

40. *Hon. Mr. Anstey.*] Can you give us a little more information about the Stout-Palmer Commission?—I do not think I can.

41. It has been asserted that the Stout-Palmer Commission was illegal because it was set up to inquire into Native lands: it is held that these were not Native lands?—As far as I know these lands were quite a fit subject for inquiry by the Stout-Palmer Commission. As far as the scope of the Commission was concerned, they were lands they could have inquired into. There is no doubt that these are Native lands, and the Commission did inquire into lands concerned quite as much as into Mr. Jones's leases.

42. You think the Government had a right to take the evidence from the Stout-Palmer Commission and to act in accordance with it?—As far as I know that Commission did not exceed their power to inquire into these leases.

43. *Mr. McCallum.*] You are not giving a legal opinion?—No.

44. But as Native Minister you are closely connected with Native affairs. Assuming that Mr. Jones was defrauded of his lands by Mr. Flower, and had a legal right to go to Court and recover compensation for these leases, would the issue of the Order in Council prejudice him in any way whatever?—I think it would, because the Order in Council had nothing to do with the leases or Jones's interests. It simply enabled any one to purchase the leases.

45. If Mr. Jones could not get the land he could get compensation for the injury done to him, so that the Order in Council did not prejudice, or will not prejudice, Mr. Jones if he still has a legal right to recover his land or compensation for the loss of it?—That is rather too abstruse for a layman. The freehold is quite a different interest. Mr. Jones had never an interest in the freehold; he only had the leases.

46. *Mr. Statham.*] Mr. McCallum asked you whether the acquisition of the freehold by Herrman Lewis took away Mr. Jones's rights to recover compensation from Mr. Lewis. What Mr. McCallum is aiming at is this: Mr. Jones has still his legal remedy. Suppose the man he recovers compensation from has not got a penny, does it not make all the difference in the world if the land is gone?—My opinion is that Mr. Jones, if he still held the leases, would only change his landlord. Supposing he had actually held the leases it was open to any one under the Order in Council to buy the freehold and become Mr. Jones's landlord instead of the Natives.

47. In an action to recover any land the alternative is to get judgment for damage, but if the man proceeded against has no money is not the man whose land has gone prejudiced?—Mr. Jones had only an interest in the land so far as the leasehold was concerned.

48. *Mr. McCallum.*] It becomes land under the Land Transfer Act, and there was a claim against the Assurance Fund?—With regard to the Assurance Fund, I think members should read the evidence given by Mr. H. D. Bell before the Committee. I think he upset that point.

49. *Mr. Jones.*] You said that the Stout-Palmer Commission had a right to inquire into this land?—That is my opinion.

50. This was not Native land. It had come under the Land Transfer Act?—It was Native land all the same. The freehold was Native land.

51. That is so, but the Commissioners were not inquiring into Native lands—they were inquiring into Jones's leases, which they had no power to do?—I must say that I have not seen the Commission that was issued by His Excellency, but I know they inquired into similar things. They inquired into the Waimarama land and made recommendations in connection with that.

52. That was the Stout-Ngata Commission?—Yes; it was still the same Commission, and they held an inquiry into the Tutira Block, in Hawke's Bay, which was held under lease from the Natives.

53. Was it under Native-land title?—I think it is very likely. I think very few people would not register their leases.

54. You are aware that the Government ignored the 1908 recommendation, excepting to set up the Stout-Palmer Commission?—That was not set up for this particular case.

55. My contention is that it was. We will come to the report of 1910: "(6.) That, in view of the fact that the petitioner believed his original lease from the Natives to be legally sound, and taking into consideration the treatment meted out to him by solicitors in England, whereby he lost his legal interest in the estate, the Committee recommends that in any such mutual understanding the petitioner's claims to equitable consideration should be clearly defined." Now, in the issuing of that Order in Council, if they had paid the slightest attention to the recommendation they could have said in the Order "subject to Jones's equity"?—I do not know whether the clauses in the Order in Council would have permitted that.

56. At any rate, there was no consideration attached, as recommended by paragraph 6 of the recommendations. Would it not have been competent for the Government to have said, "Well, there is the Order in Council, but you shall not have it unless you consider Jones's equities." Could they not have done that?—No, the Order in Council only affected the freehold, not the leases. I do not know if they could have put any conditions in. I believe they did make conditions with regard to the cutting-up of the land, but they could not put them into the Order.

57. The Government issued the Order in Council and entirely disregarded the recommendations of the Committee?—They could have agreed, before they issued the Order in Council, with those who were asking for it that your claims should be considered.

58. That is what is recommended?—They could have done it, and they did not do it. But they could not have put it in the gazetted Order in Council.

59. Are you aware that this Order in Council was issued absolutely unknown to me—who had a right to know of it—and that I never knew of it until the transaction was done?—I believe you said so in 1911, but I have no knowledge of that.

60. Do you doubt what I said?—No, but I have no personal knowledge of it.