

55. Question 4 is. "Whether the Crown has paid to those Native vendors whose interests it purchased a fair and reasonable price for those interests having regard to the value of the said land at the date of the purchase of such interests." To this question, no answer without qualification is possible. Of the thirty-six Natives who sold interests in land, thirteen, in my view, did not receive fair and reasonable prices, considering the value of the land at the time of purchase. In one case the underpayment was mainly due to an omission in error to pay for all that had been acquired. In each of the remaining twelve cases the deficiency did not exceed £30.

In one instance where a building was separately purchased the price paid was not a fair and reasonable one.

In six cases structures on land awarded to the Crown have not been paid for.

**Question 5 : Whether the purchase-money agreed to be paid was duly paid to the Native vendors ?**

56. The purchases were arranged and payments therefor were made while Mr. Mays was acting as purchasing agent and while Mr. Bowler, and later Mr. Goffe, filled the position of Native Land Purchase Officer.

It was the custom of Mr. Mays, upon the execution of the transfer by the Native, to prepare a voucher in the appropriate form setting forth particulars of the interests acquired and the purchase-price, and to send or hand it, together with his certificate that the transaction was in order, to the imprestee, Mr. Bowler, who made his cheque to the order of the Native vendor, and transmitted it to Mr. Mays. Generally, the voucher was receipted before being handed to Mr. Bowler, but where that had not been done the voucher was returned to Mr. Mays with the cheque. On the cheque being handed to the vendor, he receipted the voucher, and this was duly sent back to the imprestee. Mr. Mays stated in evidence that he invariably required the Native to endorse the cheque in his presence.

When Mr. Bowler and Mr. Goffe had charge of the purchase a voucher was completed by the Native seller in return for the cheque made to his order.

57. Mr. Mays knew many Native sellers, and the identity of others was established by members of the staff of Messrs. Earl and Kent, who had previously acted for the private purchasers, and by Natives whom Mr. Mays knew. In later purchases the vendors were known to the Native Land Purchase Officers, or their identity was otherwise established. It is testified to in many of the vouchers before me, but not in all, by a certificate of identity. Throughout the period the form of voucher in use provided for such a certificate.

58. The procedure prescribed in connection with imprest accounts was duly observed in Mr. Bowler's time. The imprestee, when drawing a cheque, would make an entry in his cash-book of the amount to be paid to the Native seller. Vouchers, when completed, would be included in the imprestee's monthly account to the Treasury, which was accompanied by a bank certificate as to the amount at credit of the account. Treasury would forward the vouchers to the Native Department for checking, approval, and scheduling for the purpose of charge. They would then be returned to Treasury under cover of the appropriate schedule form and be passed on to the Audit Office for audit.

59. Vouchers are kept only for twenty years, and those covering payments made for papakainga interests prior to the 1st April, 1918, have been destroyed. I have, however, vouched all such payments by reference to the imprestee's cash-book and by reference to the Department's copy of Treasury schedules. Except in the cases of Hariata Whareiti, Mere Paora Tuhaere, and Te Rere Arama, it has been possible positively to identify the payments made in respect of the papakainga purchases. Particulars of the payments as recorded in the imprestee's cash-book and in the copies of the Treasury schedules correspond as to the payee and amount, but not always as to date. In certain instances the date of payment shown in the cash-book and the date set out in the schedules in the column headed "Date of Service" vary by one or more days. I attach no significance to this.

In respect of payments made subsequently to the 1st April, 1918, the vouchers are available and have been produced and checked.

It has not been suggested that any payment was made to the wrong person. There is to my mind no doubt that the moneys referred to in the cash-book of the imprestee were paid to the persons to whom they are therein recorded to have been paid, and I do not think that there is any case in which payment has been made other than to the person properly entitled.

60. Save in the cases of Hariata Whareiti, Mere Paora Tuhaere, and Te Rere Arama, the purchase-money payments made to those who sold their interests in Orakei No. 1 Reserve, and the dates of payment are set out in Appendix D. There is no instance where the amount paid in respect of an interest did not equal the consideration expressed for that interest.

In so far as the three Natives mentioned are concerned, it has been found necessary to have regard to all their sales in the Orakei Block, including the sales of papakainga interests. The blocks