

63. Were there no flax-mills in those days?—But my flax was gone before the flax-mills started.

64. A good many of the lessees, I think, sold their flax?—Yes.

65. There has been no mention of that from any lessee so far; he has talked of the hard times he was having?—It cost us as much to get the flax to the mills as you got for it. The Maoris below me were selling the flax at £1, and they reckoned it cost them very nearly £1 to get it carted to the mill.

66. Now we pass on to another section of your letter. You say, “The desolate and unprofitable manipulation indulged in by those Natives who are in occupation of their allocated holdings”: are you aware there are a considerable number of Natives who are working their lands just as profitably as the white man in Taranaki now?—I believe so; there are a few.

67. Then you make some reference to the Native holdings in Hawke’s Bay: have you got a wide acquaintance with Hawke’s Bay?—I have not an individual acquaintance now.

68. What acquaintance have you?—My brother is living there, and I had an interview with him in December.

69. And your information is gained from him?—Yes, my information is gained from him.

70. You admitted in an early part of your letter that the Public Trustee was to administer these lands for the benefit of the Natives?—Undoubtedly.

71. Now, if your lands had not been converted by you into a 1892 lease, the original lease would have fallen in by now?—No.

72. Well, it would be on the point of falling in?—Two years more.

73. And then it would have been leasable by the Public Trustee for at least £208 18s.?—No, because he would have to pay me my improvements—£2,500.

74. The incoming lessee would have to pay you £5 an acre for your improvements?—The Public Trustee would not be able to let my land on its capital value. The improvements would have to be cut out, and to lease it on the unimproved value of the land—not the total.

75. The only thing we have got to deduct is, say, 5 per cent. on £5 per acre from £218 18s.: that would be the rent?—Yes, that would be the position.

76. That would be a considerably larger rent than he is now receiving?—Yes, it would be larger than they are now receiving.

77. So that it would be better for the Natives, and to their benefit, if the lease had not been converted?—Undoubtedly; but that was the objection we had, and that was the reason why the 1892 lease was put in.

78. Well, what was the objection you had?—That my improvements were already over the £5, and that I should have at the end of the lease more improvements on the land than I should get compensation for.

79. But you have just told the Commissioners that the first time you inquired as to the amount of improvements you were to be compensated for Mr. Rennell told you it was limited to £5 an acre?—There was a long time between 1884 and 1892, and a good many conversations took place, but I am giving a general idea of what was the impression at the time.

80. I am referring to one statement you have already made on oath, and that is that the first time you inquired from Mr. Rennell as to the amount of improvements to be compensated for he told you it was limited to £5 an acre?—Yes. I have an idea it was on the maps on which we secured our leases.

81. You think you remember seeing it on the maps?—I think I remember seeing something of the kind.

82. Well, it was on the maps. Now we are getting down to bed-rock. You knew when you took up the lease that the improvements were limited to £5 an acre?—Yes.

83. What have you to complain about? You knew all along that you were to be compensated for improvements to the extent of £5 an acre?—That was the position. We wanted something in the regulations whereby we would be secured for our improvements.

84. Was that for the benefit of the Natives?—For our own benefit, because we did not want to buy our improvements back again.

85. You found you had not made such a good bargain as you thought you had?—You can put it that way if you like.

The Commission adjourned till 10.30 a.m., on Monday, 20th May, 1912.

NEW PLYMOUTH, MONDAY, 20TH MAY, 1912

JOSEPH MACKAY sworn and examined. (No. 14.)

1. *The Chairman.*] What are you?—A settler, residing in Fitzroy.

2. Are you the holder of an original lease?—I am.

3. What is the number of it?—Subsection 4, Section 13, Block II, Ngairu Survey District.

4. What is the area of it?—147 acres.

5. And the rent?—I forget the rent.

*Mr. Zachariah.* The rent is 1s. 6d. per acre.

6. *The Chairman.*] Have you converted it into a perpetual lease?—I was not the original holder, but I am the holder of an original lease.

7. From whom did you obtain it?—The late Mr. Bates.

8. What did you pay him for it?—I paid £800 to his executors.

9. When did you get it?—I really forget, but about the end of 1906 or the beginning of 1907.