Government would be able to get enough from it to pay the expenses; but in other cases, where the land would be bad, the Government would not be able to get enough to pay the expenses it would incur in roading and cutting up the land. That seems to me to be a difficulty, but it is a matter I would like to consider further, and then, in a day or two, I would know better how to answer the question. What I am afraid of is that in cases where the Government would not get enough to pay for the expense the Government would then charge these expenses, for making the roads and so on, and take the land for these expenses.

498. I mean this: Here is a block of land in its natural state that the Native owners wish offered for sale or lease; say, they prefer to lease, and that the Government proposes to lease it from them at a rent per acre to be settled between the trustees or the Native Committee and the Government agent, and that that would be a rent in perpetuity for the cession of the land to the Government, the Government then going to the expense of its subdivisional surveys and of laying off the land in suitable farms, runs, or whatever else it was fit for, and incurring the expense of doing all this, no matter whether it paid the Government or not?—If it would be carried out in that way clearly, so that the Government had no claim against them, they would let the land. It would be a very good arrangement, but then perhaps the Government would not spend rent on inferior land.

499. *Mr. Rees.*] Of course it is to the interest of the Government to get the land settled, because it obtains taxes from the people, and the land provides employment for the people?—I think it would be a very good plan.

500. *Mr. Mackay.*] It would simplify dealings with the Native owners, and then, too, there would be no complication as to cost of subdivisional surveys and preparing the land for settlement. I know from experience that the Natives grumble immensely at these costs, which have to be deducted from their rents—in fact, spread over years?—It would be well to let the Natives know what the Commissioners report to Parliament, so that they might have the general scheme before them, and so that it would be seen that the project about leasing is as clear actually as you mention here. The Natives could then see exactly what it is, because this work of the Commissioners is a new work and a good work.

501. *Mr. Rees.*] I have spoken with Mr. Mackay, and I think I may say we have agreed that it would be advisable to put our report into Maori directly it is available, and to have it circulated amongst the Natives—to publish it, in fact, in the *Kahiti*?—That would be very satisfactory—to have all these matters put clearly, and so that good would eventually result from the action taken by the Commissioners.

502. Do you consider that, under the laws existing now, it is at all likely that any good settlement can be come to between the Natives and Europeans with regard to the lands of the former?—I do not see that any good will come out of the laws as they are at present. We have all sorts of titles: Crown grants, certificates of title, and memorial of ownership, and there are so many complicated laws that the Natives do not know the effect of their Crown grant as compared with a memorial of ownership and a certificate of title. I have some trouble myself in hand, of which you know, over some litigation in which I am concerned with the New Zealand Timber Company. The difficulty was on some point raised upon the Crown grant or memorial of ownership, and the power and effect of that particular title I did not understand. Then, when it came before the Supreme Court, I lost the case, the Judge saying that the memorial of ownership was not of great effect, and that if, instead of a memorial of ownership, I had had a Crown grant for the land, I would have won my case. Thereupon I saw that there was a difference between a memorial of ownership, a certificate of title, and a Crown grant. The Maoris generally are in the same position of perplexity; they do not know the relative values of these titles. That is the reason why I was saying of these difficulties that I do not think any good will come out of the Acts as they are at present, and why I said in the beginning all the Native-land laws should be swept away, and that definite titles should be issued—say, Crown grants—the Court to simply issue Crown grants and nothing but Crown grants in all cases. Where there would be an advantage in it, the Court could allocate different portions to the different owners, and give them a Crown grant as a title.

JAMES MACKAY sworn and examined.

504. *Mr. Rees.*] You are a licensed interpreter?—And land agent.

505. What means of knowledge have you had, and what experience dating back in time, in relation to Native land cases in New Zealand?—Thirty-three years. I commenced to deal with Native land for the Government in February, 1858.

506. Where?—At Nelson, and also extensively in this Island for the Government, and for private individuals as well.

507. Can we assume that since 1858 you have been directly and indirectly connected with Native matters?—Yes; I was acting from 1858 till 1869, and engaged in all Native matters that the Government had in hand.

508. What purchases did you effect in Nelson and Westland?—I purchased the land from a place called Kahurangi Point, thirty miles south of Cape Farewell, down to Milford Sound, and extending inland to the watershed range.

509. About what area?—Seven and a half millions of acres; and, in addition, for about two and a half millions of acres on the east coast of the Province of Marlborough, from near Awatere to the Hurunui River.

510. For the Government?—Yes. Besides that I had to clear up all omissions in connection with Sir Donald McLean's purchases. He made large purchases adjacent to Cook Strait, and there was a great deal of unfinished business I had to attend to. Besides that and goldfields work I filled the position of Assistant Under-Secretary, which position I held up to the time of the Waikato war.