Tuesday, 30th March, 1869. Present:—Mr. Hart and Mr. Gisborne.

The Very Reverend Father McDonald, specially requesting to be excused from the administration of an oath, states: My name is Walter McDonald. I reside in Auckland, and I am Private Secretary to Bishop Pompallier, the Bishop of the Roman Catholic Diocese of Auckland. I am acquainted with the property on the North Shore, on which the College of St. Mary stands. (Office copy of a deed executed by the Registrar of the Supreme Court in the name of Bishop Pompallier produced.) The College buildings were erected on the north-east portion of the lot, containing 19 acres 3 roods 39 perches, referred to in that deed. There was a mortgage for £1,000 containing 19 acres 3 roods 39 perches, referred to in the deed. originally, I believe, subsequently diminished by the amount of £250 held by Mr. Chamberlin, secured on this and other properties included in the above-mentioned deed. These several properties were sold by auction, Mr. Henry Chamberlin being the purchaser, there being then an understanding that Mr. Chamberlin would re-convey the lands in question on his claim being discharged. I think there is a written promise to this effect, to stand good for the first six months after the date of that sale. I believe Mr. Chamberlin is ready to give effect to that promise at any time, though that period of six months has expired.

I am not aware of the circumstances under which the debt to Mr. McIlhone, on account of which the Bishop gave that gentleman the promissory note which was afterwards put in suit, was I will cause a search to be made for documents, and produce them at a subsequent

date, giving information on the points following:

1. As to payments made by the General Government towards the erection of St. Mary's

College at the North Shore.

2. As to the nature and origin of a claim for £600 made by Bishop Pompallier against the

Mr. McIlhone will be best able to explain the circumstances of the debt of £400, which led to the seizure and sale of the land on which the College buildings stood.

I am not aware of any other debts affecting the estate, except the two above referred to, and a claim preferred by Mr. McIlhone for salary and other things, amount undetermined. Mr. McIlhone's

accounts were examined and verified periodically, under the direction of the Bishop.

In case the North Shore College were relieved from its present liabilities, but without the renewal of the capitation allowance from either the General or Provincial Governments, I do not think that it would be possible to revive and carry on the College upon the present revenue as derived from the rents of the estate. If the capitation allowance of £10 per head were given, I think the institution could be satisfactorily carried on. I believe the Roman Catholic Mission would endeavour to assist towards this object if requested. On one occasion, at the time when the Provincial capitation money was reduced to one-half, a sum was raised by contribution to the amount of £54, which was distributed between this and other institutions. There are, however, no funds regularly available for this purpose.

I consider the discontinuance of the capitation, taken in connection with the state of hostilities in which the Natives for some time past have been engaged, have led to the failure and present suspension of the institution. I consider that this suspension is greatly to be regretted. Many of the Arawa, now fighting on behalf of the Government, were pupils at the College; also, many of the Natives resident at the North Shore and elsewhere, whose fidelity to the Government has been conspicuous. [Printed copy of "The Auckland Roman Catholic Endowment Sales Act, 1858," I have not previously seen this Act, but I have heard of it. So far as the North Shore produced.

lands are concerned, I believe no action has been taken upon its authority.

I desire particularly to commend to the liberality of the Government the advisability of giving its assistance towards resuscitating this institution, on behalf of which I believe the Natives are much interested, although no appeal has been made to them to contribute directly to its support.

Many of its former pupils are valuable and interesting men among the Native race.

I do not consider the endowments of the North Shore College of so great a value as might at first sight appear, owing to the poverty of the land, which would require a very great expenditure to render it available for agriculture; also the necessity of water-carriage for all supplies required, and the shallowness of the water in Shoal Bay, which limits the time that carriage thither is practicable in the course of the day.

The Very Rev. Father McDonald—(31st March, 1869),—being again in attendance, requested that his evidence might, as before, be accepted without the administration of an oath. In answer to the two questions referred to me on the last occasion, I find, from documents:—In 1850, the sum of £685 was contributed by the Colonial Government towards the expense of buildings; in 1851, a sum of £560 for like purposes; and in 1852, a sum of £530 for like purposes: making a total of £1,775. The amount contributed by the Bishop to the same purpose was £382 4s. 9\dag{4}d.,

making a total from both sources of £2,157 4s.  $9\frac{3}{4}$ d.

The sums granted during these three years by the Government probably covered the original cost of the buildings, but considerable sums have been since expended upon them in repairs, alterations, and improvements. There was also much outlay for agricultural implements, &c., also, farming operations in that district are often impeded by the length of the winter rains, and crops, in consequence of the same, are precarious. It may also not unfrequently happen that the Manager may not have kept strictly within the amount available for the expenditure of any given period, and deficiencies would in this way arise, which would, for the credit of the institution, be met by the head of the denomination. In this way an amount of debt would gradually accumulate which might be fairly considered as chargeable against it.

I have referred to this outlay as partly arising from the purchase of what may be called capital stock. Most of this stock has been disposed of. There are at present no farming operations going