then, the particular surface of the particular portion taken, but the relative value done to the property?—That is it.

51. You know there is a provision in the Public Works Act, do you know whether that provision applies?—It is doubtful.

52. Another point you raised is this: that your company has spent so much capital employed and employing so much labour—spending so much in wages—that it is a question whether so large an amount would be spent in mining?—Ours is certain, mining is not.

53. How long are your operations likely to continue?—I hope for fifty years, because kauri is going to get dearer and dearer.

54. You mean the money you are going to expend could be expended over fifty years?—For, say, twenty years, and then by that time we would still be a large concern, and New Zealand would have to import the same as other places, and the prices of getting kauri out would be so much higher, the difference would be still in it, and you could reckon that about £200,000 a year would have to be spent.

55. *Mr. R. McKenzie.*] Did your company invest their money in this land for mining purposes or for milling purposes—that is, the Kauri Timber Company?—The prospectus stated they had bought a certain amount of timber-land and a certain amount of land which would some day help to build the company up on account of its gold.

56. Do you consider that an honest prospectus to issue?—I cannot help what prospectus was issued. I had nothing to do with the company.

57. Do you consider that was an honest prospectus to issue?—Undoubtedly it was.

58. When the Kauri Company issued that prospectus were they aware they had no right to the minerals?—As it has never been tried; and never tested, everybody who had land would presume the Land Transfer title was indefeasible.

59. You referred to the number of vessels employed, and you afterwards said they carry coals back?—Yes.

60. Do you consider that a benefit to New Zealand?—If you did not do this some foreign vessels would have to bring it, instead of those bringing it now.

61. Is there not plenty of coal in the Auckland Province?—If you will show us where there is coal we will get it.

62. You say you have four thousand hands employed?—Four thousand directly in the timber business and one thousand indirectly.

63. The statistics of the colony show only eighteen hundred or two thousand are employed?—If there are only eighteen hundred men employed, and we spend £200,000, they are making too much money out of us. In getting the logs they have to be cut down, taken out, rafted down, put into the mill, and then shipped, all by different lots of men.

Hon. Mr. Cadman here stated Mr. McKenzie was wrong.

64. *Mr. R. McKenzie.*] You say if this Bill passes into law all these men will have to be thrown out?—You will have to make timber to keep them.

65. You do not imagine we have the intention of burning the kauri forests?—The kauri forests are getting scarcer; and let miners in and it will be burnt.

66. We know your company suppose no other company is likely to take up the kauri forests?—They cannot.

67. With reference to that word you substituted when reading your statement, Mr. Trapp, you say it was one of the biggest—presumably you mean one of the biggest legislation swindles ever perpetrated?—No; what I meant was this: "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 have grasped, I think, 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 cooey of the present idiotic boom in Auckland."

68. You say no more than 3 per cent. of the companies floated are legitimate ventures?—Will be legitimate ventures. I think I got that remark from you, Mr. Cadman.

Hon. Mr. Cadman: Not 3 per cent.; but I am quite prepared to say a very large proportion of the companies floated will never do any good. It is the same all over the world.

69. *Mr. R. McKenzie.*] Of course, this is a very sweeping accusation against the mining community of the colony?—It is not the mining at all, it is the company-mongering which I look upon as bad—for instance, people offering from 80,000 to 100,000 shares of a company at 1d. a share paid up with no liability. If a stockbroker floats 25,000 shares he only gets a certain amount, and prefers to float 120,000 shares.

70. Do you mean this to apply to the Provincial District of Auckland wholly?—No; but the West Coast, I believe, is very sound.

71. I can assure you they are floating companies there, but more than 3 per cent. are legitimate ventures?—The West Coast is sound.

72. Do you mean this to apply to the Kauri Company's ventures?—No; because they have the £100,000 subscribed for prospecting.

73. How much is supposed to be proclaimed goldfields?—It is not in the goldfields area.

74. I understood you to say you had 26,000 acres?—I cannot tell you without a map which is the goldfields area.

75. You have disposed of these 36,000 acres. Under what legal authority did you dispose of it for mining purposes?—Under the protection of an English colony, for a Land Transfer title is indefeasible.

76. Of course, your principal objection to this Bill is that it is likely to take away the rights of that company to any mineral?—I wish to heavens I had never seen this new mining company.