

You think £10,000 would be sufficient for the railway, wharf, and staiths?—I do.

Supposing the expenditure had been £20,000?—It could not be that; it is impossible.

At the time the management was shifted to Wellington, do you consider that there was anything to show that £20,000 had been judiciously expended at Mokihinui?—Certainly not.

(To the committee): The accounts will show that at the time the management was shifted to Wellington there had been expended £20,000. I do not know that there was that amount expended except from the statements in the prospectus. Mr. Straw states that if £10,000 had been judiciously expended, it ought to have done more work. I take it that a great deal of the money expended there was when Mr. O'Connor was engineer. The works required by Mr. Lowe's report indicates that Mr. O'Connor's engineering was very crude.

Mr. Miles: Is there anything to show how much has been expended on the mine since the management was removed to Wellington?—Yes, there is a series of sheets prepared by Mr. Arthur Kember, showing the expenditure summarised. I produce a statement extracted from the books of the company by Mr. Kember, showing that for the four years 1889 to 1892 the following sums were expended: Railway equipment, £1,120; wharf, coal-staiths, and river-works, £592; wages account, Mokihinui, £9,655; mine and plant, £1,270; wages, "Lawrence" wreck account, £377: making a total during the four years of £13,014: against which there have been coal receipts to the extent of £5,734, less allowances £511, leaving net coal receipts, £5,223. In addition to which there are between 3,000 and 4,000 tons of coal mined lying idle on the bank and in the bin at Mokihinui.

Mr. Miles: I would ask Mr. Straw to give us his estimate of the amount of coal mined virtually in stock, on hand, and awaiting delivery at the present time?—You can calculate on 3,300 tons; 3,000 tons at the mine, and 300 tons in the wharf-bins.

Mr. Macarthy: I would call your attention to the fact that this coal has been more expensive to obtain than it would have been if the mine had been worked systematically. In opening up a mine the expense is very much greater than in working a mine. I think Mr. Straw will give you reasons for that, and will explain the character of the work according to that plan.

[Mr. Straw here exhibited a plan of the mine and pointed out the workings.]

Mr. Macdonald: Do I understand you to say that the 3,300 tons of coal you have got on hand has cost you a very much greater price per ton to get out than if the coal had been mined in bords?—Yes.

What does the coal cost to get out in the ordinary way by bords?—For cutting, 2s. 5d. per ton.

Mr. Miles: How much per ton has been sunk in producing the amount of coal you have lying there?—This coal on hand has cost about double what it would have done had it been got out after the mine was opened out in bords. Everything done in this mine up to date has been practically dead-work. [Mr. Straw here pointed out on the plan of the mine where he had to drive through broken ground and fault, the cost of driving—about 3 chains in length—amounting to about £400—that was for putting through two drives.] Fully one-half of the total expenditure charged to coal-getting since the wreck of the "Lawrence" has been expended in driving through faults and broken ground. The expenditure, being upwards of £3,000, means that I have expended over £1,500 in dead unproductive work. The counterpoise to that expenditure is this: that as a result of it we have been able to prove the existence beyond the fault of a large field of valuable coal, which we have now open ready for mining. These workings would permit of an output of 200 tons a day if worked by bords, and justify the expenditure now necessary to adapt the railway to traffic requirements as required by the Government Engineers. The new workings have opened out a 30 ft. seam of good, hard, strong coal, and the field is equal to the Westport or any other coalfield in the colony. It is impossible for it to be better, and there is any quantity of it available, without any doubt. If prospecting-work had not been continued the company would not have had more than some 2,000 tons available for working.

Mr. Macdonald: Has the work been done in an economical manner?—Yes, as far as the means at the disposal of the company would allow. If, instead of spending £50 a week, which was all the directors would allow, we had been able to spend £100 a week, we should have had far better results in proportion.

Mr. Miles: From your remarks I gather that it would have been in the interest of the company to have expended more money?—Certainly it would.

But the directors would not place more money at your disposal?—That is so.

Mr. Macarthy: Now, with respect to the "Lawrence," do you recollect the date of the wreck?—No.

Did you, on behalf of the company, assist Captain Leys to save all you could from the "Lawrence"?—I did.

Was there any delay in doing so?—Not any.

With Captain Leys you recovered everything removable from the wreck?—Yes, we did.

Including boilers, engines, and fittings of all kinds?—Everything that could be recovered.

These goods are protected at Mokihinui?—Yes.

A considerable portion were removed to the mine and used there—the donkey-engines, winch, &c.?—Yes.

Will you hazard an opinion as to their value?—I suppose £150 for the portion removed to the mine.

The remains of the wreck are available for mining purposes, are they not?—Yes, the hull is worth a lot.

To work the mine you require a large amount of iron plate?—Yes.

Iron plates at Mokihinui are worth £12 10s. a ton, are they not?—Yes.

And from the "Lawrence" they cost £1 15s. or so per ton?—Yes.