

109. Then by selling to the company the whole of the expenses have been practically secured?—Oh, no. The expenses—legitimate expenses—will come to about £1,600.

110. There is £1,000 guaranteed by the company?—Yes.

111. And there is about £1,500 that has been taken off the payments to the Natives?—No, I have not touched anything in connection with that. I was not a party to it, and I told Mr. Bowler I did not approve of it. I have not made any application to the Board for any part of that. What I have asked the Board is that if there is any money there it should be sent to the committee to be dealt with.

112. When did you make the arrangement for this payment of expenses: when you saw Mr. Loughnan?—Yes. The date was the 17th March. When I got to Te Kuiti I told Damon and Macdonald and Aterea. I said, "In arranging for the sale it will be well not to lay too much stress on this feature, lest it should appear to be an extra inducement offered to the Natives to bring about the sale." I did not want them to be overinfluenced by that. I said, "If there is any question asked you, reply directly, but do not press it, lest it should be looked upon as an extra inducement to the Natives to sell their property"; and there was an honourable understanding with all the members of the committee with regard to that. Tarake te Wiata telegraphed me from Otaki on the 29th March to ask if the expenses were apart from the sale, and I telegraphed him "Yes." I quoted to him the amount of money we had to get and the shares and the expenses, but I did not say then that the latter were limited to £1,000.

113. You said that this arrangement was only known to the committee?—I told several of them—those that I thought were fit to receive any information of that kind.

114. Do you mean the members of the committee, or the general body?—I told all the committee who ever attended or did any business with us. Tauhia te Wiata, of Otaki, who ought to have been present at the meeting on the 10th, went to Wellington with the money which I sent him. He was the man who really was the mouthpiece of all the Otaki Natives.

115. Did the Natives as a whole know that this arrangement for the payment of expenses was being made?—With that limitation—that too much stress should not be laid upon it, lest it might be an extra inducement to them to sell.

116. They did not know enough about it to make it an extra inducement for themselves?—When the thing came before the Court it was willingly agreed to.

117. Your conversation with Mr. Loughnan took place before the Court sat?—On the 17th.

118. And you told the committee that this arrangement had been made?—I did. I have the telegram. I telegraphed to all of them.

119. That was with regard to the £1,000?—Yes.

120. Do you wish the Committee to understand that it was not made generally known to the Natives, because you did not wish it to be an inducement?—I told them to be circumspect regarding it, but that if any questions were asked the questioner was to be told straight out.

121. Do you know if the question was asked?—I could not say. All I could do was to make it known to persons whom I was connected with, because that was a thing I could not explain to the Natives.

122. *The Chairman.*] Do you know what the Natives were receiving from the owners of this block of land prior to the sale—I mean in rent?—I understood that it was a farthing an acre—about £110, or something like that.

123. Do you know whether the Natives for whom you were acting possessed other lands besides the block in question?—I know that they all had other lands.

124. You are sure of that?—Yes, perfectly certain.

125. You are acquainted with the property in question before this Committee—you have seen it?—I know the property from having been on four sides of it, and I know it from its general appearance. I know it from its physical conformation, which is similar to that all over that part of the country.

126. How far above the coal-line did you go?—Right up at the top.

127. As far as Totoro?—I began at Totoro.

128. Do you know the lower end of the block where Walter Jones lives with his mother and sisters and brothers?—Yes.

129. That land and the land in the Mohakatino Valley and also the property subleased to Kelly, Eglinton, Greenwood, Henderson, Wyllie, and others: what is your opinion of all those areas subleased by Mr. Jones for twenty-seven years? Is not that the pick of the land from an agricultural point of view?—Most certainly. When I went up the river I looked out for places where homesteads could be made, and the only spots that met my eye were those already taken up.

130. You are aware that those lands are subleased for a period of which twenty-seven years and a half have still to run? You are aware that those people leased those lands from Flower for a period of which twenty-seven years and more have still to run?—Yes.

131. And that the company have no right whatever over those subleases?—I could not say. I do not know whether the freehold of that land was bought or not.

132. No, the rights of sublessees were not bought, the company having no rights whatever over the best portions of the land for twenty-seven years and a half, the value of the property would be lessened very materially?—I think the rights over that property should have gone with the other.

133. Have you any idea of the area of the land that has been subleased to the people I have named—there are about eight or nine of them?—As far as I saw from Henderson and Kelly and Jones—

134. What is the area of Walter Jones's place?—I could not say. I only know he has a place there.

135. It is a nice place, is it not?—Yes.

136. You have no idea of the area of the subleased lands?—No.