

*Mr. Perry :* That seems to be the position. If the State has acquired this property it has acquired a very valuable estate, developed and surveyed, and now a much more practical proposition than it was when the company first took it over.

*Hon. Sir Apirana Ngata.]* As to the company's capital of £60,000, and its creditors, which should have preference do you think, Mr. Perry?—Surely that is a matter for the Committee. The company's capital, certainly to the extent of the £25,000 cash subscribed, was, of course, the initiation of the project.

I understand that a large proportion of the company's capital was paid in cash on account of the royalties?—A proportion was so paid to the Aotea Land Board, or to the Native owners, and it amounted to over £10,000.

*Mr. Endean.]* Is it possible to trace the value of the improvements you have made apart from the freehold value?—I am not in a position to answer that question. Mr. Findlay might be able to.

*The Chairman.]* Would it be possible to ascertain what you paid for surveys?—I do not propose to deal with individual claims.

*Mr. Healy.]* With regard to the unauthorized cutting of timber, were those persons given permission by the Native owners?—Yes, in some instances, and in some cases for a certain amount of money paid to the Native owners.

*Mr. Langstone.]* Was the timber confiscated?—I do not know.

*The Chairman.]* At the last meeting of the Committee certain statements were made that the owners, deceived by the fact that no results had taken place, took it into their own hands to sell the timber. Is that correct?—There was a report that certain Natives, exasperated by the delays, took the law into their own hands, and entered into these arrangements with these unauthorized persons. But what we are complaining about is that the Tongariro Company should be blamed for allowing any of those persons to go there.

*Mr. Langstone.]* Supposing that the Tongariro Company had not been in the picture at all to hold up the whole thing, does it not seem probable that other people would have gone in and exploited that land, and the Natives would have been very much better off than they are?—I think the contrary would have been the position.

Seeing that all the timber around Taumarunui has been taken out, and there are no mills at work, is it not the fact that timber people could not deal with the block simply on account of the agreement with the Tongariro Company?—In answer I submit that the fact that the Natives were not allowed to be exploited by other companies cutting out their timber, as has been done all over the country during the last twenty years, may rather have been to the benefit of the Natives at this stage than otherwise. One suggestion I intended to put before this Committee was that if the company had done nothing else in its operations over the last twenty years it has at any rate conserved the bush.

Is there a Statute of Limitation as to the lawyers' costs?—The company was granted the freehold of the railway-line and the certificate of title for it is held by Messrs. Findlay and Moir, and they claim a lien upon it for their costs, and they refused to produce it for the purpose of enabling Armstrong, Whitworth to register its mortgage.

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DAVID M. FINDLAY examined. (No. 10.)

*The Chairman.]* I understand that you wish to address the Committee?—Yes, in order to refer to one point mentioned by Sir Apirana Ngata, who said he thought this inquiry should be confined to two questions—(1) the interference, if any, by the Crown taking power to acquire the property, and (2) the nature of the claim. I do not propose to go into the question of the nature of the claim, but I do most earnestly say that the acquisition by the Crown is a distinct interference between private individuals who had come to a concluded contract. That concluded contract was the one which was signed between the Duncan syndicate, which had accomplished its purpose, and the Natives who owned the block. The Crown, knowing that a moratorium against creditors exists, stopped in and lifted that moratorium in order to enable the trustees for the Natives to take away the whole of the rights. That determination took place. We say that that was a distinct interference between two contractors in order to enable the Crown to acquire the property. Probably it was quite a right and proper thing to do, and they are acquiring a great and noble heritage, as we have heard. I am not going to say more about it now; but this aspect of the matter must impress itself upon Parliament, and upon this Committee, as a very serious consideration, when one knows that the Crown must do nothing unjudicial, but must act as the fountain of justice and with reasonable fairness to every subject. We are here petitioning the Crown to recognize the services of those who have served the company—Mr. Martin here, and Mr. Ross—and to all who served the company well, and to whom it is greatly indebted for their services. We can say that with the best of intentions, and after rendering those services to the best of our ability, we have been held up from any possible remedy against the assets of this company by the moratorium established by the Parliament of this country. They left it until the last moment, and now we are bound and tied, and prevented from asserting any rights. It is conceivable that we have none; it is conceivable that we would have had an apparent right; it is not for us to say whether or not we have any right. If we have any, the Government has prevented our endeavouring to exercise those rights; and, having done that, assuming it acquires this property, I say it is a most undoubted and sacred duty to protect those people who by legislative moratorium have been prevented from asserting those rights.