I.-4A.

the other piece, otherwise Mr. Russell would have bought his own piece and had it, and the Government would have bought theirs and had it? I considered that. But what appears to me to be the case is that Mr. Russell had no business there at all, knowing that what he was doing was null and void. The whole thing was wrong. He told the Government practically that although he could not purchase any land in the Thames District, and knowing that such a purchase would be null and void, yet he would remain there competing against them for what he could not get unless Government gave him a certain compensation for retiring.

39. Suppose we concede that part. The Government say, "We only want the land on one side of the river;" he would proceed at his own risk to buy land on the other. But it is found advisable in the interests of both parties to throw the land into one block? But what right had he at his own risk, to go and try to prevent his fellow-subjects from acquiring land when he could not get anything. I cannot conceive what claim he had either on one side of the river or the other. I cannot see why the country should be taxed—for that is what it amounts to—to reward a man for pretending to buy that which he could not buy, thus embarrassing the interests of the whole of the inhabitants of New Zealand. Supposing this land is worth £20,000?

40. But that is not the point I wish to bring out? But I would like to put an answer to that. If the land is worth £20,000 and the people of New Zealand are to lose that sum, and are to be deprived of the opportunity of fairly competing for the land, why should we give this to a gentleman who, knowing that he could not acquire the land, still continued to compete to buy that which he clearly could not buy? Why should we be taxed for that? he clearly could not buy?

41. That is not what I contend at all. Here is an individual, at his own risk, negotiating for the land on one side of the river, and it was found that the title was so intermixed that it would be better to come to an arrangement and buy the whole of the block in one piece instead of two. It was then decided that the Government should buy the land, and Mr. Russell should take his own piece?

Yes; but he had no business there.

42. Hon. Mr. Rolleston.] Was it done by Proclamation? Of that I am not certain. I can state, however, that it was not under Proclamation. But that has nothing to do with it.

43. Mr. J. Buchanan.] The preamble of this Bill states that Mr. Russell made this agreement in

Yes; he had nothing there.

the month of March, 1873; was it void at that date? Yes; he had nothing 44. But he had entered into an agreement with the Natives on that date. Was it unlawful for him to make such an agreement at that particular time? The agreement was nothing; I regard it as unlawful. The law says, "If you do agree you cannot recover, and we warn you of that.

45. Subsequently the Government entered into arrangements for the block, and they found that Mr. Russell had entered into previous engagements. According to the practice of the country, were those engagements void at the time? Under the law of the country they were void.

46. Even if no Proclamation had been issued? Even if no Proclamation had been issued.

47. In this case no Proclamation had been issued? That is immaterial in my view.

48. Mr. J. B. Whyte.] It is very material, because he was not breaking the law then. If there had been a Proclamation he would have been breaking the law, and the whole thing would have been completely bad, without a doubt?

It was all bad in the other case.

have been completely bad, without a doubt?

49. Mr. DRIVER. I was going to ask Sir George something to the same point. A certain practice had grown up, and Mr. Russell was paying money on the good faith of the Natives carrying out the agreement with him; and, so far as I am able to judge, it redounds greatly to the credit of the Natives that in most cases they have carried out such agreements, though they could have repudiated them. Mr. Russell thereby constituted himself a strong opposition of the Government purchase, and, while he was not authorized by law to do so, he was not restricted from negotiating with these Natives honourably. That seems to me to be the position. I admit with you that it is a wrong system, but do not you recognize that he, with others, was dealing with the Natives in an honourable way, trusting to the future to get his grant, and thereby raising himself as an opponent to the Government in acquiring the land. Whether it was a proper thing to do on either side is another I answer they were all wrong-doers. They were doing what was at variance with the interests of the whole European race. It will be seen, from the correspondence between myself and Mr. Bell, that the Ministers had passed an Act doing away with the Crown's right of pre-emption in 1861. I sent in a plan to Ministers, in which I agreed with them that the Crown's right of pre-emption might be taken off on condition that all the Native lands were then sold as public lands. The Ministers of the day accepted this proposition with terms of the warmest approval, but there was some delay. The Crown's right of pre-emption was however ultimately taken away. I requested that if they took it away they would follow up the plan by giving every European the same chance of acquiring land as former Ministers had proposed to do. They found it would be impossible to get the General Assembly to agree to such a law, but they agreed to put in a clause for the protection of Europeans generally. I know a large number of persons—Mr. Watt, in the House, for instance, might have been one of the wealthiest men in the place, but, believing that it was a wrong thing to do he never would have a bit of land. But because a few and that it was a wrong thing to do, he never would buy a bit of land. But, because, a few, and Government officers amongst them, did go in and purchase in this way—I look upon them as wrong-doers—and because a Minister gave his approval to what was wrong, it does not make it right. These parties may have been so powerful that they could compel the Government to do it; they might have been all ruined otherwise. But any person who has injured the interests of the mass of his fellows has no claiment the sympathy of the public; and the fact of so many powerful people

being mixed up in it, instead of making it right makes it worse.

50. Mr. J. B. Whyte.] I presume you are aware that, under the laws which stood then, only large capitalists could buy the land at all, on account of the risks and delays connected with it?

I am aware that was the case. The whole of the community were thus cut out, and that makes the proceeding so much the more wrong. It was done by the wealth of the country. Then I say that, if you put the whole of the taxation of the country—all the moneys that are raised in the