

one of Mr. Mackay's clerks was to have got. There was the Hukutaia Gold Field Township. I may start from Block XXVII., at Shortland, which was taken out of the gold field and turned into a township. Nobody, I suppose, had the power to take it out of the gold field except the Government Agent. That was leased to Mr. Mackay in his own name. *Mr. W. H. Grace.*
21st Sept., 1875.

705. What is the extent of this Block XXVII.?—It is about 150 acres. It is a part of the township of Shortland now.

706. Is it leased as a town?—The block was cut up into allotments, and the allotments were sublet to Europeans. At Hikutaia, I helped Mr. Mackay to put that through the Native Land Court. Mr. Mackay could reserve certain parts out of the gold field for the Natives. There was a block there reserved by Mr. Mackay—the only available place for a township. That was reserved by Mr. Mackay for the Natives, and then it was leased in Mr. H. T. Rowe's name, who was a surveyor in Mr. Mackay's employ. An advertisement appeared in the papers stating that anybody wanting allotments at Hikutaia was to apply at Mr. Mackay's office, at Shortland, and by paying a deposit of £5 they would get an allotment. I forget whether that £5 was on account of rent. I think it was.

707. What was the end of that?—The gold field did not turn out. It was proclaimed a gold field, but the prospects were bad and the people forsook it, and of course the township matter fell through. I do not know what Mr. Mackay has done with the lease. I got some of the signatures to the lease myself. There was a lease, signed by the Natives, for twenty-one years.

708. You know that Mr. Mackay was partner in that lease—that it was not Mr. Rowe's?—I understood so. Mr. O'Halloran and I used often to converse about the cost of the survey, and what profits would be got out of the township—between sixty and seventy allotments were taken up, realizing over £300. All the business was done in Mr. Mackay's office. I never saw Mr. Rowe at Shortland at the time. He was laying out the township. There was another transaction I may speak of. I was trying to lease a piece of land at Te Aroha for a private individual. Mr. Mackay has himself bought a large block of land, of 4,000 acres or more.

709. On which side of the river is that?—On the western side of the Thames River, at Waitoa. All the land in the Thames District was proclaimed under the Public Works and Immigration Act—proclaimed so that people were prohibited from dealing with it. That was the belief there. Mr. Mackay has since told me that that only applied to land which had not been through the Court. However, then I got a notice from Mr. Mackay, telling me not to deal with the Natives for any land. Mr. O'Halloran has got an agreement to lease 7,000 acres, a block at the base of Te Aroha Mountain, on the western side of the Thames River. I was present when money was paid to some Natives on account for this land.

710. In what year was that?—It was about last August twelvemonths, in 1874, when the Natives were preparing for a large feast in the Thames District.

711. When was Mr. Mackay's own block purchased?—Before that; some time before that. I cannot tell how long.

712. Twelve months before?—I should think more than that. There was one small piece adjoining at Waihekau. I got a Native woman to convey that to Mr. Mackay within the last twelve months. It was signed at the Native meeting, before Captain Fraser. It was twice signed, once at Tararua, but there had been some mistake in the spelling of Mr. Mackay's name, and it had to be redrawn, and the woman signed it again where the meeting was held. That was on the 22nd August, 1874. I think £50 was the consideration that was given for it.

713. Have you anything further to state about leases in the Thames District?—I know that certain individuals have had privileges to buy land and to deal with bush, while others have been stopped. At Ohinemuri, I was trying to buy timber for Mr. Holdship. I was served with a notice one day from Mr. Mackay, saying that if I tried to buy this timber I would be reported to the Government, and would get my licence cancelled. I went to the Natives, who had received from me £200 of Mr. Holdship's money, and told them that Mr. Mackay would not allow me to deal with them. Mr. Mackay has since tried to buy the bush for Mr. Gibbons, and the land for the Government. That was what the Natives told me.

714. Has the bush been bought for anybody?—I have not troubled myself about it. I could not get it. I was told that I must not persist in dealing with it, and I left it. I tried to get the money back from the Natives.

715. Did you get the money back?—No; the Natives say they will stick to their bargain with us. In another instance I bought a piece of bush between the Thames and Ohinemuri for Mr. Holdship, and paid the Natives about £156, I think. In that instance, also, Mr. Mackay told me not to deal in the matter; and afterwards Mr. Gibbons got the Maoris to take some money, and said to them he would pay back Holdship's money. Mr. Gibbons has commenced to work on it, and has not been told to remove from off the block by the Government Agent. Where we could not deal with the Natives, Mr. Gibbons is allowed to do so. In one of Mr. Mackay's reports there is a statement that Mr. Gibbons was in negotiation for some timber, and that therefore he would recognize his claim when he was buying the land for the Government, or something to that effect. The two Messrs. Fryer Brothers and Mr. Ruddock paid the Maoris £350 on this timber. Mr. Mackay told us that we could not get it—that it was for Mr. Gibbons. The Natives that took our money say they never received any money whatever from Gibbons—that they had never been in negotiation with him. The only money I know that Mr. Gibbons has paid them was through his bushmen crossing the boundary line, and cutting a few trees down in this block, for which the Messrs. Fryer and Ruddock paid, and the Natives made Mr. Gibbons pay 25s. a tree. That is the only money they have received—that which was given on account of trees cut down by mistake. The Natives in the Thames have received a great deal of money through orders. I know one instance where a Native had got an order from Mr. Mackay, and I went to the store with him, and told him not to produce the order till we knew the price of the goods. We selected the goods, and he told us the price. When the Native pulled out the order, the storekeeper said that he could not supply the goods at the price he had named on an order from Mr. Mackay. One piece of woollen stuff, I recollect, was named at 2s. 6d. per yard; but the storekeeper said he must