

lands petition (Joshua Jones), reported upon by Select Committee of the Legislative Council and referred to the Government by the Council on the 9th October, 1908, with a recommendation 'That the matter should be referred to a Royal Commission, and that pending such being held further dealings with the land be prohibited.' As an inquiry will probably be held into this matter as recommended by the Committee, would you do me the favour of answering the following questions for the information of the Commission or other official body that might require the information: (1.) Was or was not the Mokau property placed in your hands in 1906-7 by myself for the purpose of forming it into a company or otherwise disposing of it? (2.) Did you while the property was in your hands see or hear of any report derogatory to the value thereof being circulated in the City of London; if so, what did you hear? (3.) Did you in 1907, while you were dealing with the property, see a letter containing references to or extracts from a report or from sources relating to this property in the hands of a Mr. Seward (if I remember his name correctly) who had relations with your firm in this matter? (4.) Was the substance of such letter, references, or extracts of such a nature as to preclude or damage any sale, or vitiate any sale, if effected? Kindly state any other statement of fact or fair comment that you consider may prove of service to the Royal Commission or other competent authority of inquiry.—Yours faithfully, JOSHUA JONES. Please initial this letter 'Received,' and return it with your reply.—J.J."

This is the reply from Messrs. Doyle and Wright: "88 Bishopsgate Within, London E.C., 14th January, 1909.—Joshua Jones, Esq., Mokau, Taranaki, N.Z.—Dear Sir,—I am in receipt of your letter of the 25th November, 1908, which I now return signed for identification. In answer to question 1—Yes. In answer to question 2—Yes. We experienced considerable difficulty in dealing with the property owing to the fact that a report had been circulated that the coal was a lignite and crumbled on exposure to the air. In answer to question 3—Yes. In answer to 4—Yes. With reference to questions 3 and 4 and my answers thereto, when the business was well in hand a man named F. Seward showed me the substance of a letter which referred to a report which had been made by an engineer of a damning character. The chief nature of the criticism was that the coal was a lignite, and had the unfavourable propensity of crumbling on exposure to the atmosphere. On another occasion we invited Professor Galloway to act as consulting engineer. He practically agreed to do so, but afterwards declined, as he said that from inquiry he had made the coal was not good, being a lignite and affected by the atmosphere. I have since been informed that Professor Galloway has an office in Cardiff, next to an engineer named Wales, who had reported on the property. I enclose a prospectus of the scheme we were carrying through, in spite of the difficulties we encountered. We were promised the money we required by one of the oldest firms of brokers in London—namely, Messrs. J. G. Bone and Son—and we had in our possession as part an underwriting letter for £60,000 debentures, Messrs. Bone and Son agreeing to find the share capital. We were forced to abandon this owing to the mortgagees putting up the property to auction in New Zealand. We saw Mr. Flower on several occasions, and pointed out that if such action were taken it would spoil our plan, but this was of no avail. We are considerably out of pocket on the business, putting aside the great loss of time we spent on the business, and it was very disheartening for us to be met at every point with objections to the property owing to the circulation of the damaging statement we have mentioned.—Yours truly, ROBERT DOYLE." This was countersigned by his partner, Mr. Wright. [Exhibit O.] I will put in the printed prospectus, the directors being some of the best-known men in England. They were coal men, mostly from Newcastle-on-Tyne. The trustees of the promoters were Lord Kilmorey and Sir Fortescue Flannery. I will put the document in showing that the terms of sale were £200,000. The directors were Ernest Forwood, of Forwood Bros. and Co., shipowners, London and Liverpool; Colonel F. S. Luard, M.I.C.E. (late Bombay and Baroda Railway); John Walker, M.I.C.E., director Robert Stephenson and Co. (Limited), Newcastle-on-Tyne; Sir John Furley, C.B., D.L., 14 Evelyn Garden, South Kensington. You could not have got better men in England than these men. The bankers were the Bank of New Zealand, and the solicitors Messrs. Maddison, Stirling, Humm, and Davies, 6 Old Jewry, and Stafford and Treadwell, Wellington; auditors, Chalmers, Wade, and Co., London and Liverpool. The secretary, Mr. Robert Doyle, is a man of the highest standing in London. He was the right-hand man for that great philanthropist, Mr. J. Herring, who refused the highest honours Queen Victoria and King Edward could bestow. I mention that because I wish to make it quite clear that there was no fake about this, as the position of Mr. Doyle and his ability was beyond doubt.

1. *Hon. the Chairman.* What was the date of this prospectus?—1907. It corresponds with the letter I put in about the time. All my efforts were thwarted by Flower's executors foreclosing on the property. They put it up at auction on the 10th August, 1907, at New Plymouth, and, there being no competitors, they got the property at the upset price of £14,000. Finding myself in that position I entered an action for redemption and accounts under the best advice I could get.

2. *Mr. Bell.* Was that in England?—In London, in the Chancery Court, before Lord Justice Parker. I had signed certain documents in London, one of which was this: "I, the undersigned, Joshua Jones, hereby undertake, pursuant to the order in this action dated the 10th day of August, 1906, to lodge no further caveat with the District Land Registrar in New Zealand in respect to the title of the Mokau property, the subject of this action. Dated this 16th day of November, 1906.—JOSHUA JONES." There was another document I signed to the same effect. I am quoting now from the Stout-Palmer Commission, if you will permit me to do so, because it has been kicked out of Parliament. It says here, on page 3, "Mr. Jones attempted by caveat to prevent registration of these transactions; but a Full Bench of Judges of the Supreme Court refused to allow Mr. Jones to even litigate the matter, or that his caveat should stand, on the grounds that he had by agreement in litigation in England bound himself not to contest the right of the mortgagees to proceed with the registration of the mortgaged documents. This agreement was in these terms: 'Mr. Jones undertakes not to apply to Mr. Flower's executors to the Court