

Yes, that was the way it was done ; because I myself acted as agent for one of the principal owners in the land. I was authorised to draw money for this person by power of attorney. I had only drawn the money on one occasion, when this person died, and there was a balance of £125 remaining which I could not get.

165. The Natives signed the mortgage as security for the money lent to them : why, then, did they sign the lease at the same time?—Do you mean that if any man signed the mortgage there was no occasion to sign the lease?

166. Why was it necessary for him to sign both?—I am not in a position to reply to that question. Mr. Pharazyn's agents are the proper persons to say why that was required.

167. Supposing this land were taken under a mortgage and sold, would the Natives have any land left to support themselves?—That is a very broad question to answer off-hand. There are so many people in the title I would have to make inquiries right through them all and see who has any and who has not.

168. Has your wife any other land?—Yes, she has other land.

169. *Hon. Mr. Arkwright.*] I think you said that the amount advanced by Mr. Pharazyn was about £7,000?—Yes ; I am not absolutely certain as to the exact amount, but it is somewhere about that.

170. And the extent of land that was to be mortgaged as security was about 24,000 acres?—Yes ; but, then, there were certain persons in the block who did not mortgage. There are 3,000 acres that I am certain the owners have not mortgaged. I am afraid that now the land will be affected by the mortgage, because one of the owners is dead, and his children have come in as his successors, and they have mortgaged to Mr. Pharazyn.

171. What sort of land is it ; is it very hilly?—Yes, it is hilly and rough. It is only sheep country.

172. Have you any idea as to the number of sheep Mr. Pharazyn had on it?—I know what number of sheep there were this year, because I asked the caretaker, and he told me that he sheared twenty-seven thousand sheep this year. Mr. Pharazyn used to keep fourteen or fifteen thousand, or, say, seventeen thousand sheep there. I know that because I was shepherd.

173. *Hon. B. Harris.*] In the event of a Native borrowing from Mr. Pharazyn, would the amount which that single individual borrowed be a charge on all the other Natives interested?—No ; only the man who had borrowed would be responsible for the money.

174. *The Chairman.*] We were told by this witness that it was impossible to say whether the rental would be sufficient to pay the interest on the money borrowed, because the leases were not signed when the money was borrowed, but he seems to say since that the agreement to lease was signed at the same time as the money was borrowed. Is that so?—What I said was that I know personally of three individuals who had gone and signed the lease and the agreement to mortgage at the same time.

175. But it was not general?—They went one by one.

176. What I want to know is whether the lease, which you say was signed at the same time that the money was borrowed, was a distinct lease stating the amount of the rental?—Yes ; it did set forth the amount of consideration ; but there were two leases, and the people were divided. Some signed one lease and some the other. Of course, it is only the persons who signed each lease who know the amount of rental.

177. But they would know at the time of signing whether the interest on the money would exceed the rental or not?—That, of course, is so. For instance, there were two women who had never been to school, and they had 200 or 250 acres given to them by the Court, and the amount of rental they should receive was 14s. 6d. each. Each of these women had borrowed a sum of £20, and were not told by the interpreter, at the time they got it, that the rent-money for this land would not pay off that money which they borrowed. Their husbands were present when they heard what was said, and the trustees on behalf of the children who were interested in this 250 acres were also present. They borrowed £40.

178. Had they not some source of income from which to pay the debt?—There was no proposal made then that it was to be paid off from another source.

179. But apart from any proposal?—I have already explained that these two women who owe this small amount are endeavouring to find some means to pay it off.

180. Have they or have they not other sources of revenue?—No ; this is in Te Kopi ; but these women are also owners of Kawakawa, and have not borrowed on that.

181. Has their interest in these blocks been defined by the Court?—Yes ; their mother is now dead, and they and one other person will succeed to 1,000 acres on the 1st December.

182. *Hon. T. Kelly.*] I understand that when this land was dealt with by the Court in 1870 only ten names could be put in the grant ; but there is a provision in the Act of 1867 that names of other persons found by the Court to be beneficially interested can be registered in the Court. Have any names been registered in regard to these blocks in the Court?—I do not know.

183. Did you get a copy of the mortgage deed which your wife signed?—No ; none of the people got copies.

184. Who pays the rent now?—Iraia Te Amo and Sinclair.

185. *Mr. Wi Pere.*] Do I understand you to say that it was at the time when there were two persons in opposition trying to obtain a lease over this land that Mr. Pharazyn was opening what you describe as his money-bags?—Yes.

186. Was this done as an inducement to these people to sign his lease, and not to sign the other lease?—That was why it was done.

187. And then afterwards this money was said to be on mortgage ; I want you to distinguish between the two periods of time. The money was advanced at one time in this way and for this purpose, and it was said afterwards it was to be mortgaged?—There was only one agreement signed.