17. Have you had any communication with the Mines Department with regard to that surcharge?—I have informed the Mines Department of the surcharge, and I had a personal communication with the Minister of Mines on the subject.

18. To what effect?—I had better quote a letter I wrote on the subject.

19. *Right Hon. R. J. Seddon.*] You have had a conversation on the subject of this surcharge?—Yes.

20. What was the nature of that conversation. The writing will speak for itself. I want to know the purport of the conversation?—The conversation related to the circumstances of the surcharge—to the character of it, or, rather, to the character of the deficiencies or arrears; whether they were in cases of absolute surrenders, or of surrenders of titles to take up the land again and continue the rents under new titles.

21. *The Chairman.*] And besides the conversation you have also had written communication?—No. I wrote to Mr. Moresby on the subject of that conversation with the Minister.

22. Have you a copy of that letter?—This is in a letter to the Receiver of Gold Revenue at Paeroa: "The Hon. the Minister of Mines has just seen me respecting a case in which you are proceeding for a deficiency included in the surcharge of £464 0s. 4d., but in which the payment of the rent is alleged to have been continued under a new title. I informed him that you had not yet intentionally been surcharged with any deficiency in such cases. The Minister, though he was considering whether it would be expedient for the administration to interpose to suspend the proceedings, expressed himself particularly desirous not to be regarded as in any way interfering with or delaying the recovery of the deficiencies in the cases where the same holding was not continued under a new title."

23. *Right Hon. R. J. Seddon.*] Are you sure your Audit Inspectors have not given instructions to these Receivers of Goldfields Revenue?—I cannot be sure of that. I do not know it.

24. You are not aware whether you sent this circular of the 6th September [see Exhibit B] to the Mines Department?—I do not think I did. I do not recollect sending it. It is calling the attention of our Audit Inspectors to the provisions of the Act with regard to the collection of the revenue.

25. Have you any memorandum in which you directed the attention of the Minister of Mines to the arrears of rent?—I directed attention to arrears of rent in respect of the Kumara Water-races.

26. Moneys due for water are not rents; rents are rents of mining claims?—I am looking at it as revenue. As far as the Audit Office is concerned, the surcharge would be the same.

27. There is no statutory obligation on Receivers of Revenue in respect of amounts due for water. The question is whether you have intimated to the Mines Department that there was a large sum of money overdue for rents of mining claims: have you done so?—I wrote to the Minister of Mines on the 25th June, 1898, this memorandum: "With reference to the appended copy of the correspondence of the Audit Office with each of the Receivers of Gold Revenue at Collingwood and Cromwell respecting the acceptance of the surrender of a licensed holding on payment of the rent to the date of surrender, instead of to the end of the current half-year, I have the honour respectfully to suggest the issue by your department of a circular to all Wardens and Receivers explaining what rent the law is interpreted to make payable in cases of surrender." Then follow the copies appended to that memorandum. [See Exhibit C.]

28. This is on the 25th June, 1898, after you had surcharged and proceedings had been taken by Receivers of Revenue. Was it before or after you had surcharged the officer at Paeroa?—The surcharge on Paeroa was made before that.

29. This circumstance of the 25th June refers only to surrender where there is overlapping respecting the acceptance of the surrender of a licensed holding on payment of the rent to the date of surrender, instead of to the end of the current half-year?—No; that is an acceptance of surrender before payment of arrears. A full half-year's payment in advance is provided for under section 135.

30. Can you explain the question of the overlapping to the Committee? First of all, is not the rent payable in advance?—Under section 135 [see Exhibit A] the rent is payable half-yearly in advance.

31. Has not the question arisen whether it is payable in advance, and it has been sued for notwithstanding—it has been insisted on?—Yes.

32. Although a man may have had only three months' occupancy, you would insist upon the amount being paid for the half-year?—Yes, that is so.

33. Now, the Wardens have been interpreting the law differently from you, have they not?—I think they have acted differently, or on different opinion.

34. "Audit query, No. 282, of the 18th May, 1898, to the Receiver of Gold Revenue at Collingwood on account for the week ending the 22nd January, 1898.—On the 18th January, 1898, you gave receipt No. 3993 to Mr. J. P. Hayes for £1 13s., 'being rent by judgment on Joseph Jacobsen's late Licensed Holding No. 56 from the 6th April, 1897, to the 27th July, 1897, date of cancellation.' Please explain why the full year's rent of £3 15s. was not collected." To which the Receiver replies, "On the 6th April, 1897, Joseph Jacobsen's rent, amounting to £3 15s., became due for the ensuing half-year. On the 27th July he surrendered his license, but did not pay the rent. The rent was sued for by me in the Warden's Court on the 23rd September, 1897, and judgment was given for £1 13s. and 9s. costs, being rent due from the 6th April to the 27th July, 1897, the date of surrender. A distress warrant was issued for the recovery of the amount of judgment and returned as no effect. Mr. Hayes paid the amount on the 18th January, 1898, as my receipt shows." Then you write: "The Receiver,—Please quote the section of 'The Mining Act, 1891,' or its amendments under which surrender was accepted on the 27th July, 1897, without the half-year's rent due on the 6th April, 1897, being paid; and also state why judgment was given for