

263. *Mr. Mitchelson.*] That includes the £10,000?—Yes. It has been paid off.

264. *The Chairman.*] You gave evidence before the Mines Committee: do you confirm that evidence?—Yes.

JAMES NICHOLSON examined. (No. 50.)

1. *Mr. McVeagh.*] You are a member of the Borough Council of Waihi?—Yes.

2. How long have you resided in the borough?—Since January, 1897.

3. I think you have had a very long acquaintance with the Ohinemuri district?—Yes. I was down here in 1869.

4. You have heard Mr. Morpeth's views with regard to the proposal to subtract from your borough's revenue?—Yes.

5. Do those views express your own opinions in the matter?—Yes.

6. In 1869 I think you were engaged in the timber trade in the lower Waihou?—Yes.

7. I think you were rafting timber down the Ohinemuri River?—Yes, we were cutting timber.

8. That required your being constantly on the river?—Yes, every week we used to be on the river. I was there from October, 1869, to March, 1870—roughly speaking, six months.

9. In the portion of the Waihou below the Junction?—We were cutting timber somewhere about Netherton. It was probably below Netherton—from the water's edge back perhaps some 10 chains.

10. In the course of rafting timber down the river, did you make any observations with regard to the river?—Yes, there were two sandbanks between us and Turua. I could not tell you exactly where they were. I believe there were really three banks, and our rafts stranded on those banks. Whenever there was any rain of any consequence the channels used to shift.

11. *Mr. Mitchelson.*] Was one of those banks the bank from which the Auckland scows are now obtaining sand?—There was no sand then at all. There was bush on both sides of the river up to Thorp's. I could not fix the exact place now where we used to have so much trouble with regard to the rafts.

12. Did you make any observations with regard to the depths of the river at low water?—Except where we stranded, the river was fairly deep.

13. You do not know anything with regard to the channels?—No; all I remember is the trouble with regard to the rafts on these banks.

14. *Mr. Cotter.*] How long have you been a Councillor?—A little over twelve months.

15. During that twelve months has this matter of the silting of either the Ohinemuri or the Waihou River come up while you have been present at a meeting of the Council?—Yes.

16. When?—Just when this Commission was set up, or when it was proposed to be set up. When the Minister of Mines was down he promised that a Commission would be set up. That was about three months ago, I think.

17. What question cropped up at the meeting of the Council?—The question that cropped up was to devise the best means of preserving the revenue of the borough.

18. Not a consideration of the best means of alleviating the injury?—No; we did not consider it within our function to do that.

19. Why?—Because we did not contribute in any way to cause the damage.

20. But you were receiving a very large sum from the material that caused the damage?—No; we were receiving the revenue from the gold duty, but not from the material that caused the damage.

21. You were quite willing to receive the revenue and still say you had nothing to do with the material that caused the damage?—Yes, so long as we were receiving it legally.

22. You did not care where the stuff went or what damage it did?—No, that was not our business.

23. While it was an advantage, you were quite willing to receive all the profits from it, but while it was a disadvantage you wanted to disclaim any responsibility?—What is the advantage and disadvantage?

24. Do you really mean to say to the Commission that you do not know what is the advantage?—Do you refer to the gold duty or to the tailings put into the river?

25. The advantage refers to the gold duty?—Yes.

26. And the disadvantage refers to the tailings put into the river?—Yes, we will have it like that.

27. And that is the way you want to continue to have it?—Yes.

28. And you wish to be considered a fair and just man in so considering the matter?—Certainly.

29. And you would be quite willing to still continue to receive this large sum of money, although the article that had been treated, and paid you this money, wrought destruction upon innocent persons?—Yes, but we did not work the article.

30. You would be quite willing to receive it?—Yes.

31. You are quite willing to receive the profits of anything so long as you are not responsible for the way in which it was obtained?—We do not receive the profits; the shareholders do that.

32. No, they do not. They neither receive the whole, nor do you, but they receive part and you receive part?—We receive the part that comes to us as a local body by law.

33. Do you really say that, in your opinion, the Waihi Borough should pay no part of the expense of ameliorating the trouble?—I say we should not. We do not contribute to the trouble, and therefore we ought not to pay for it.