for £2,107. As a matter of fact, it was to deal with and, as we thought, wipe out the deficiency that the Bill was passed. It was over £4,000. If they could forego part, I submit the whole amount would have been wiped out.

26. *Mr. Kidd.*] What was the actual reason for closing down?—At that time we thought we should have to spend more money — £12,000 — and we approached the Government for assistance, particularly in regard to wiping out the deficiency, and desired to get reduction in the rate of haulage from 3s. 2d. a ton. The negotiations were entered into, and there was at the time even a prospect of getting a direct subsidy from the Government. We would have gone on if we had got that deficiency wiped out and a reduction made in the haulage.

27. What was the date of closing down?—September, 1899.

The Chairman: It was May, 1900, the Government took possession.

28. *Mr. Kidd.*] Did you not urge your condition upon the Government?—We urged the whole thing, and thought we were going to be relieved, but the Bill brought only a partial relief.

29. What revenue was incurred by the liquidator?—In fairness, I must say that the liquidator did his best to get consideration, but he did not succeed.

30. How did you go so far back if you had £10,000, which was expended in the development of the mine, while you were so far back in the payment of the royalties?—The royalty was 6d. a ton. I think the amount was allowed to stand in order to facilitate the working of the company. At any rate, this deficiency, change, and excessive haulage kept back the development of the mine. In the earlier stages the Westport Coal Company was behind in royalty, and time rightly given for payment. The position of the Cardiff Company is a matter of administration for which the directors were responsible. We in no way questioned the matter of the property. But I think if a fire got into a mine the Government would step in and claim the asset if any claim existed. Personally I would be glad to see the Government come to an arrangement with the shareholders. I speak this generally, apart from any interest in the property in the mine as a shareholder.

31. It seems the amount would have been wiped out, but it failed through the liquidator failing to obtain any consideration by the Government?—Yes.

32. *Mr. W. Fraser.*] When was this petition presented?—Last week.

33. Did you not think that matters of this kind ought to be considered early in the session instead of at the close?—I take the responsibility for that. I was engaged in a matter of business, and was not asked to take up the position until a short time ago.

34. Did it not occur to you that at the close of the session, when there are so many things to deal with, that insufficient time would be given to your petition?—I trust time will be found to deal with the matter.

35. *Mr. Kidd.*] Has any other petition been presented?—There is the petition which was presented in 1900, upon which the Committee reported recommending it to the favourable consideration of the Government.

36. *Mr. W. Fraser.*] That was in connection with the Mokihinui Railway, and it had no reference to the Westport question?—I think it deals with the whole matter.

37. That petition of 1900 is similar to the other one?—It is similar in character, but it does not set out the figures as I have done. It set out that the company has complied with all the conditions and expended £40,000, and received nothing for it, and have never received any assistance or concessions. It referred to the Government taking possession and the matter of the deficiency, and asked for fair consideration for the plant, &c.

38. Suppose the Government seized this property and they resold it to another company, would the shareholders feel that they had any claim upon the purchasing company?—If it had been sold for £8,000 odd we would have had a balance coming to us after paying royalties and even the deficiency, if insisted upon.

39. Would you consider that the shareholders of the old company would have any claim upon the purchasing party?—I think not; but where the Government takes the position of retaining the difference in value we might, and do.

40. Would you base your claim on the ground that the Government is finding the money for the work?—Yes.

41. Can you give us any information as to what is being now done by the Government in this matter?—I think the question is one that should be put to the Department.

Mr. W. Fraser: I do not see how we can go on with the petition, so far we have heard only one side.

42. The property being now in the hands of the Government it could not be expected that the Government would capitalise the money spent on it?—I submit a value was given to it by the colony in causing it to be valued by their officers.

43. Their valuation is £7,516, and part of what they seized consisted of the value of prospecting-work done, and if the Government could sell it for £7,000 or £8,000, would the old company have any claim upon the purchase-money?—Undoubtedly, by reason of its being worked by the Government. If the mine could not be worked at a profit it would not be there. That is opening up a very broad question—for instance, the question of the Mokihinui Company. It is not a matter of to-day. It will be necessary to spend more money in order to make the thing a success. They cannot expect to get a profit from one section of the mine.

44. My object in putting the question was to get at what is the real position?—I think it is hardly fair to put that question to me.

The Chairman: There is no doubt that it represents the money spent in the mine, but it would not bring the same amount if sold again.

Mr. W. Fraser: Before I attempt to deal with that question I should like to have some evidence as to what the value of it is now, and what it will be in the future. Failing such evidence, I do not see how the Committee can fairly come to a conclusion in regard to the circumstances. I think it would be much wiser if the petition were not dealt with at the end of the session, and not