

who was encouraged to help himself, whenever an enrichment was found which enabled the miner to see gold in the quartz he took it away and extracted the gold in the method which is called "local industry." There are any number of buyers on this field who pay the standard price for stolen gold, £2 per ounce. Since the shortage of labour several illicit-gold buyers left this district. Some have bought farms, and have paid thousands of pounds; others have established themselves in business elsewhere. To show you to what extent the amount of gold is stolen: Whilst in London I was asked if I knew So-and-so. I said "Yes; he is an employee of a company." I was told that "It cannot be the same man, as that gentleman's bankers inform me that he is worth at least £6,000." Miners in Reefton recently, to save themselves the trouble of extracting the gold from the quartz, have actually offered rich quartz for services rendered. A little while ago £600 of gold slimes was stolen from the Blackwater Battery and sold somewhere. Another instance showing how the gold gets taken away from the mines: I understand that certain men found a lot of rich quartz in the bush. They thought it was a new discovery, but they could not trace the supposed reef into the solid. The management got to hear about it, and after searching for some time they found the reef where the quartz came from in depth of their own mine. The quartz was taken away before the management knew that it even existed in their mine, and planted in the bush until the person could get assistance to extract the gold from the stolen quartz. I have been told that a bank-manager acknowledged to the company of which he was a director that he had bought for his bank the stolen gold from the very company. His excuse was that if he did not buy it his competitor would, and he did not see why his employers should lose the profit. The reason of this state of affairs is that members of Parliament will not legislate that the person who offers raw gold for sale should prove where he obtained it. In South Africa and Australia a man who offers gold for sale must prove where he got it from. Unless this state of affairs is mended the gold-mining industry must sink, as, owing to the increase of working-expenses, it will be impossible to pay from the poor ore only. The companies must have a small share of the rich ore too, and there is no reason why our gold laws should not be on a par with those of South Africa and Australia.

*To the Chairman:* In South Africa and Australia a man who offers gold for sale must prove where he got it—the onus rests upon him; whereas in this country we have to prove that the gold is ours—we have to prove that the gold came from our mine. We ask that a similar provision be made here in regard to the right of search. As it is, a man can get rid of the gold he has taken out of your mine—even to a bank. We ask that there should be a provision in respect to illicit selling and buying. I would not say that we have the most up-to-date apparatus for carrying on gold-mining. At present the industry is not encouraging enough to warrant the expenditure of large sums of money. Since the war we have expended over £40,000 in sinking a shaft. Fortunately we found rich gold at the bottom.

*To Mr. Luke:* I do not think the miners have anything to complain of in respect to working under the present conditions. Most of the mines are well ventilated, and as far as I know the machinery we had before the war is quite up to date.

*To Mr. Hornsby:* Yes, there have been cases of miners' phthisis here, but they may have come from Western Australia, South Africa, or anywhere; or the men may have contracted the disease in this country some years ago. To-day water is carried down to the face and the dust is laid. The owners are only too anxious to provide the best appliances to carry on the work under the best conditions. Furthermore, the Government insists upon it—the Mines Department insists upon it. You cannot prevent some sickness—it is mining—but everything humanly possible is being done.

*To Mr. Hudson:* If anything did crop up which could be shown would be a protection to the miner we would adopt it.

T. H. LEE examined.

The Mining Regulations do not adequately encourage prospecting. It is not possible to prospect except in the summer-time. The regulations should be relaxed with regard to the taking up of prospecting-areas. You can only prospect for about five months in the year—that is, to any advantage—on the West Coast. If a prospector finds something a survey is granted, and he comes within the reach of the labour regulations with regard to mining. That is a barrier; the labour regulations should be relaxed. He has to put on one man to every 3 acres—that means thirty-three men to 100 acres. I suggested some time ago that the provision should be relaxed to the extent of six men for the first year for 100 acres; ten men for the second year; and twenty men for the third year; and then they might come under the ordinary Mining Regulations with regard to labour-conditions. In Tasmania a prospector who finds a payable place is given a claim of 100 acres free for five years. The State gives him five years in which to make the thing profitable to himself, or float it into a company, or get capital to assist him. It is a matter of common knowledge how ordinary gold-mining concerns have suffered owing to the war—owing, for instance, to the increased prices of commodities. We have had to pay extra war-risk insurance and other extra charges. In South Africa a kind of subsidy is being given. There should be some relaxation in regard to taxation in connection with mining. As to miners' phthisis, I would like to mention that a Commission has been set up in South Africa to inquire and report on this subject. There they have practically eliminated the dust evil as far as mining is concerned. They have adopted up-to-date appliances and drilling-machines, and they have eliminated the dust from explosions; they have up-to-date drilling-machines, and water is laid in to the face, and everything in that respect is done so far as the management can insist upon it. The men are made to drill and use the spray. At times you cannot prevent a man from drilling dry. Within the last few years men have been fined for drilling dry. I have advocated it to the Mine-owners' Association—that they should offer a reward for a suitable respirator for the men to wear.