

83. Are you prepared to say that you had no idea of securing the coal-rights within the area of Section 206?—I do not think we had. It was more for the reason I have given than any other. The coal was no benefit to us—McKenzie had it.

84. If I were to say that you undertook to bear part of the expenses of Mr. Gavin Brighton in his case against the Crown in order to secure these coal-rights, would I be wrong?—It was not for that. It was to get a building-right more than that, as far as I know.

85. The freehold that you had already got through the purchase of the lease in perpetuity gave you all these building-rights—it was only the mineral-rights that you were deprived of: and yet you undertook to bear a portion of the legal expenses in order to secure the coal-rights which the Government had declined to give you? It was only for the coal-rights that Mr. Brighton sued, was it not?—I think so.

86. And you agreed to bear part of these expenses?—It was not that altogether.

87. I do not see what it could be if he was only fighting for the coal-rights?—We have no right to the coal; McKenzie has all the coal on the section you refer to.

88. I am asking you if your object in offering to bear part of that expense was not to secure the coal-rights only within that area?—It was to get the land for huts, and screens, and yard more than for coal.

89. I wish to ask you again what the object was in you securing the grazing-rights over Section 37, Wairio Survey District?—That was to get the right-of-way and the right to go over the land. That land went with the other land when we bought it: that was put in with it.

90. It cannot possibly be so, inasmuch as one is a High School Board reserve and the other a lease in perpetuity?—Both were one transaction.

91. At any rate, it was your object to secure the surface rights over Section 37?—It went with the other section.

92. As a matter of fact, you have now got the surface rights of the whole of Section 37, and you have also got the freehold of Section 206, Wairio Survey District?—Yes—on which there is very little coal.

93. I want you to say now whether all the leases that are now held by people to whom you are bound for coal-carrying capacity are not within the boundaries of these two sections to which I have referred: they are within the boundary of Section 37?—Yes.

94. Every area that has been leased by the Crown or the High School Board is within these areas?—I do not quite grasp what you mean.

*Mr. Armstead:* That is so. It is only the High School Board lease that is in question: there are no leases on the other area at all, except those that were pre-existent.

95. *Mr. Rodger* (to witness).] You are perfectly aware that the surface rights that you retain over Section 37 give you the power to decline to give access to any of these mines, either by tram-line or by putting up buildings, or you can even decline the sanction by the High School Board of a lease of that ground?—I do not know what the regulations of the High School Board are. I think they can take the power out of my hand. I understand they can grant these leases independent of me.

96. The fact remains that every lease that has been granted since you obtained the rights over that ground has been made subject to your consent?—Yes.

97. You have endorsed every lease with your consent thereto?—Yes.

98. That shows that the High School Board regards your sanction as necessary?—Yes; but I understand that it would not matter.

99. Is it within your knowledge that two coal leases have been applied for recently, one in the name of Guise and the other in the name of Arthur?—Yes.

100. Is it within your knowledge that these two leases were deposited by the secretary of the Wairio Railway and Coal Company (Limited)?—I do not know for certain.

101. You would not deny it if I said it was so?—No. I could not say for certain.

102. Can you tell the Committee who Mr. Guise is?—I do not know him for certain.

103. He is an engine-driver, if that will assist you. He does not live near your sawmilling property, does he?—No.

104. He has no house there?—No.

105. Do you know Mr. Arthur?—No.

106. He is a traveller. Does that assist you?—No.

107. I believe he is travelling for the Government Insurance Department at present?—I do not know him.

108. If I were to suggest that he was related to Mr. Hunter, the secretary of the Wairio Railway and Coal Company (Limited), could you say if that was so or otherwise?—I could not say. I do not know at all.

109. McKenzie, the coal-miner: is he bound in any way to the Wairio Railway and Coal Company (Limited), or to you?—No.

110. He has no agreement?—No.

111. None whatever?—No.

112. The agreement that I was told existed in 1909, under which you were bound to take the coal at 7s. 6d. a ton on the railway, does not exist?—There was no agreement to that effect. I do not know whether we have got it in writing even. I am not certain about that.

113. Have you asked Mr. David McKenzie to be here to-day?—No, I did not.

114. I have his statement that there is an agreement in existence between you, and I know as a matter of fact that there was an agreement in 1909?—There is none that I know of.

115. In view of the statement I have made and the position you hold, having all the country at your disposal—that is to say, the freehold and the surface rights, with powers of rejection—is it possible that these men who have taken up leases around your rail-head now—and there are a considerable