their logs, and they could not give what they have not got themselves. I think if they get the land on the same terms as they get it from the Government it would be reasonable enough.

94. Do you think this is a reasonable price to pay? Supposing a man wants some mining timber, say, rata, to pay at the rate of 9d. per 100ft.?—I never understood that they had to pay that. I understood they had to pay that for kauri, but no other timber.

95. Would you be surprised that the regulations say that every tree exceeding 6ft. in girth is to be paid for at the rate of 9d. per 100ft.?—The regulations may say so, but I do not think it was so intended, because, when they were talking about it, it was kauri that was contemplated. Miners were to be allowed to use any timber for mining purposes.

96. Then, you would be surprised?—Yes; I think that is wrong. I quite think they are perfectly right as to kauri.

97. Do you think it reasonable provision for the Estates Company floating a prospector's claim for him should take four-fifths of the whole thing?—Well, my experience is that you have to pay through the nose for companies floated in England, or you cannot get them floated at all; and, whether it is reasonable or not, it is a thing you cannot avoid—that is the trouble. I was a long time before I could be brought to understand that.

98. Do you think this is a fair proposal: Should the prospectors be unable to find the necessary funds for taking up land under these regulations, on the company being satisfied of the value of the discovery, they take over the whole thing and give him only 5 per cent.?—If they give him 5 per cent. of the capital he would get a big sum.

99. You think that reasonable?—I think it would be on a capital of, say, £150,000.

100. What I want to find out is this: He finds good gold—is the 5 per cent. equivalent to his finding gold?—What I understood was that they pay all expenses as well as the 5 per cent. of the capital, and I think that would be very reasonable.

101. I will read the clause: "On the company being satisfied that the said discovery is of value, and should they then proceed to form a company to work the said discovery, then upon the formation of such new company the prospector shall be entitled to 5 per cent. of the capital in fully paid-up shares, or to such cash payment as may be mutually agreed upon, in full payment for such discovery." Do you think it is fair that the Estates Company should claim one-fourth the net profits of a man's working before he floats his company?—That may appear too stringent, but I think they are entitled to a certain percentage. At present, even miners among themselves agree to the charge of 25 per cent. on tribute, and it only amounts to the same thing.

102. It is equal to 25 per cent. tribute on top of the other terms?—That may appear, at first sight, a little too stringent; but they are entitled to a percentage.

Mr. Fraser: The profits are not ascertained till all the other charges are paid?

Hon. Mr. Cadman: I am talking of the other charges to the man who pegs out the land.

Mr. Fraser: The £1 per acre rent, and so on.

103. *Hon. Mr. Cadman:* That would be deducted first. [To witness.] I think you stated that you thought, if Government wanted to do anything in this matter, they ought to charge royalty?—I did not say so, but I said that a compromise might be effected, though not recognising their right to charge it.

104. Well, then, who did you think should pay it?—The people who are working the land.

105. Not the company?—The company that is working the land.

106. Not the owners of the land?—Not the owners of the land.

107. Therefore the owners of the land would pay nothing?—When you say that, I mean the company who is going to work the mine. If the owners form subsidiary companies, they will take the royalties off their shoulders.

108. I understood you to say yesterday that the land open for mining was something over 30,000 acres under the Estates Company?—38,000 acres, I think, the Gold Estates Company.

109. Are you aware that the area of land open under its regulations is not much above ten or twelve thousand?—I do not think it would be advisable, in the interests of the colony or the company, to throw open any land that has kauri timber upon it, because that timber would be totally destroyed the same as at Puhipuhi.

110. Then, the fact is that stating there are 36,000 acres open for mining is incorrect?—I cannot tell what they intend to open; but I should not think they would allow prospecting on land where there is heavy kauri bush.

111. You know the Opitinui Block?—Yes.

111A. Do not you think that land might be mined on?—Part of it there is very little timber upon, and that portion could be thrown open. I am thoroughly convinced that, if you allow companies to come in to develop that land, everything will be thrown open that is possible to throw open.

112. I want to show that the impression that there is 36,000 acres of land open is incorrect.

Mr. Fraser: Mr Trapp in his evidence said that the land was reserved, and only the land denuded of timber is open.

Mr. Allen: You led us to believe that some one in his evidence had said there were 36,000 acres thrown open.

Hon. Mr. Cadman: I said it was purchased. I will read the clause in the company's regulations on the matter: "The term 'company's estates' herein used shall mean the whole of the Kauri Freehold Gold Estates (Limited), freehold land, comprising about 36,000 acres, subject to such reservations as are stated in the schedule hereto, and to such further reservations as the company may from time to time decide upon, and notify to inquirers at the company's office in Auckland."

Mr. Fraser: It is clear from the reservations it is not the whole 36,000 acres.

Mr. Gordon: I think, by the regulations, the company only intend to open up certain blocks of land at first.