

urgent that the Proclamation should be lifted in order that they should purchase the Horowhenua Block.

210. *Mr. J. McKenzie.*] With regard to lifting the Proclamation from Native land, you would not do that for an individual, you would not do it except to a company?—We did not even lift the Proclamation to a company; we refused to do that. The previous Government had lifted the Proclamation from some blocks. I do not remember the names of the blocks, but the Under-Secretary has given evidence in regard to that. I know it was done.

211. We have evidence before us that there was land purchased by the company after the previous Government had taken the Proclamation off?—Yes. The company went on purchasing a very large quantity of land in the district—went on purchasing as far as they could, and if we had lifted the Proclamation would probably have purchased the Horowhenua Block.

212. *Mr. R. Thompson.*] I think it has been stated by some of the previous witnesses that the action of the company in being so eager to purchase land in that district was the cause of raising the price of the land there, and that, to a large extent, prevented the Government going on with any fresh purchases on account of the price being considerably raised—was that so?—I do not know whether the price was raised, because the Government did not purchase. The Government did not compete with the company, and the company had really no competitor; but, if the Government had gone into purchasing at the same time as the company, of course the land would have been raised to a competitive value. Both parties would have been precluded from purchasing the land at a reasonable rate. Therefore, it would be quite impossible for both parties to be purchasing at the same time.

213. *Mr. Macarthur.*] Would you consider that any facilities given to the company by the Government to buy Native land would be at all equivalent to the twenty-nine thousand acres?—Yes, I think it was much more than equivalent if they purchased the land. I do not know how much they purchased. I fancy it was fifty thousand acres. They purchased the very cream of the land. The impression I had formed, and I had very good authority on the subject, was that they would make more money in proportion from what they purchased direct even than from the Government land. They obtained better land.

214. The mere lifting of the Proclamation by the Government to enable them to buy that land at the Maoris' own price would be equal to the Government giving so large an area, which would have to come out of the same district?—It would depend on the quantity. I should say if they bought fifty thousand acres it would be more than equivalent. I fancy they bought the whole of the land at less than £1 an acre. They bought the cream of it, and there is no doubt the land was worth £2 or £3 an acre. I think they bought it at less than £1 an acre.

215. *Mr. Bell.*] You are taking into account the swamp?—I am stating generally what I am informed of their purchase from the Natives. I have been informed that the company purchased the best portion of the land. What I say is that it might be more advantageous for the company to purchase direct than it would be for the Government to purchase land and hand over twenty-nine thousand pounds' worth.

216. *Mr. Macarthur.*] I understand you to say that the purchase of twenty thousand acres by the company, at the price the Maoris might demand, would be more than equivalent to a gift of £29,000 to the company?—It depends upon the quality and quantity of the land. If the Government had taken off the whole of the Proclamation, and given them facilities to purchase on that coast it would be worth more to them than if the Government had handed them over £29,000.

217. *Mr. Bell.*] That is, if all the Proclamation had been taken off?—Yes.

218. When you say that the company would have had more than equivalent if the Proclamation had been lifted, are you including the Proclamation of the Horowhenua Block?—Yes; I attach importance to it because the company repeatedly urged upon me to lift the Proclamation. I came to the conclusion that they thought it would be better for them to have facilities given to purchase than it would be to comply with the terms of the clause to purchase ourselves.

219. The Proclamation on the Horowhenua Block was never waived?—No, never waived.

220. *Mr. Whyte.*] Of course you are aware that they would also probably have made a great deal of twenty-nine thousand pounds' worth of land?—I may state, with regard to that, that the deputation from the company expressed to me that they would be satisfied if £10,000 were applied for this purpose. They modified their views with regard to the amount considerably.

MR. JAMES WALLACE, Secretary to the Company, further examined.

221. *Mr. Bell.*] How much Native land have the company purchased altogether?—About 33,000 acres, including about 15,000 acres of swamp.

222. Are the 15,000 acres valuable property at present?—Not at present.

223. What is the estimated cost given for its reclamation?—Mr. Higginson, originally chief engineer to the company, estimated that it would cost about £70,000 to reclaim 15,000 acres.

224. Can you give any explanation to the Committee with regard to this offer of the company to accept £10,000?—Yes, I can. The lands allocated to the company were valued by officers set apart by the Government according to what they were worth in their primitive state, without regard to their prospective value. It was suggested by the company that a sum of £10,000 would very likely acquire sufficient land to make up the deficiency of allocation at the valuation those officers appointed under the contract would assess them. From what we knew as to the feeling of the Natives, and their inclination to sell, we thought that £10,000 would enable the Government to acquire enough land to cover the £29,000 worth, according to the valuation of those officers.

225. That is to say, the land was to be valued to the company to implement the £29,000 worth, at such price as the valuers would put upon it?—Yes.

226. And the company thought £10,000 paid to the Natives would procure enough land for that purpose?—Yes.