

50. On the matter of what is a chattel, in answer to a question put by Mr. Heke, you said you considered growing timber is not part of the land?—I say that for some purposes it is part of the land, but that it can be sold as a chattel.

51. I think you illustrated that by referring to other fixtures put on land which could be sold without in any way affecting the right of the land?—Yes.

52. This growing timber would be something of natural growth, and not planted by human hands?—Yes; but that does not make any difference.

53. You said that any Native owner who was joined in that contract can revoke his contract or refuse to sell his timber after having contracted that he should, and you were not certain as to the remedy of the sawmiller?—Yes.

54. Would you be satisfied if any of the Native owners—so as to have this question settled—took the first step and refused to carry out the bargain, or took steps in the Supreme Court to obtain an injunction to restrain the sawmiller from using the timber?—I have no objection to that; but I think the Crown should fight on fair terms and give the ordinary security for cost. I have no objection to this matter being tested, and the sooner it is tested—if the Natives desire it—the better.

55. Would you prefer that course to any attempt being made by the Legislature to provide for an examination of or inquiry into these transactions with a view to modifying or ratifying the present contracts?—Yes, I should prefer it to go to the Supreme Court.

56. Supposing a Native does not go to the Supreme Court, and simply refuses to carry out his part of the bargain?—We should have to go there then.

57. *The Chairman.*] What is the term of the lease?—There is no specific term. All the timber on the land is sold under this clause and it has to be cut within a reasonable time.

58. *Mr. Field.*] Mr. Gamman told us it was for twenty-one years?—I do not think there is any specified time mentioned. [Agreement referred to.] Directly the railway is completed they will have to go on cutting timber according to the regular and ordinary course of a timber-merchant's business.

59. *The Chairman.*] Then, if the railway does not go there for forty or fifty years they need not go on with the work?—That is quite true; but, if that is so, the contract is quite useless to them, because their profit is to be made by the cutting-down of the timber and its sale.

60. What is the area of this block over which they will have timber rights?—What the total area is I do not know. I must ask you to get that from Mr. Gamman.

61. There is nothing specified as to the amount of timber likely to be cut?—No.

62. If the Natives had the power to lease the land, and there was nothing specified with regard to timber, would the lessee have the right to cut that timber?—Yes, provided he does it for the purpose of clearing the land and laying it down in grass.

63. He can sell it and dispose of it as he likes?—Yes. It would be unreasonable if he could fell the timber and burn it and yet not sell it.

64. Then, you would consider the Government would be acting absurdly if they enforced such a provision?—It is not law. This matter has been very much considered in America, but we have not had many cases in New Zealand. The law I have placed before the Committee has been deduced from the American authorities.

65. It is common-sense anyhow?—Yes, it is common-sense.

66. *Mr. Parata.*] Does that agreement bind all the timber for sawmilling purposes?—It is timber fit for sawmilling purposes only.

67. *Mr. Hone Heke.*] In regard to the provisions of the agreement treating of totara, the royalty for first-class heart of totara is 1s. 6d. Can you give us any idea of what would be the position of second-class and third-class timber: would the Natives receive payment for that?—I have not the least idea. I should think it would be included in the term "other timber."

68. Then, the second-grade and third-grade timber would come within the royalty of 2d.?—Yes, I think so.

69. *Mr. Fraser.*] Is there any provision in that lease to the effect that while the timber is being felled the Natives may run stock?—They may do what they like with it.

70. The Natives can occupy and use the land as they like?—Yes.

71. *Hon. Mr. Carroll.*] Can they burn?—They cannot burn, because there is a provision made against it in this agreement. It would be absurd to enter into this agreement and let them put a match to the timber.

72. But they might discard this agreement?—They would have to fight for it. I have a very strong opinion as to its validity.

GEORGE ALFRED GAMMAN further examined. (No. 5.)

73. *Mr. Herries.*] There was a question asked by Mr. Heke of Mr. Skerrett with regard to the royalty for totara: it is 1s. 6d. for first-class totara, is it not?—That is so.

74. What do you pay for second-class totara?—It is worth very little. For some timber we pay half-price, but if the totara is very bad it has not a saleable value.

75. That would be half-price?—Yes.

76. When did you propose to start cutting timber?—We thought in about twelve months' time.

77. Do you expect not to start until the railway goes to Ohakune?—No; we propose to start when it is practicable to cart timber—when the railway gets within reasonable distance of the block.

78. And what do you call a reasonable distance?—About ten or twelve miles.

79. You are prepared to *bona fide* cut timber as soon as you can—you do not intend to hold it for speculative purposes?—No. We have four plants, and one will be ready to be