

right; and the rights of any previous occupant of such ground, notwithstanding the existence of any registration of title thereto, shall be deemed to have expired." Well, it is a month, and it is unoccupied for a month?—After that I should think it did not relieve the holder of his liability.

94. Would it surprise you if I told you that rights had been cancelled by Wardens and new rights held by a company while you were charging for the rents?—No.

95. But is it not monstrous? A person might abandon under the old Act as long as the right existed, but had to go to Court. This was put in specially in the Act of 1895, section 16: "Notwithstanding anything contained in the principal Act, it is hereby declared that any claim, special claim, or licensed holding shall thereupon be and be deemed to be forfeited—(1.) If the prescribed rent or license-fee in respect thereof continue unpaid for twelve months after the due date thereof." It has gone. I say that there can only be twelve months' rent due, because it is forfeited by Act. The land goes back to the Crown. You are insisting on these Receivers paying this money?—It is a question of forfeiture. Forfeiture of shares in a company does not relieve the shareholders of calls. Wherever the Receivers are pursuing these people they are pursuing them in virtue of judgments.

96. Is it negligence on the part of the Receiver? The rights have been abandoned, and the rents are overdue for over a year, and the law says that such rights are and shall be deemed forfeited. On that assumption the Receiver has not collected the rents, and the law now, through the Audit Department, orders him to sue?—I presume the Court takes everything into consideration when it gives judgment.

97. It is a serious matter in this respect: that a number of persons when the boom was on two or three years ago took up these rights. They did not do anything with the land, and now they are brought up with a round-turn for not paying the rents?—The fault is the fault of the administration. If these men had been looked after they would have got rid of their liability. The active administration of the Mines Act would prevent anything like a distress of this kind. These people would not have been allowed to fall into arrear, and the rent would not have accumulated. The fault seems to me to be through laxity of administration.

98. *Hon. the Chairman.*] The £700 odd was surcharged to a Receiver?—Yes.

99. That money has not been paid, I presume?—No; he has appealed to the Minister under the Act.

100. And it remains a charge against him?—Yes.

101. Is that the only sum you have surcharged against any Receiver?—That is the only surcharge outstanding against any Receiver of Gold Revenue at present. I cannot recollect any other.

102. Do you know many cases where judgment has been given and bailiffs have been placed in charge?—I do not know of any cases where bailiffs have been put in, but I have reports of judgments obtained.

103. From what parts?—From Reefton one came in the other day. That was the one respecting which the discussion took place. The judgments are for recoveries of various sums.

104. Do they all refer to the West Coast?—Yes; they are all Reefton cases. Some of the defendants have paid.

H. J. H. ELIOTT, Under-Secretary, Mines Department, examined.

105. *Hon. the Chairman.*] Do you hold any other office besides that of Under-Secretary for Mines?—No.

106. You have heard Mr. Warburton's evidence on the differences which have existed on questions concerning goldfields revenue and the Audit Office. Will you explain the matter from the commencement, as far as is in your power?—With regard to section 76 of the Mining Act of 1891?

107. Yes?—Well, the department has always contended, and still contends, that that section requires statistical returns only to be sent to the Minister of Mines. The practice has been to allow the Audit Office to have access to these returns—that is, for the Mines Department to forward them on as the Audit Office asked for them. That has been the practice since 1886, and it was only when this correspondence commenced that we had any difficulty in the matter. Mr. Warburton has told you that many of the returns were signed by the Receivers, and he was determined to put a stop to it. The circulars that were sent out never attempted to direct the Wardens; their attention was merely directed to the requirements of the Act, but no instruction was given by the department, because it was obviously improper for any departmental officer to instruct the Warden; he has the Act, as Mr. Stratford informed you, to guide him. The position I took up after several communications had passed is explained in my memorandum of the 17th February, 1897 (Enclosure 6 in No. 1, page 4, B.-20, Sess. II., 1897): "1. That I have no desire to be implicated in a controversy between the Audit Department and any individual Warden." I did not think it right to bring the department into conflict with any of its officers, more especially when the Wardens are not officers of the Mines Department—they are officers of the Justice Department. Then I say: "2. That the returns required by section 76 of the Mining Act to be furnished to the Hon. the Minister of Mines are for statistical purposes only, and if the Audit Department requires separate information, that department should obtain the returns in such form as it requires." I hold that if the Treasury and Audit require information for financial purposes they have ample power to get that information from the accounting officers direct. The Treasury can call for any form under the Public Revenues Act in which to get their financial returns. The point is that under the Mining Act they are statistical returns for the information of the Mines Department. Then, as the Audit Office had already commenced the correspondence with the Warden, and had placed itself in direct communication with that officer, who sent the communications back to me, I was aware of the attitude of Mr. Stratford, and I did not want to compromise myself with an officer who was antagonistic.