

THURSDAY, 24TH OCTOBER, 1912.

Right Hon. Sir JOSEPH GEORGE WARD, Bart., sworn and examined. (No 15.)

1. *Hon. the Chairman.*] Do you remember receiving a telegram sent by Sir James Carroll while you were in Invercargill, on a date said to be at the time of the King's death, in which Sir James Carroll suggested certain terms with regard to Mr. Jones in connection with the Government acquiring the Mokau property?—I do not remember receiving such a telegram. It is, of course, possible that a telegram was sent to me, and if it were it would be on record I should think.

2. Where would we be able to get it if it is on record?—I think Sir James Carroll, if he sent such a telegram to me, would have it on record.

3. *Mr. McCallum.*] Did you promise Mr. Jones, the petitioner, to set up a Commission after the Full Court at Wellington had said he had no claim whatever on the leasehold interests in the Mokau-Mohakatino lands?

*Mr. Jones:* That is not fair.

*The Chairman:* You will have your opportunity later on of putting questions.

4. *Mr. Jones.*] I will put the question by the Chairman's kind permission: After the Full Court had given its decision against me, do you remember Mr. Jennings and myself calling upon you with regard to it, and you replying that you knew it to be a hard case and suggesting that I should petition Parliament and get a recommendation from a Committee so that you could then see if you could grant relief? You said that you could not interfere with the decision of the Judges at that stage?—I can hardly give a direct answer to the question without saying a little in addition to it. I recollect Mr. "Mokau" Jones and Mr. Jennings seeing me, I think, upon more than one occasion, and I looked into the whole matter so far as it was possible for me to do so; that is, I went into it from the beginning to the position it stood at then, and found that as an outcome of a decision having been given against Mr. Jones in England it deprived him of his rights in certain leases of Mokau lands—rightly or wrongly—I have nothing to do with that. I recognized that it was a difficult matter for the Government here to attempt to deal with the vested interest which Mr. Jones said he had in the leases and which an English Court had declared against him. I was sympathetically disposed towards Mr. Jones on account of the troubles and difficulties I understood he had gone through, and I recollect telling him distinctly that the only thing he could do was to petition Parliament and place the facts before a parliamentary Committee, and that upon the results of that Committee's inquiry I would be glad to consider the points which he had placed before me then. I think I am right in saying that was the position at that particular juncture.

5. *Hon. Mr. Anstey.*] It was stated here that at the stage after the Court's proceedings there was a suggested compromise that would recognize Mr. Jones's claims: was there any such compromise suggested to you or by you?—No.

6. None whatever?—No.

7. *Mr. Jones.*] That was years afterwards?—That is not the question Mr. Anstey put to me.

8. *Hon. Mr. Anstey.*] I want to find out whether you suggested such a compromise or whether such a compromise was suggested to you, and whether you made terms or not?—The position I took as the head of the Government was the only one that a man in my position could have done, and that was to look after the rights of the country first. We were not in any way responsible for the difficulty between Mr. Jones and the Natives who were the owners of the property, or with him and Flower's executors. I thought that if it were possible for the Government to acquire the property, paying the Natives full value for it, that whatever was a fair thing in regard to a lease to Mr. Jones of a portion of the mineral rights, and so long as it was not against the country's interest, I was prepared to consider it as a matter of grace.

9. Was the subject of the compromise that the Government was to buy the freehold, Mr. Jones securing an extended lease on the coal rights: was such a compromise suggested to you?—There was a suggestion of the kind made by Mr. Jones, but not on the lines of a compromise.

10. Did you give Mr. Jones a promise that you would carry that out, or suggest that you were favourable to such terms?—I did not give him a promise. I said I would see if the Government could acquire the property, and if it could I would as a matter of grace endeavour to arrange a lease for him over a portion of the mineral rights, so long as it was not inimical to the country's interests to do so. But I found it impossible to carry that out, because we could not buy the land at a satisfactory price. As a matter of fact I met the Natives afterwards and discussed proposals with them with a view to purchase, and I recommended afterwards that Cabinet should pay a certain amount to buy the Natives out. Mr. Skerrett was consulted, and it was found that there was a doubt as to whether Government would not be involved with regard to the repayment to the Natives of a very large sum from the Assurance Fund. We considered the whole matter in Cabinet, and came to the conclusion, on my recommendation, that if we could buy the Native interests right out it would be a good thing to do. I saw a number of the Natives and told them what we were prepared to give, and they led me at first to understand that they were disposed to accept it, but later on they withdrew from the position.

11. I understand you to say that you found it impossible to give effect to such a compromise?—There was no sort of compromise of any kind made or suggested by me on behalf of the Government, but I said I thought the Government might acquire the Native lands, and that if we could get clear of the legal difficulties all round I was prepared, so long as it was not against the interests of the country, to let Mr. Jones get a lease of a portion of the minerals to enable him to recoup himself for the troubles and difficulties which I understood he had suffered in the past.

12. It was after you found it impossible to do that that the Order in Council was issued?—Yes, long after. It was, I think, while I was on the way to England that that occurred.