

£3,931 2s. 9d. The total costs allowed amount to £10,834 6s. 3d., and the accumulated interest amounts to £323 0s. 11d. Members of the legal profession are allowed 5 per cent. from the date of the allocation to the payment of their charges.

11. *Hon. J. Carroll.*] You have not got Mr. Hutchison's name here?—No; Mr. Hutchison's costs are amongst those that I understand have not been taxed; they were charged in the accounts before my appointment. They are set out here in detail.

12. *The Chairman.*] That is in addition to the £14,000?—Yes. The costs, including Mr. Hutchison's, amount to the £6,020 that I spoke of.

13. *Mr. Monk.*] Can you suggest any method by which the position of the company might be improved? It is now, as your evidence goes to show, steadily increasing its embarrassments?—Yes, that is so.

14. *Hon. J. Carroll.*] Before Mr. Jackson answers that question, I should like to have this information made clear: The total amount of interest and principal charged amounts now to £100,000?—Yes; all debt to the Estates Company comes to £100,000.

15. In addition to that, there is the sum of £14,000 for law-costs? Yes; the law-costs, as shown in the summary, since the commencement of the Court of Validation are £11,157; and the amounts charged in the Estates Company's accounts for untaxed costs come to £6,020; making £17,177 14s. 4d. from February, 1892, to July, 1897.

16. Then, the indebtedness now of the Trust Account, on all accounts, is £117,000?—Yes; but I ought to explain that the figures I have given do not include the whole of the liabilities. There are claims pending for surveys and other matters that will have to be met.

17. Would you put them down at another £3,000?—Yes; it would probably come to that.

18. Then, the total indebtedness may be put down at £120,000, approximately?—Yes.

19. Mr. Monk has asked whether you can suggest any plan or scheme by which the position can be relieved or improved, and which may result in some benefit to the Natives, or in saving some of this estate?—I think, if the Committee could recommend such a course as this—that a clause should be added to the amending Act which, I understand, is proposed to be brought in whereby we should not be subject to this constant litigation; and if the properties were worked on a business basis they could be made, I think, almost immediately productive of sufficient revenue to meet interest and provide a small sinking fund.

20. You think that by judicious business-like management these properties could be made remunerative?—Certainly, so far as I can foresee. There is ample land at the disposal of the trustees that could be made productive of revenue.

21. And you think that the first important step would be to shut down on the lawyers?—Unless that is done there is absolute ruin staring the Natives in the face.

22. *The Chairman.*] What is the rate of interest charged?—6 per cent., with half-yearly rests—that is, the interest is calculated half-yearly and added to the principal: it comes to a fraction under $6\frac{1}{2}$ per cent. per annum.

23. What is the amount due for interest only on the whole indebtedness?—Well, the accounts vary. They make charges on the monthly or daily balances. For instance, if they had expended a sum of £10,000 in improvements they would calculate interest on it from the date of entry in the ledger; but interest is chargeable on the 23rd of January and 23rd July in each year.

24. As a first important step you would shut down on the lawyers. What other steps would you recommend?—I would suggest that some short clause be added to the amending Act before the House, placing beyond doubt the position of titles of the trust estate, so that financial institutions could be approached and asked to lend money without the fear of attack in any of the Courts.

25. You mean to apply this to procuring a low rate of interest?—Undoubtedly.

26. At 6 per cent. you do not think the estates could be made profitable?—It would require very careful management, and expenditure of money on improvements, in order to recover from the position under a 6-per-cent. interest, with half-yearly rests.

27. *Mr. Heke.*] The main difficulties that you find in the way of success are, as you have already stated, the expenses of litigation?—That is the case.

28. *Hon. J. Carroll.*] Is there any further necessity for the employment of professional men at all, or of incurring further legal costs?—If the titles were once made unassailable the legal expenses would, in my opinion, be reduced 90 per cent. The only necessary legal work then would be the preparation of leases. These leases, I would suggest, should be only prepared upon specific direction of the governing body of the land. If the titles were made unassailable, so that financial institutions could be approached without fear of vexatious litigation in the future, I think the estates could be made reproductive.

29. *Mr. Monk.*] I suppose you have an estimate of the actual value of the land?—Yes; or I could prepare an estimate in a very short time of its value as now held.

30. Who has it been valued by?—I should take the figures of the Property-tax Department.

31. I shall want this information from you, allowing that you can close down all this wasteful expenditure of which you have informed the Committee—that your titles can be made perfectly clear so that you can go to a financial institution and borrow at the least possible rate of interest—say, 4 per cent. I shall want to know how much additional capital you are likely to require to bring the estate into a sound working condition, because that will be so much of an increase to your debt. At present you are undoubtedly increasing your capital indebtedness, because your income does not cover the amount you are paying out. Will you get as much information on that point as you can by to-morrow?—Yes; I will get that information.