

150. Have they not a right to mine on private property in Victoria?—I think from 1884.

151. You admit they have a right to mine on private land in Victoria?—Yes.

152. Are you aware they have a right to mine on private land in New South Wales also?—I think there was a Bill to that effect, but it was thrown out in the Upper House.

153. You are not aware they have a Bill of 1894 which is on the statute book?—I believe there was a Bill tried, but was thrown out by the Upper House.

154. That is, this last session?—Yes.

155. You spoke about the profits of the company from the timber: Have you any objection to tell us what profits the company have made from their timber since they have been in business?—Last year they lost £3,000 and the year before £29,000. Since I came I altered the loss from £29,000 to £3,000, and I expect to make a profit of £30,000 this year.

156. You stated your company paid rates and taxes quite equal to the surface-value of the land?—Taking the surplus value outside the timber.

157. Have you any objection to let us know what the accurate value of the properties are?—I have not the slightest idea.

158. With respect to Whangapoua, I understand your company is offering it to prospectors?—I do not know anything at all about it; they will be before you in a day or two and can explain it.

159. *Hon. Mr. Larnach.*] I understand you to say, Mr. Trapp, that the Kauri Timber Company have no objection to prospecting on their lands providing it was carried out on mutually fair terms?—Mutually between the Government and ourselves.

160. Would you mind telling the Committee what are your conditions?—Each block would have to be provided for separately.

161. In fact, the conditions your company is ready to make with regard to the prospecting are such that your company could carry out?—From time to time.

162. Then your company has always been ready to encourage prospecting in that direction?—No; that is the reason of the Bill.

163. Have you ever received applications for prospecting?—The company have refused in the past, but that is now changed.

164. Now that it is under your management?—We have refused nothing in reason.

165. Your company is prepared to make any arrangement reasonable on certain conditions?—On certain conditions. We had a plan drawn up last year to allow certain prospecting, to pay the prospectors a certain amount, to give them an interest, and to help them in every way.

166. In any gold found on the company's land, do you claim a royalty?—We would go into a company with them or claim a royalty.

167. Do you know the amount of royalty usually claimed?—It depends upon circumstances.

168. *Mr. R. McKenzie.*] Did you give a Land Transfer title with this 36,000 acres?—To the Bank of Australasia to be handed in escrow in London.

169. Is the Kauri Gold Estates Company registered in the colony?—It is to be, I believe.

170. I suppose this company is now in course of formation?—Everything is paid up.

171. It is not registered in the colony?—I do not think they have had time.

172. *Mr. W. Kelly.*] I understood you to say the deed was registered in Auckland?—When you get a Land Transfer title you have to pay a certain amount of transfer. It has been transferred from us to them.

173. *Mr. Allen.*] The capital of this Gold Estates Company is £250,000. Does that include the freehold?—Yes.

174. £80,000 to £100,000 is to be spent in prospecting?—Yes.

175. *Mr. Fraser.*] Mr. Trapp, you said the amount of rates and taxes on it really amounted to the surface-value of the land. Do you mean the surface-value to you or the amount the Government would pay you?—The amount the Government would pay us as fair compensation for previous value.

176. *Hon. Mr. Cadman.*] There is a portion of the Bill, Mr. Trapp, which deals with the question of the surrender of outstanding leases of Native or other lands—section 27?—If you could put in one word—

177. I am speaking of it generally.—Does that mean you could make any arrangements you liked with us?

178. To come to some arrangement.—To come to some amicable arrangement with ourselves, whether we take money or anything else as compensation?

179. I mean virtually able to make arrangements. Would you prefer having this clause taken out of the Bill? These clauses, from section 27 onwards, are put in purposely to meet the Kauri Timber Company. Do you, Mr. Trapp, object to these clauses and think they should come out?—May I ask you a question? What is the meaning of compensation? Does it mean exchange?

*Hon. Mr. Cadman:* I cannot answer that question.

*Mr. Trapp:* If it means exchange or arranging we have no objection, but if it means paying surface-value, then it comes back to the one point: Why should we, if you ask us to benefit mining, spend £30,000 to £40,000 for a block to help the Government, and not have a prior right to something in that if we do not accept compensation. I should like to see the clause more definite as to the word "Compensation."

180. *Hon. Mr. Larnach.*] On the subject of this large amount of stamp duty paid—£800—are you aware of the rate per hundred?—No, I am not.

181. Do you still decline to say what the price was of that land sold?—It would be about £40,000.

182. How many shares did the Kauri Company take up?—As many as I could possibly screw out of them. We took between £30,000 and £40,000 in paid-up shares.

183. *Mr. Allen.*] You will not tell us the cash you got?—We have got £37,500 in cash from the English people, and they had to spend £900 for survey-fees.