reserves at Mount Rangitoto a very valuable discovery has been made, and by the recent treatment of low-grade ores it is likely to prove payable. I may say, so far as the reserves in the south are concerned, the Government have not had any protest from the company. I have not heard any complaints as to our taking too much as regards the southern reserves. I think my first conversation with Mr. Wilson about the reserves was held in Christchurch, when both Mr. Wilson and Mr. Scott were present. I informed Mr. Wilson of the intentions of the Government, and how we proposed to take them, and I must say that he considered, as a matter of opinion, that it would be better not to make fixed reserves, but simply to make them as discoveries of gold were made. I entirely disagreed with that course, and the interview concluded by my promising, on behalf of the Government, that he should receive copies of the plans showing the reserves we proposed to make. I have given instructions that in all cases these plans should be sent to the company to show our intentions. Now, it takes a fortnight after selecting any block before the Proclamation can issue. I think on one occasion we received a letter from the company stating that sufficient time had not been given for them to object if they wished to lodge an objection. But I have not, with the exception I shall hereafter mention, had any protest from the company that the land we had taken was not required for *bonâ fide* mining, or for purposes connected therewith or incidental or conducive thereto. Now, with regard to the issue of Proclamations. I have said that I have personal knowledge of the lands, but I have not acted upon it. I have simply taken the advice, first of all, of the local authorities. Before we came into office at all, my predecessor in the late Government sought a solution of the difficulty. There had been constant applications for land which had to be held in abeyance. Each block had to be referred to the local bodies, the Miners' Association, and the Commissioner of Crown Lands. It was almost impossible to deal with the applications in any other way, and it had been resolved, long before we came into office, by the previous Government, that these reserves should be made. After carefully going through the papers and correspondence, shortly after I came into office, I found that was so, and I found also that the opinion of the Law Advisers of the Crown had been taken on the subject. I can prove by a letter sent to the company that it was the intention of the late Government to make these reserves. I am of opinion, and Mr. Wilson has put it on record, that the company concurs in this, that where there are known gold-workings the land all round these workings should be reserved for gold-mining purposes. He instanced Kumara, the Waimea, and I think he was referring to the south particularly, too. That