

buy in a considerable part of the properties sold, and should be subject to the litigation which has already cost us so much, though we have been uniformly successful in defending it. And, further, that the bank was liable to a very difficult and complicated account which was being taken by the Registrar of the Supreme Court at Gisborne, and that the only conditions on which the bank would agree to postpone were, first, that all future and further litigation should be barred by statute, and, secondly, that the account should be taken by some proper person or persons to be authorised in that behalf by legislation. To those conditions the trustees submitted, and I then, with the president of the bank, laid the matter before the Government. The bank does not require any legislation to validate its title. It recognises, however, that it is in the interest of the Natives that further time should be granted to them to redeem, and the bank is willing to grant that further time upon condition that litigation shall be stopped, and that the account be taken by some independent persons in such a manner as shall appear to be just and equitable. I may have left matters unexplained, and, if so, I hope I may be questioned upon any point upon which the Committee may desire elucidation.

36. *Hon. Sir J. G. Ward.*] You had an interview with me on behalf of the bank in the first instance, Mr. Bell, over this Bill?—Of course, I do not know, Sir Joseph, whether the first interview was that which took place between Mr. Malet and myself on the one part, and with you on the other. Was that the first interview?

37. *Hon. Sir J. G. Ward* (to Mr. Malet.)] That was the first interview, Mr. Malet?—Yes.

*Mr. Bell.*] Mr. Malet and myself were there, and there was no other person.

38. *Hon. Sir J. G. Ward* (to Mr. Bell.)] An outline of this Bill and the agreement were produced on that occasion—this Bill, as a matter of fact, and the proposed agreement?—No; there was a memorandum from myself to you setting out the facts. The Bill was not drafted until after you had said you would advise Parliament to pass such a measure if we would give two years. I then consulted the bank, and then drafted the measure.

39. What about the second interview?—That was the second interview. At the first interview there was only before you a memorandum of mine.

40. The outline of the proposals contained in this Bill were conveyed to me by Mr. Malet and yourself at the first interview?—Yes. There was a written memorandum also.

41. With the one difference that there you suggested twelve months?—"Six months," I said; and there are one or two clauses in this Bill that we did not mention.

42. At all events the proposals for legislation upon the lines in this Bill, with some variations, were submitted upon that occasion?—Yes.

43. Did it appear to me that this was being done at the instigation of the trustees or on behalf of the bank?—Certainly it was made clear to you in the memorandum. It was not at the instigation of the trustees. It was made clear to you in the memorandum that the trustees desired it, and that it was in the interests of the Natives and at the Natives' requests that the bank was suggesting terms upon which they could postpone the sale.

44. I was not told it was on behalf of the trustees?—I did not represent or purport to speak on behalf of the trustees.

45. I did not understand that this was being done at the instigation of the trustees. The representations made to me were from the bank, who indicated that it was of importance to them in order to end litigation, as well as to preserve broadly the specific securities. It would render a gross injustice to the Natives, if they were bound under the ordinary law of the Supreme Court, if legislation were introduced?—Oh, that is correct, sir. If anything that I have said suggests that I was authorised on behalf of the trustees to see Sir Joseph Ward, of course, I was not. I never had any communication with the trustees. The trustees had approached the bank. I was asked to represent the bank. I represented the matter from the bank's point of view. I had no right or charge on behalf of the trustees.

46. There may be a wrong inference from the statement that you made, and that is, as adviser to the bank, you were opposed to the postponement of the order of the Court of the 29th instant?—I would not have agreed to postpone it originally for two years. I understood what you said, Sir Joseph Ward, was that you would not advise Parliament that it was in the interest of the Natives to have a postponement unless a term sufficient to enable the Natives to redeem were given them.

47. That was at the second interview?—The second interview. It was a question of the Native persons who were supposed to have an interest in these lands against whom the bank was going to buy in the whole of the property. That is what I remember.

48. Do you recollect one portion of the interview which very materially guided me? I cannot help stating that at the first interview I was not myself very favourable to the introduction of legislation. I want to ask you if you recollect, at the second interview, stating to me that, though the bank's position was healthy as far as the securities went, and that they could, under the order of the Court, realise upon those securities, there would be nothing short of a scandal for the Natives who were under the specific securities to lose their lands in order to make up a portion of the *in globo* assets?—I said so. Unless there was a reason of that kind in the public interest I never supposed that you would be moved to introduce the legislation. I never had an idea that I could get you to legislate in favour of the bank. Not only on that occasion, but on every occasion, I put it that if these Natives wanted time to redeem they ought to have some reasonable time to redeem.

49. Are you of the opinion now, Mr. Bell, that, in the absence of legislation, if the power that the bank has were exercised it would be nothing short of a scandal to the Natives who owned these specific securities to have them realised upon for the purposes of making up the whole of the securities?—I think that if any reasonable means can be provided for protecting the mortgagee it is scandalous that these securities should be purchased by the bank at a forced sale, and the admitted