

40. Was not Herrman Lewis a man who would go in for speculations of that kind on his own account?—I could not say. I have not known much about Herrman Lewis up till this time. The Land Transfer Register shows that Macarthy never paid a penny for the property. Lewis was the dummy through whom the money was paid.

41. But Macarthy could not come upon this property until he had exhausted his other securities?—That is my contention. Still, he had the Christchurch property, and he extorted the mortgage from the Hawke's Bay people. He saddled my property—I contend it is mine—with £25,000, and he had ample security without it.

42. *Hon. Captain Tucker.*] When did Herrman Lewis first appear in this matter, can you recollect?—I have a letter here warning Herrman Lewis in 1907 that he had better not touch the property as I was on the road out from England to recover the estate. The letter says—it is written by Mr. Treadwell—"If you will call at my office I will show you Jones's statement of claim." So he was mixed up in it in some degree before I left England.

43. At the time when the property was in Flower's executors—that is when he first appeared?—Yes, and they transferred it to him for no consideration whatever. I was asked how did I connect Herrman Lewis with Flower's executors. Mr. Statham asked me whether there was any collusion. I gave the answer that Flower's executors transferred the property to Herrman Lewis for no consideration whatever.

44. *Mr. Statham.*] Is there no consideration mentioned in the transfer?—None whatever; and the transfer was produced last year before the Committee of the other House. It was a dummy transaction entirely, as I alleged in my previous petition, and it was never contradicted; and the Hawke's Bay purchasers said, "We will not buy this, but you put Herrman Lewis's name on the register and we will pay you the money." Herrman Lewis was merely used as the medium, and the documents will show that. There is one point that I would like to mention that I have omitted. In 1896, in England, there was a foreclosure obtained over the Mokau Estate by Wickham Flower. This will assist the Committee on the question of jurisdiction. This foreclosure was dated the 26th June, 1896. It was sent here, and could not be enforced on the ground that the English Court had no jurisdiction. It was held here that they could not enforce an order of the British Court. No alteration has ever taken place on the question of jurisdiction.

THURSDAY, 10TH OCTOBER, 1912.

JOSHUA JONES further examined. (No. 3.)

*Witness:* I ask the attention of the Committee to the plan of the land [produced]. I have a special reason for doing so. In the Stout-Palmer report, and I believe in the minds of the Government, it is stipulated by Sir Robert Stout that there was a legal authority vested in Jones only over the big westward lease, and that Jones had no legal authority to acquire these other portions [areas of the land pointed out].

1. *Hon. Mr. Anstey.*] How many acres is that?—28,000, as nearly as can be—half. I hope you will not think I am reflecting on Sir Robert Stout, but I have an important point to bring out. In 1888 the Legislature passed a Special Powers and Contracts Act. Section 17 in the second column in this Act says, "The Governor may, by notice in the *Gazette*, declare that a parcel of land bounded on the north by the Mokau River, on the south by the Mohakatino River, on the west by the sea, and on the eastward by a line drawn from the mineral springs at Tororo, on the Mokau River, due south to the Mohakatino River, shall be and be deemed to have been excluded from the schedule to the Native Lands Alienation Restriction Act, 1884, but so only that the said Joshua Jones shall be entitled to complete the negotiations entered into by him with the Native owners of the said land for a lease thereof for the term of fifty-six years, and that the said lease is or may be validly made for the said longer term." Here is the *New Zealand Gazette* notice, 1885, page 1180, which reserves all that. It is a Proclamation under the hand of the Governor, and is signed "John Ballance." The point is this: Mr. Ballance was ill in bed at the time, and Sir Robert Stout himself signed the notice in the *Gazette*. And yet he says that Jones has no authority to acquire these lands. He signed for Mr. Ballance in my presence. I do not throw that out as an aspersion, but it is a fact. Mr. Ballance was head of the Department, and therefore the notice in the *Gazette* bears Mr. Ballance's signature. I do not say there is anything improper in it.

2. *Hon. Mr. Paul.*] You say that Sir Robert Stout, who was then Mr. Stout, signed the name "John Ballance" to this notice?—I think Sir Robert Stout signed it as Premier.

3. *Mr. McCallum.*] What is the signature to the document?—It is signed "J. Ballance." [Gazette notice examined.]

*Mr. McCallum:* Sir Robert Stout never signed that in his life.

4. *Hon. Mr. Anstey.*] Where was Mr. Ballance at the time?—He was at Wanganui. Sir Robert Stout signed it as Premier. Mr. Lewis, who was Under-Secretary for Native Affairs, took me in to Sir Robert Stout, who had the plan before him. This was explained, and he signed the document. It was in the Government Buildings.

5. *Mr. Bell.*] Instead of all this argument I suggest that we get the original of that *Gazette* notice?—It was explained at the time that Sir Robert Stout could sign the document for Mr. Ballance, and I saw him sign it.

6. This was on the 8th October, 1885?—Yes.

7. *Hon. Mr. Louison.*] Whose name did he sign—Ballance or Stout?—I think he signed his own name.