

this part of the business is very large. I want now to point out the number of others that are dependent upon the Timber Company for a lot of their business—wheelwrights, shipwrights, wharf-labourers, engineers, and various others who obtain employment indirectly through the company. If you take the number of hands employed directly and indirectly in getting and milling of the timber, it would mean certainly not less than four thousand, and indirectly in connection with its ramifications, another thousand. It is certainly running a great risk to these number of men. You may think it will not do the harm I state; I am absolutely positive it will, and every one employed in our company admits it. They are, in fact, eager to have a demonstration against any action of the Government to interfere with their rights and privileges. This I will not allow them to do; and you must not think, because our mill-hands are quiet, that they are not most deeply interested in the result. Some people seem to imagine that if they lose their position in the mills, or as joiners or carpenters, it is quite easy for them to go as miners. I think this cruel, unjust, unreasonable, and unfair. Why should they, earning good wages at a business they have had to learn, leave a district in which they might own their house, and perhaps a block of land they are improving as a stand-by for their old age, and take their wives and children most likely into a district which they do not know, and with the off-chance of getting a position as a miner? If any of you were to put yourselves in these poor, unfortunate men's position, I do not think you would rest as easy as they are doing. And all this is for what? One of the biggest and grossest mistakes which has ever been perpetrated in any part of the world. None of you, I think, have grasped what it means to New Zealand unless a stop is put to company-mongering. You down here have not been through many booms; I have, unfortunately, been in several, and can talk with a certain amount of authority on the results. Melbourne, in all its dishonesty and mad-brained speculation, was not within "cooeey" of the present idiotic boom in Auckland. These most likely are strong expressions which the loud-tongued company-promoter will not like. I refer you now to your list of mines, and you will find, by adding them up, over twenty-eight million shares were on the Auckland Exchange by June this year. I notice since then 278 licenses have been given, consequently, if they can get fools enough, 278 more mines will be floated. If you cast your eye down the list you will find that for every company under seventy thousand shares they have half a dozen over ninety thousand shares. As they are no-liability companies, and in many instances from $\frac{1}{2}$ d. to 3d. paid up, what can they do? They must get machinery, they must sink shafts, and as there is no fund put aside it is compulsory that they should make calls, so that, if they make 1d. per share per month on taking two-thirds of the mines which will be in the market before this time next year, it will take certainly not less than £300,000 per year to pay calls. This means forfeiture all round; there is no getting away from the fact; you can all calculate it out, and say whether I am correct or not. What will this result in? Simply utter chaos, and the worst distress imaginable, and ruination to your mining industry; and ruins your timber industry, throws thousands of men out of employment for nothing, grasping at a shadow which may not exist. There are few of you that have been brought more into contact with the English people than myself; and they all state there is to be a wonderful future for gold-mining in the North Island, but a very bad one for company-promoting in its present foolish style. Seeing that the mines are being floated at such a rate, would it not be better, instead of opening fresh ground and crippling an industry, not to grant any more licenses for a year? As looking facts fairly in the face, can they hoodwink the British public any longer? Suppose he buttons up his pockets for a time, what are they going to do with all these mines they have floated? They are not manned, they get protection orders for six months in the hope of floating them at Home. If they have to make calls no one can pay—and, according to the statements of many influential men in New Zealand, only 3 per cent. of the present mines are any good—then why interfere with us for a paltry thousand or two acres of land?

In conclusion, I would give you a list of the mines quoted by one of the Melbourne circulars, and you will notice what legitimate mining is like. For every company in Melbourne over twenty-eight thousand shares we have half a dozen under twenty-five thousand shares. I think yours should be the same; and, instead of taking land without the consent of the owner, would it not at the present time be better in the interest of all in New Zealand to grant no more licenses, unless the company were not over forty thousand shares, with a paid-up capital for working-expenses of not less than £7,500?

3. *The Chairman.*] Is there anything further you wish to say to the Committee, Mr. Trapp?—No, except if there is a block, as one has been shown to us, where there is a good prospect of gold, we will do our best to clear that block; and if we have to put a certain amount of money into it—it will cost a certain amount to clear—we want a little consideration if we are compelled to clear it.

4. *Mr. Fraser.*] When it is cleared, Mr. Trapp, what then?—Then we would say, If part of the block is 1,500 acres, we would come to some arrangement, have one or two mines on it, and not go to the Government for any compensation. We have just given a mine to a man, although we had an offer of £6,000 and so much in shares. I would sooner have no mining at all, and have our timber. It is our timber that has lost us money, and we now stand a chance to make out of it; and it is the timber which keeps Auckland going. I wish mining had not sprung up at all.

5. *Mr. Allen.*] When was your land acquired?—Most of it was acquired before the goldfields proclamation. It is outside the goldfields area. There is some of our land in the goldfields area. Most of it is Land Transfer title—a good deal of it before 1863.

6. What do you mean by saying the mining would prevent you from getting the timber out? Would not the stream be there all the same?—The stream would be there all the same.

7. Then, you mean the tailings would block the stream against your timber?—Yes. Then, they might take water from any of our creeks and let our dams get dry.

8. What is the area of the land you hold—I mean only the Crown-granted land?—About 40,000 to 50,000 acres that is in the goldfields district. Then, we hold land up in the north of the Island, supposed now to be a goldfields district. We hold timber lands round Kaipara.

9. How much?—I could not say.