

and handed in an application for a lease of land under Wahi Lake less the land (100 acres) belonging to the syndicate. A few days afterwards an application was received from the prospecting syndicate for the same land. At a meeting of the Land Board on the 24th April three applications for coal leases were received—viz., Taupiri Coal Company, Huntly Coal-prospecting Syndicate for Wahi Lake, and J. R. Hetherington for Rotoiti Lake close by. The Board had no option in the matter, and had to accept the first application of the Taupiri Coal Company for the large area under the Wahi Lake, which blocks the application of the prospecting syndicate and leaves them only 100 acres. Undoubtedly the prospecting company made the discovery that coal existed under the lake. The Board have made no recommendation to the Hon. the Minister of Mines as yet, because they have written to each of the applicants to know if they are prepared to accept the conditions laid down by the Board as to annual expenditure and output. No answers have been received as yet. I enclose litho. showing position of applications.—G. MUELLER, Commissioner of Crown Lands.—P.S.: The prospecting company can still have the land marked A-B."

43. Do you tell me there is no power to grant prospecting licenses in the Mining Act?—Not for coal.

44. Will you read sections 66, 67, 68, and 69 of the Mining Act, page 29?—[Sections read.]

45. You say there was no power to grant prospecting licenses?—Yes.

46. Will you admit that coal is a mineral?—That is a scientific question.

47. Mineral licenses can be applied for up to 350 acres?—320 I think it is—half a square mile.

48. As far as your knowledge of the law goes, was there anything in the Mining Acts of the colony to prevent the Commissioner of Crown Lands in Auckland allowing these men to prospect on any Crown lands?—Other than coal, no.

49. Are mineral licenses issued in this country for prospecting?—Yes; in terms of the sections I have read.

50. Do you know whether a mining license allows prospecting to go on anywhere?—Not for coal.

51. Do you know the case down at Mokihinui?—I do.

52. Are you aware whether there was a party of working-miners prospecting for coal down there?—I am aware that a party of miners had been working at Mokihinui without any authority.

53. Do you know whether the Government have paid them for prospecting for that coal?—I believe the House voted them a sum of money.

54. Did the payment go through your office?—It did. There was a payment made for the work done. It was a special vote of the House.

55. It was for prospecting for coal?—It was passed by the House.

56. Do you know whether that party of miners were promised a lease if they got coal?—Yes, they were promised a lease.

57. Have they got it yet?—No, they would not take it.

58. The payment for that prospecting went from your office?—Yes, for certain work. I do not think it was for putting a bore here and there.

59. I ask you if the payments for this prospecting went through your office?—No, not for prospecting.

60. What was it for?—For a tunnel or shaft.

61. What was the tunnel or shaft for?—I have not seen the place.

62. Did they make any reports to your office?—The only report that we have is that they did not pay us.

63. Was there not a difference between the position of those men and the others who got paid—that some of the men did not get paid for prospecting on the Crown lands?—I do not know of any difference.

64. *Mr. Allen.*] Will you read clause 3 of the Act?—Yes. [Clause read.]

65. *Hon. Mr. McGowan.*] I want to ask a question in regard to the Mokihinui Mine. Was there an application for a subsidy, made by a number of miners who were thrown out of employment by the stoppage of the mine, to work some coal there? Have you any knowledge of that?—Yes; you mean when the Mokihinui stopped.

66. Yes, was any money granted?—The only grant I know of was that voted by the House.

67. Part of it was paid?—Yes, I do not think it has all been paid yet.

68. Can you tell me how much they owe the Government at the present time?—Somewhere about £1,000 for rent of plant and for royalty on coal.

69. Have they paid any rent or royalty?—No.

70. *Mr. R. McKenzie.*] Have you given them a lease?—No; as a matter of fact they ought to be turned off.

*Hon. Mr. McGowan:* They were working there on State coal, on Crown lands.

71. *Mr. R. McKenzie.*] You say that those men were allowed to go and work there on account of being put out of the Mokihinui Mine—is that your answer?—As far as I know.

72. Do you know how long the Mokihinui Mine has stopped work?—For a long time—and then the fire occurred.

73. You stated that those men were given work on account of being unable to find work in the Mokihinui Mine?—I understand so.

74. Do you know how long the Mokihinui Mine was closed before these men went to work at all?—I do not know.

75. You do not know how long?—Do you mean the present men?

76. Are you aware that the Mokihinui Mine was closed six years before the men went to work at all?—Yes, the present men.

77. You say they owe so much for rent and royalty?—Yes.

78. And you did not give them a lease?—No.

79. Does any one owe you rent or royalty if you do not grant them a lease?—No, they cannot owe it if they have no lease, but they ought to be turned off the land.