

sufficient to pay off the interest. For the last two years we have been unnecessarily delayed and obstructed by the working of the Validation Court itself, and also by lawyers. In every case that comes before the Court there is a crop of lawyers, who get the Natives to sign a power of attorney to them, and they come into Court in connection with the cases. If we could put a stop to that it would be a very good thing. If we have a claim to any block of any size we will try to prosecute that claim, and devote all our energies to the one object that we have in view. That is what we intend to do.

17. *Mr. Heke.*] I think it would be a good thing for you to explain what is really your relationship with the company. Have you any relationship with the company?—None whatever. I have no interest in it whatever. I am acting only and entirely as trustee for the Natives. I have no interest even as a Native owner in any of the lands.

18. *Mr. Stevens.*] Are all these petitioners members of the company?—By virtue of their lands being negotiated for. The Natives were all to supply land as their share.

19. Were they shareholders?—Their head men, who numbered about three, were to represent them on the directorate among the shareholders. The chief man was Major Ropata.

20. But did the Act empower Ropata to bind as shareholders those people who had not contributed or signed?—I do not know. All the Natives negotiated with the company for their lands.

21. That did not constitute them shareholders in the company?—I could not say whether they were shareholders or not. The articles of association will show you.

22. What amount of money is involved in this East Coast matter?—About £100,000, roughly speaking—possibly more. That is outside the £60,000 paid off.

23. The position is that this £100,000 has been advanced by the Bank of New Zealand or the Estates Company, which are one and the same thing; but do you know the amount actually advanced?—I do not know what was actually advanced, but I do know that the sum total of the indebtedness was much reduced, and has grown since. That is a question that the accounts will decide.

24. What position do you and Wi Pere hold in this matter? You are trustees for whom—
for the Bank of New Zealand and the Natives joined?—For the Natives.

25. The Natives only?—Yes.

26. It appears to me to be like this: that a certain undefined area of land belonging to the Natives on the East Coast was put into what might be called a joint-stock company, and each Native is, by some means or other, to derive benefit by giving certain lands in lieu of money. Mr. Carroll's statement has been perfectly clear, but as a member of the Committee, and in order to form an opinion and give an intelligent vote on the subject, I would like to know what is the exact position as between the Natives and the trustees?

Mr. Heke : We want to know something about the expenses of the company.

Hon. Mr. Carroll : This company was called "The East Coast Native Land Settlement Company." It was formed for the purpose of arranging for the settlement of lands on the East Coast. They joined together with those Native owners who wished to go in with them and to offer their lands.

27. *Mr. Heke.*] I understand you to say that the Europeans advanced money, and the Natives also became shareholders in the company by giving in land?—They gave in land, while the Europeans gave in money. The Natives were to give two-thirds in land and the Europeans one-third in money. The directorate was to represent both, and was to manage these lands and promote settlement. Out of the profits arising from these transactions the Natives were to be paid two-thirds and the Europeans one-third.

28. We should be able to know what blocks were included when this company was formed?—Oh, yes. Once the company was established, it went on dealing day by day and absorbing new lands.

29. The company, when formed, was composed of Europeans, who were supposed to put in cash, and Natives, who were to put in blocks of land. The company, in its operations, would lend moneys to Natives who had other lands. Well, would not that bring in these Natives as shareholders?

Mr. Carson : Mr. Carroll can know nothing of that.

Hon. Mr. Carroll : The best plan in respect to that would be to get the articles of association, which will show the relative positions.

Mr. Heke : Lots of these lands were brought into the company not because the owners of the land were shareholders, but on account of liabilities that had been incurred.

Hon. Mr. Carroll : I know one or two cases in which the Natives sold straight out to the company.

The Chairman : I think, before passing on to Mr. Wi Pere, the Committee might wish to put further questions to Mr. Carroll.

Hon. Mr. Carroll : Mr. Wi Pere, of course, has a larger experience in connection with these matters than I have, but his statement will not be very long, and can be obtained at any time. There are, however, important questions that you may wish to be satisfied upon, and that can only be answered by a Judge.

TUESDAY, 23RD NOVEMBER, 1897.

Judge BATHAM, of Native Appellate Court, examined.

The Chairman : You were present on Tuesday last and heard the petition read and the evidence given by Mr. Carroll. Will you kindly make a statement, and then members can put questions to you.