

*Mr. Perry:* Quite. If members will look at page 2 of paper G.-7 they will see there the observations of Judge Browne. Having set out the claims, he says this:—

There only remains, therefore, the claim by the company itself for £300,000. In the absence of details it is impossible to say how this sum is made up, but it is reasonable to suppose that it includes a part, at any rate, of the claims made by the individual creditors and also other of the company's debts. Obviously, the position the company takes up is that it was entitled as of right to concessions, and that because it was decided to grant none beyond those already allowed, and to call upon it to carry out the terms of the agreement, which, it was recognized, it was unable to do without further concessions, it should be refunded all its expenditure, whether reasonable or unreasonable, and whether or not of any benefit to the Native owners.

The company does not say that it claims on its legal rights, or that it is entitled as of right to concessions, as Judge Browne seems to believe, when he makes that statement here. We submit that if it is suggested that the Government gave undue consideration to the company on certain occasions by granting it concessions—even if the suggestion is that that was done at the expense of the Native owners—we cannot help repeating that when the Government came down on the company with a very heavy hand and effectually settled the prospects of the Duncan project under which the company would have had an opportunity (a) of making a fair deal with the Natives who had consented to the resolutions passed at the meeting on 21st February, 1929; (b) of making an honourable settlement with its creditors; (c) of recouping some of its lost capital.

*Mr. Endeane.* Of this £60,000 nominal capital how much was paid up in cash, and what was the consideration for the balance?—The nominal capital of the company was £60,000, and I think £25,000 was subscribed in cash, mostly in New Zealand, and £5,000 worth of shares was allotted to the subscribers for the first 5,000 shares—that is, £30,000; and the balance of £30,000 was never actually allotted to any one, but those shares were the subject of contracts between the company and the English shareholders whereby the company, in consideration of certain subscriptions by the English shareholders, agreed to allot the latter those shares, although I think they were actually allotted to Mr. Tudor Atkinson.

What service did he render?—Atkinson was the man who originally conceived the idea of getting out absolutely inaccessible pieces of bush, and it was he who got into touch with the Natives with the idea of coming to an arrangement whereby the bush could be utilized for their benefit, and for the benefit of the company.

But the fact remains that only £25,000 was in hard cash?—Yes. Mr. Findlay points out that there is a deed signed by one thousand Native owners.

*The Chairman.* Do you wish to add anything? I suggest you be as brief as possible in the light of the necessity for the Committee to deliberate?—I want to make one more remark on an observation by Judge Browne on page 2 of the paper G.-7. He says,—

Many of them (the Native owners) were on the verge of starvation every winter, and were actually compelled to sell any land they possessed not affected by the agreement, and even some of the land subject to it, in order to provide food for themselves. In addition to this, the company knowingly permitted unauthorized persons to go on the land the subject of the agreement, and cut, remove, and sell the timber to such an extent that some of the blocks are absolutely denuded of totara. The Forestry Department has been requested to estimate the damage. So far a complete report has not been received, but I think it will be somewhere in the vicinity of £10,000.

On behalf of the company I wish to say that it disputes that statement made by Judge Browne. The company says that it did not knowingly allow any person to go on the land at any time to cut the timber. It ascertained that certain persons were there, and sent a constable or constables at one time to remove them, or to endeavour to do so, but was not successful in removing them. There is this to be observed also: that those unauthorized persons who were going on the land which is the subject of the Timber Company's rights paid certain moneys in royalty, or whatever they were for, to certain individual Native owners. I do want to dispute, on behalf of the company, the statement made by Judge Browne that the company intentionally permitted people to go and cut the timber. Obviously there was no use in their doing so. I also wish to say that the company has not claimed for the work it has done there, the surveys in opening up the country, the salvation of the timber interests owned by the Natives, the estimating of the timber quantities and the tabulation of the results. It has been admitted by the President of the Aotea Land Board that he appreciates the fact that the conservation of the Native interests has been for the benefit of all concerned. In view of these facts, and of what the company has done during the period of its existence since 1908, which has really made it possible for the State to acquire this valuable property for the benefit not only of the State itself, but for the benefit of the present Native owners, we submit that we are entitled to every consideration at the hands of Parliament. We also submit that when Parliament passed the Act of last year inviting us to come along and put these claims before the Committee it felt from its sense of justice that, after terminating the agreement in the way it did, it ought to give us the opportunity indicated. We appeal to the justice of Parliament, we feel we have a moral claim, and we hope you will give it your most earnest consideration. I had intended dealing with certain individual claims, but as the time is late I will not do so, leaving it to the Committee to go through the individual list I have submitted this morning.

*Hon. Sir Apirana Ngata:* The question is whether the claims put in by Mr. Grace should not be taken off the list.

*Mr. Grace:* Provision was made for them in the Duncan project.

*Mr. Perry:* The negotiations naturally involved the Native owners in a very large amount of expense, and provision has been made for them under the Duncan project; so that the amount is included in the company's claim. (Item D, page 3, list of claims made by Tongariro Co., on behalf of itself and its creditors.)

*Hon. Sir Apirana Ngata:* The position is, that the rights that the Tongariro Company had have reverted to the owners of the freehold.