

382. There was also the report of the Railway Commission that it would not pay. Are you aware of that?—Yes.

383. There were the statements made in the colony that the land was valueless: what do you suggest?—I say the evidence was that the line would not pay working-expenses, that the Committee thought that it would not pay working-expenses, and also that you had taken away the mining reserves.

384. Did that discredit the company in London?—Yes, ultimately.

385. When?—When we went back to London to finance in 1894.

386. Did you attempt to finance in 1894?—I cannot say; I was not there in 1894. We tried to finance on the basis of the Government giving bonds in lieu of land-grants.

387. Hon. E. BLAKE.] Did you attempt to finance on the basis of the old contract?—I cannot say.

388. Was there any attempt, after you got Home, to finance on the basis of the old contract while you were there?—I believe there was; I have not the means of knowing.

389. Sir R. Stout.] Now, I come to section 33. You have given no evidence as to the timber, and no details. What do you say was the effect of this section 33, Mr. Wilson?—You mean as to the breach?

390. What power had you under that?—We had power to deal with people coming to us. What I said was that persons wishing to purchase land within the reserved area on the West Coast—the Westland side of the range—could apply to the company for permission to purchase, and that the company should refer them to the Government, and that the Government, under the contract, or the Queen, must forthwith assess the value of that particular portion or block as in relation to the whole of the block, and on the consent being given the man had to pay the survey-fees, to pay his deposit of so much per cent. to the Receiver of Land Revenue in the district, and that then the selection should go on of any land within the block of the company's reserves on the Westland side of the ranges, and that the company need not select any block to meet the requirements on that side. The money was put into a suspense account, and kept there until such time as the company, by its expenditure, earned the land.

391. Suppose you took the 3,000 acres you wanted, do you suggest you could ask the Government to sell 100 acres of it, and that the balance of 2,900 acres would remain over without notice?—No, that remains available for the company; if it does select that block the money goes to the Government.

392. Then, it was only if the block was taken that you would get the choice of it?—Supposing there were large sales under clause 33, the money would be standing to the credit of the company, and which the company could absorb with its loan of £2,500,000—it would have stood there as a credit.

393. Had there been an agreement between you in 1892?—No; there was never a satisfactory arrangement.

394. I want to know if there was anything?—I have simply sat down under it, and borne it, because there was nothing else to do.

395. Would you answer? Was there not an agreement with Hon. Mr. Richardson, and that it was held by the Solicitor-General to be *ultra vires*?—I was not aware of that.

396. Was there not a new arrangement with Hon. Mr. Richardson?—It was an arrangement made by which applicants should apply to the company, and the applications were to be submitted to the Governor, and he was to appoint the Commissioner in Westland to assess these lands; and they were to be dealt with by Mr. McKerrow, who was appointed then as practically the officer in charge of them, and to be treated as practically Crown lands, with the exception that the revenue was paid into a suspense account.

397. But what I want to know is, after the agreement was at an end, was there not an agreement come to between you and them, and since that you have made a single complaint to the Government that they have not carried out?—I must explain. I may not have objected; what was the good? I got no redress, and I have left it alone.

398. You did not make a complaint about the carrying-out of section 33, after the arrangement between you?—I simply left it alone—it was so cumbersome that the people would not deal under it.

399. You say that is the reason you made no complaint to the Government?—I think you will find in the correspondence that I did so.

Hon. E. BLAKE: It seems to have been on the 22nd June, 1892, you left a typewritten account of the proceedings as you understood them. (Pages 14, 15, and 16, Correspondence, Appendix I.—7A, 1892.) The last letter is a letter of the 17th August, 1892.

400. Sir R. Stout.] Now, is it not a fact that not a single one of these applications were proceeded with?—Very likely. I think it is very likely they were not.

401. Was there any application sent to the Government to carry out the conditions since that?—The applicants were generally supplied with a formal notice that, owing to the difficulty with the Government, we were unable to deal with them.

402. At pages 14, 15, and 16 of the correspondence you will see——

Witness: You have a contradiction here. There was a letter on the 23rd September, 1891, referring to the former correspondence——

Sir R. Stout: I am not asking about the correspondence.

Witness: But you must wait. The delay with the agreement which I say was refused——

Sir R. Stout: I said that what I want is as to your own letter of May. "I have to remark," &c., and then you remark——

Witness: It is on the face of it clear that no agreement was come to. I say, "to facilitate matters" the company would do so-and-so; but I go on to take exception to the notice under clause 29. In view of that I said, "I would leave the thing alone."