

228. Your counsel, I suppose, would have told you how it fell through?—We never got any explanation from our solicitor. I have my own suspicions about the matter.

229. *Hon. Mr. Mitchelson.*] You have said that the company was not formed while Wi Pere and Mr. Rees were trustees: do you mean that when they were appointed trustees the company had not then been formed?—I did say that when we appointed them the company had not been formed.

230. How long after Wi Pere and Mr. Rees were appointed was it that the company was formed?—I should say about three years.

231. If the committee had known that any portion of that £3,000 was to be expended for roads and bridges, would they have consented to it?—We would not have agreed; we never would have agreed to that money being expended on any other blocks but our own.

232. You say the committee were appointed to consult the trustees?—Yes.

233. Was the committee ever consulted as to the disposition by mortgage of Pakowhai or the further transfer to the company?—We were never informed that Pakowhai had been mortgaged until the time that Mr. Rees asked us to sign.

*Mr. Rees:* It was named in the body of the deed.

234. *Hon. Mr. Mitchelson.*] It was afterwards mortgaged?—We were never informed previously that it was the intention to mortgage Pakowhai; not until the day we were asked to sign our names to the mortgage.

235. *Mr. Rees:* Was there not power in the original deed given to the trustees, with the committee of course, for that purpose?—It is true that in the original deed power was given to the trustees to make use of the land—to subdivide it, or do anything with it after obtaining the consent of the committee.

236. *Mr. Carroll.*] To raise money on it?—Yes.

237. *Hon. Mr. Mitchelson.*] The committee were appointed and the duty was given to them to consult the trustees. I wish to ask you this: Did the trustees consult the committee? Were the committee consulted before the land was transferred to the company?—We were never consulted with regard to the disposal of the land except when we were asked to execute the mortgage. We knew nothing about it until we were asked to sign.

*Mr. Rees:* I understand that they knew all about the mortgage.

238. *Hon. Mr. Mitchelson.*] If this £3,000 paid by Johnson had been expended upon the several blocks, and various expenses were incurred in connection with them, at the time the money was about being so expended, was the Native committee interested made cognisant of the fact that it was being so expended?

*Mr. Rees:* They were questioned upon this, and the answer made was that they were quite aware of it. What Hemi says about the termination of the whole affair is quite true; but Europeans as well as Natives suffered.

239. *Mr. Carroll.*] When you handed over your land to Mr. Rees and Wi Pere, were they administering other blocks in the district?—Yes.

240. Afterwards, when you handed over the land to them as trustees, did they explain to you that they would transfer to the company?—We became aware that the trustees were going to transfer to the company when they told us they had failed to raise £40,000. It was then they informed us that they proposed to form a company.

241. The fact, then, is that you became aware of it when you became aware that they were not able to get sufficient capital, and you were told that forming a company would facilitate operations?—When the Maoris saw the result had been disastrous they sought other means to get back their land. They took every step they possibly could take up to the time of the meeting with Mr. J. B. Whyte, who represented the bank, in 1888.

242. *Hon. Mr. Mitchelson.*] Did the Maoris offer to give up half their land in the hope of saving the remainder?

243. *Mr. Carroll.*] The offer to the bank was that the bank would reduce its claim to half, in return for which you would give an equivalent in land?—We tried to get the bank to reduce their claim to one-half. I did not agree with the proposal to give up half our land. I was in favour of the other proposition, that our liability should be reduced to a half.

244. Seeing that the actions in Court, and all the negotiations, have failed, what do you think should be done now that every step taken has failed?—I think the Government should try to do something to make a settlement. That is why we petition.

Mr. REES, M.H.R., in attendance, and examined.

*Mr. Rees:* First of all, as regards this £3,000, neither Wi Pere nor myself ever had a sixpence of it.

*Mr. Carroll:* When a Native says that another person has had his money he very often means no more than that he holds that person responsible. It might be as well to ask Hemi Waaka what he does mean by the statement he has made.

*Hemi Waaka:* The meaning of my statement was that we hold Wi Pere and Mr. Rees responsible for that money, as they had the management of it. I included both in my statement alike in respect of the £3,000 and the £10,000. I am not able to say that they spent the money on their own persons, but I do say that the money was lost while it was in their hands—while they had the management of it.

*Mr. Rees:* I may state that I do not speak Maori, and do not understand it when spoken, so that any communication I have with Maoris is made through interpreters. My understanding about this £3,000 was that it was to be used for the work we had in hand—that is to say, the general work. I received from Johnson about £1,200. I am speaking from memory, for I have not my books with me. Had I known that any such statement as has been made by Hemi Waka was