

1903: "The Commissioner of Crown Lands, Auckland.—Referring to Mines record 1903/456, which was forwarded to you on the 30th ultimo, I am directed to inform you that no coal leases will at present be consented to by the Hon. the Minister of Mines in favour of either of the applicants for areas in the vicinity of Lake Wahi, Waikato, whose applications are now before you. Will you please note accordingly and return the record quoted above.—H. J. H. ELIOTT, Under-Secretary."

33. What is the record referred to?—It is on this file of papers. The first intimation the Mines Department had of the applications of the Huntly Coal-prospecting Syndicate, who are not a body corporate, was as follows: "25th April, 1904.—The Hon. the Minister of Mines, J. McGowan, Esq.—HON. SIR,—We, the undersigned, called the 'Huntly Coal-prospecting Syndicate,' promoted for the purposes of prospecting for coal on Government lands and acquiring a new coal industry to give employment to men who could not find employment at the collieries: In approaching you we put our case clearly before you from the beginning of our operations, which were started at Lake Wahi, situate to the west of Huntly about one mile. After consulting the Commissioner of Crown Lands for the prospecting rights, he advised us to apply for an area on Lake Wahi as a precedent to the whole area. We therefore applied for 100 acres for coal-prospecting, depositing 3s. per acre. The Commissioner then advised the Land Board to adjourn consideration pending the result of our boring operations, which were then in progress. Now this locality has been prospected before by the Waikato Coal and Shipping Company between fifteen and twenty years ago, and found barren of coal; but from our observations we came to the conclusion that the coal, if any, lay under the strata known as the bed-rock. We struck that strata at about 160 ft., which corresponded with former borings. We had a long struggle in getting through this bed, as it consisted of blue boulders, which are shifty, being of a loose formation, costing us on an average £2 per inch to bore. We were hand-boring up to 210 ft., at which time we contracted with a machine borer, who then finished the hole, the prospects being 22 ft. of coal. We then applied to the Land Board for six months' protection, as the machine borer could not proceed with our work, he having promised to bore two holes for the Taupiri Coal Company, and, instead of boring two, bored five, thus hampering us in our operations. When at last we procured the borer's services we determined to place a hole close to low-water mark of Wahi Lake to prove the lake, the first hole of which he had to abandon on account of (as he stated) a broken pipe. We then placed him 3 ft. away, and paid a man to watch operations. On being more satisfactory this time, striking coal similar in thickness to our first hole, we then decided to go east about half a mile on a point jutting into Lake Rotoiti, first applying for coal-prospecting rights over 10 acres of Rotoiti, the result being 10 ft. coal top seam and 24 ft. in the bottom seam. As our time for protection was approaching termination, we decided to apply for the whole area of Lakes Wahi and Rotoiti, comprising in all 1,300 acres, more or less for coal-mining purposes. We sent in our application, accompanied with 3s. per acre, after advertising in the *Star* twice at an interval of seven days. We sent our representative, Mr. W. Leather, to Auckland to await the Land Board's decision. He was informed that there were two more applications in for portions of the same area, after which being granted we could have the remainder, but he declined pending further investigation. We are dissatisfied with the stand the Land Board has taken in the matter, we being the prospectors with the precedent—the other applicants have done nothing. We consider that we have been unjustly treated. The Land Board stated that they would recommend our case to the Minister.—Trusting that this humble petition will warrant your immediate attention, we remain, Hon. Sir, THE HUNTLY COAL-PROSPECTING SYNDICATE—W. S. Meldrum, Secretary, W. R. Leather, farmer, miner [and fifteen others]."

34. They were assumed to be applicants?—They applied to the Minister of Mines setting forth their position with regard to their transactions in Auckland.

35. That is the letter of the 25th April, 1903, from the Huntly Coal-prospecting Company to the Hon. the Minister of Mines?—Yes. I think I should explain what was done about that letter. It was the first intimation the Mines Department had of negotiations for a lease at all. That letter was sent to the Minister, who forwarded it to me. I sent a minute to the Commissioner of Crown Lands, Auckland, as follows: "Can you explain the grievance of the syndicate? I do not understand how the syndicate were allowed to take up a prospecting-area nor why they were allowed protection for such area, as there is no provision for either of these objects in 'The Coal-mines Act, 1891.'—H. J. H. ELIOTT, Under-Secretary. 29/4/03."

36. Has the Commissioner of Crown Lands or the Land Board any discretionary power?—The Land Board has no power at all.

37. Is he not in the same position as a Warden?—His position is defined by the Act.

38. Has he any discretionary power?—He cannot grant without consent.

39. He cannot grant prospecting licenses?—There is no provision for prospecting licenses.

40. What is to prevent him?—Because it is not a mining district. The only power the Commissioner of Crown Lands has is to grant prospecting licenses provided for in the Mining Act; but the Mining Act does not apply, and coal is specially exempted from the Mining Act.

41. What was the date of the minute?—29th April, 1903.

42. What was Mr. Mueller's reply—the Commissioner of Crown Lands?—He replied on the 7th May, 1903, as follows: "The Under-Secretary, Mines Department, Wellington.—Coal leases: In reference to your minute on papers No. 1903/456, of the 29th April, returned herewith, I have to inform you that the Huntly Coal-prospecting Syndicate applied to me for a coal-prospecting license. They were informed that there was no provision in the Act for granting one, and that they were to apply for a lease. They applied to the Land Board for a lease of 100 acres, and deposited 3s. an acre. They then applied for protection pending result of their boring operations. This the Board could not give them, but adjourned consideration of application for lease for a time. Meanwhile the syndicate found coal by boring. The Taupiri Coal Company knew of it,