

10. This is what I mean: Does it not seem to you the proper course that legislation should be introduced empowering the trustees on the one side and the bank on the other to deal with one another without the medium of lawyers at all; because, as a matter of fact, what has happened in the past is this: Certain lawyers will come to Natives other than the trustees, and suggest certain steps. If the Natives agree to the course suggested to them by these lawyers, then the trustees are obliged to engage legal assistance; and so also is the bank in watching its own interests and contesting the points stirred up by these people who have stirred up the Maoris?—I can answer that by pointing to what I have already stated—that the security we hold is already, to my mind, barely adequate; and whatever costs may be incurred will have to come out of the estate to a larger or smaller extent. Therefore it goes without saying that our wish is to avoid the engagement of lawyers in every respect; and I am quite prepared, without any intervention of Government, to come to any reasonable undertaking with the trustees to dispense with the services of solicitors wherever it is possible to do so. In the past the trustees have continuously engaged and employed a solicitor, and only through a solicitor have I ever been approached. As long as the trustees employ a solicitor, just so long must I.

11. Yes, that I quite understand—that if the Trustees do not employ a solicitor, there will be no necessity for the bank to do it. But I am supposing that lawyers get at the ears of interested Natives other than the trustees; the trustees must, as trustees, watch their interests, and I suppose the bank must do the same. It is the lawyers, who are anxious to make something out of it for themselves, who go to these ignorant Natives—not that they have the interests of the Natives in view?—I think that Mr. Wi Pere has a wrong impression of the position: Messrs. Carroll and Wi Pere are trustees for the Natives, not for the bank. As far as the bank is concerned, they are willing to hand over everything to the trustees, the debt being paid; and the sooner we get the money the better it will be.

12. *Mr. Stevens.*] Suppose, Mr. Foster, that legislation were passed which would enable the trustees to dispose of their land in the market as if it were European land, do you think that would be a shorter way out of the difficulty under existing circumstances?—Well, I am inclined to think that any ideas in the direction of being able to very rapidly dispose of the lands for settlement would be mistaken. The country is, to a large proportion, very remote. At present access is very indifferent; the land in the district runs patchy; properties in that neighbourhood for some years have not been very paying; failures in working properties have not been rare: altogether, I am not very sanguine about the very rapid settlement of these lands.

13. The position now, I understand, is that neither the bank nor the trustees can deal with the land?—Oh, no; that is not so now. The properties over which we have charges we are now intending to bring into such condition as we think will bring about European inquiry and occupation by leasing. The bank is quite prepared to find the necessary expense for that; it will be in the direction not of working the properties, but of endeavouring to get other people to work them after they are surveyed. We intend to carry out surveys, and perhaps to fell bush, with the view of as soon as possible making them suitable for European occupation. We should, of course, very much prefer if a syndicate or English money could be obtained. That would, of course, obviate the necessity of our assuming any management in the matter.

14. But under the existing law no syndicate could make an offer?—No. I am afraid that blocks of land with Native titles are not likely to find very great favour at Home.

15. Therefore, before a syndicate could be approached it would require legislation bringing the land, practically, under the Land Transfer Act?—Yes.

16. *Mr. Heke.*] More than that, it would have to be practically declared by legislation that the owners of the lands are Europeans?—Yes.

17. Legislation would be required to make the land a marketable commodity—such legislation as would make the Crown responsible for the title?—I do not anticipate very much difficulty in regard to a very large proportion of the land as to letting them; and once let and bringing in revenue I am not very sure that there would not be a source from which money could be got—a sufficient amount advanced to relieve them from the bank—but until there is revenue investors look askance at these properties.

18. *The Chairman.*] I suppose the bank is prepared to dispose of these properties at any time?—No; under a recent arrangement we have undertaken not to sell, except in the case of default, until 1901.

19. But if default is made the bank is prepared to realise?—Yes, under control of the Court in regard to a certain portion of the securities.

20. Then, you think that if sufficient money were spent on improvement of these properties there is a possibility that in course of time they would be able to recover so as to relieve themselves from any encumbrances?—Well, not having visited all the blocks with a view to making an estimate of their value, it would be very risky for me to say very much; but the bank is “in the wood,” and has to find the best way out of it. We think the best way is to render the properties as profitable as possible, and by judicious expenditure endeavour to show such margin of value as would be an inducement to investors to relieve the bank of its security; so that in endeavouring to secure such margin of value the bank certainly in its workings must have the ultimate interest of the Native at heart.

21. *Mr. Monk.*] Is it not rather remote—the chance of relieving the Natives simply by leasing rough land like that?—Of course, it is unquestionably remote, as all settlement is more or less protracted.

22. What I mean is that the rents will be very small as compared with the liability?—Well, I do not know; there is some very good property. There are very large areas at present altogether unremunerative—eating their heads off—because we were not prepared to spend money upon them in the past, as they were looked upon as bad securities. Had the position been safer, it would have