80. Mr. Witheford. What was the understanding between the Commissioner of Crown Lands at Auckland and the Land Board. If I understood the letter rightly, it was a paragraph stating this: that he could not understand why these men were allowed protection. Then the reply from the Commissioner was this: that no doubt the prospecting company proved that coal existed under the lake, as if these men were entitled to special consideration. Can I see that letter?—Yes; the etter of the 7th May. [Letter already read.]
81. Mr. Mueller says, "They were informed that there was no provision in the Act for

granting a license and they were to apply for a lease "!—They did not do so.

82. You put in a minute to say that you could not understand why they were allowed protection. What protection does that refer to?—For coal-prospecting. The Commissioner of Crown Lands had no authority to give them any protection.

83. But the fact is that they had protection?—The Commissioner of Crown Lands has to discharge the duty of protecting the Crown lands, and if he does not proceed against persons for

trespass nobody else will do so.

- 84. In your reply you said you could not understand the protection being allowed. Did you understand that they had been given a privilege or concession that they ought not to have given to these men?—Yes. The first letter we got from the syndicate I sent up to the Commissioner of Crown Lands.
- 85. Mr. Allen. The reply to your reference to the Commissioner of Crown Lands is put in?—
- 86. Right Hon. R. J. Seddon | What is about the area issued for coal-mining leases!—From an acre upwards.
- 87. What is the area in this district?—Not great. It is nearly all freehold land up in the Waikato.

WILLIAM ROBERT LEATHER examined. (No. 6.)

88. The Chairman.] What is your name?—William Robert Leather.

89. Mr. Allen.] I want to know how much money the syndicate has spent in prospecting?-

This was before I came to Wellington—£488 10s.

- 90. How long have they been at work ?-I could not give you the dates, but we have been about nine months altogether—that was about our time. We were boring a considerable time before we
- asked for the protection, and we had only finished about a month before our protection expired.

 Mr. R. McKenzie: These men got a certain promise from the Commissioner of Crown Lands.

 Supposing I got protection from the Warden for six months, was I going to question that protection?
- 91. The Chairman.] Were they aware of the Act?—We have made that statement that we knew the Act perfectly well. I went to the Warden myself and inquired. I said, "This place has been prospected before, and we are prepared to spend money on prospecting if you are prepared to give us protection." That was to Mr. Mueller.

92. Mr. J. Allen.] Were you aware that he had no power to grant a prospecting license?—We knew he was the Warden. We applied for a prospecting license, paid the money and got a receipt,

and it was left over pending our operations.

93. Were you aware or not that the Coal-mines Act prohibited him from granting you a coal-

prospecting license?—It does not say "prohibit"; it gives him a discretionary power.

94. Were you not aware that under the Coal-mines Act neither the Warden nor the Commissioner of Crown Lands had power to grant you a prospecting license?—We were not aware that he had not the power.

95. Mr. R. McKenzie.] When you applied for this protection, were you aware that he had power to give you such protection?—Decidedly.

96. If you were not aware, would you have spent your time and money?-No, not a shilling. 97. Are you satisfied now that he had power to give you protection—Yes.

98. Mr. J. Allen.] Have you read the Coal-mines Act?—Yes.
99. And clause 3?—Yes; and if we had not intended to prospect this area we would have sent the money down without interviewing the Commissioner at all.

100. If the Commissioner says there was no such thing will you contradict him?-Yes; he advised us to send in for the area and it would be held over, and that if we were successful we could take the whole area. Should we as a lot of miners, knowing that there was coal there, have taken it on such conditions? Instead of putting obstacles in our way they should have assisted us.

101. Mr. R. McKenzie.] When you started this prospecting you expected to get the protection?—We never expected any difficulty because we believed what the Commissioner had said.

102. When you got this protection you were satisfied?—We were told that we had got the

103. Were you satisfied that you were safe under your protection?—Yes.

104. And you spent your time and money on that understanding?-Yes. Before the report ever went in we were informed that the Department intended to make a subdivision. How can it be after the report went in? We were told so by the man who went to report.

105. Mr. Mueller, in his evidence, says that Mr. Hayes declared that one part of this ground was barren ?-Yes.

106. How many acres are coal-bearing?—There might be 100. 107. How much in the 220 acres would be coal-bearing?—Perhaps 150 acres.

108. Right Hon. R. J. Seddon.] You say of the area that has been offered to you that only about half that area, compared with what is offered to the company, is coal-bearing. In other words, you are getting the worst end of the stick?—Yes.