

intended to say that there was anything wrong in the Bill itself, but that it gave too much power. Such was the nature of the opposition to it. Mr. De Latour was in charge of the Bill. In the meantime the expenses of attending the Native Land Courts in the district, for the purpose of completing, or trying to complete, titles, were very great. Moneys were also expended by the company in improving the properties in various ways. Added to all these, the sudden cessation of the demand for land between 1881 and 1887 helped to delay the progress of the company. Even on the titles which it had completed, large sums of money had been advanced by the company for surveys of blocks and in arranging with the committees of the different Native owners. These moneys had to be raised by subscriptions paid by European shareholders, or loans raised upon mortgages, which heaped up interest against the company. At length it was arranged that Wi Pere and myself should proceed to England, with the view of raising money and obtaining colonists in England for this land. I may state that this was in 1878; but up to that time the work of trying to complete titles under the terribly complicated Acts in force—Acts which were always changing—had been incessant and always expensive. We went to England, Wi Pere and myself, a mortgage having been given over the whole of the properties of the company, for the purpose of arranging the debts then due. The whole of this property had been assigned to the company by the Maoris for that purpose. We were proceeding with our work in England, and I believe we would have been successful in obtaining sufficient money to pay off the whole of the mortgage debts, to improve parts of the property by the sale and leasing of other portions of the property, and to bring into the colony numbers of colonists; but, owing to a telegram—mainly owing to a telegram which was sent to England by Sir H. Atkinson, then Premier—which telegram was read in the House of Commons, and published in all the English newspapers, our hopes of success were completely destroyed. The present position, then, is this: There are large areas of valuable land which would be—if they were cut up or offered for public lease or sale, every acre—I truly believe, taken up without loss of time, proper reserves of course having been made for the Natives upon the land. Now, under this mortgage the Government have been petitioned by both Maoris and Europeans in the district, as well as all the local bodies, for some years past praying that the Government should take over these lands and cut them up with a view to settlement, first making reserves for the Natives upon them.

3. *The Chairman.*] Have proposals been made to that effect?—Yes, for years; all the public bodies in the district—the Town Council of Gisborne, the County Council of Cook, the Harbour Board; in fact, all the public bodies there—have approached the Government and the Houses of the Legislature on this matter, because they have recognised the immense importance of getting this district settled.

4. Is that since the company fell through which you went Home to form?—Since and before. In fact, you could get thousands of names to any petition for this purpose; and if the Government once took the land over and cut it up for settlement the lots would be taken up at once.

5. What is the nature of the arrangement into which you wish the Government to enter?—Simply that they should take over these lands and cut them up for settlement.

6. *Mr. Houston.*] They would be valued?—Certainly; they would be valued as lands are valued for the public works.

6. *The Chairman.*] The Government would take them over upon a valuation if they took them at all; that would be so?—The Government told me they would take them over. In fact, two Ministers came down to the district to see the land. There are two blocks, the Paramata Block and the Pakowhai Block, which were to be taken over with the sheep on them for £42,000. We could certainly have made them pay. But the Ministers employed Mr. Aitken Connell to value the land. Mr. Connell valued these lands at a ridiculously low figure. He valued one of these blocks at £10,000. Now, there was actually an offer of £20,000 for that block without the sheep. If it were cut up it would sell for £25,000. He valued the other—the Paramata Block—at £10,000. I am quite sure that block would be valued by any valuer in the district sworn for that purpose, when cut up, at £30,000. These two blocks, I am sure, with the stock on them and 10,000 sheep could be sold, or bring in interest at 6 per cent., for £60,000. I believe that the Government were afraid of the opposition they might meet with in this House. I think that was the sole reason of their not taking over these lands. When the Ministers came up and saw the Natives on the subject the Natives told them everything. In the main, what the Natives said was correct. Of course they exaggerated in one or two points. In the main, what they said was correct, but the facts were undoubted. The Europeans and the Natives worked together in perfect good faith. The former gave their money and the latter their lands for the purpose of inducing settlement. Scores of thousands of pounds have been paid with that object. But nothing has been done with the lands through the action of the complicated Native-land laws and the non-giving of any assistance by the Government or the Legislature, which they might easily and properly have given; and, through their acting rather as a hindrance, the whole of the money expended has been wasted or gone into the Government coffers. A sum of £15,000 was paid in duties alone, £20,000 for surveys, from £10,000 to £15,000 as the costs of Natives in attending the different Courts, in legal expenses of all sorts about £25,000, and £40,000* was expended in purchasing out the rights of Europeans who had partly completed their interests. The overdraft at the bank was £150,000.

8. There is more than that on account of overdraft?—More than that on mortgage. They have all the land mortgaged.

9. Do you know what is the extent of the land they have now—400,000 acres?—Not now; that was under the trust deeds, which were declared invalid; but all these expenses the Natives have had to bear. The Supreme Court held that the Natives did not hold a title according to European law; they were told they must deal with their lands as in the Native Land Act, but the Act did not recognise a trust deed; it merely gave power to sell or lease. Thousands, however, of the Maoris had signed, and every signature of a Native costs money. Then we had to do the whole thing over again.

* This is not nearly as much as was paid.—W. L. REES.