

been intrusted to me, might have been settled for £200 or thereabouts, was being dealt with in such a way by Mr. Worgan as to inflict a heavy loss on the country.

15. *Mr. Worgan.*] In reference to the allegation that I have persistently refused to produce the original lease to Major Turner, what means could I have used to obtain it other than I did use?—Simply by carrying out the very specific instructions I gave to Mr. Worgan to obtain the lease. My recollection is to this effect: That the document was first of all treated by Mr. Worgan as Major Turner's; then I was told it was in the hands of Major Turner's agent, Mr. Taylor; then, when I pressed that Major Turner should give instructions to his agent to give up the lease, I was informed that Major Turner no longer had any interest in it; and I was further told, in one part of the correspondence, that Mr. Worgan considered he had used, or the Government had used, Mr. Taylor so badly that he could not be surprised at his refusing to produce the lease, or words to that effect, to which I beg to refer in the file before the Commissioner. What I felt was this: that if this lease was, as had been repeatedly described, a lease to Major Turner, and was in either his possession or that of his agent, especially as Major Turner was an officer of the Government, there ought to be no difficulty and not an hour's delay in Mr. Worgan procuring from Major Turner or his agent the lease for the inspection of the Government.

16. *The Court.*] Do you consider that the non-production of this document has been detrimental to the General or Provincial Government?—I have had no opportunity of ascertaining whether the signatures attached to it were so attached at the period it professes to have been executed, or whether in other respects it was a document which the Government was bound to respect in adjusting the claims of the Natives, or other parties claiming under them. But, with the knowledge I have on the subject, I am not prepared to say that either Government has been damned.

17. Do you consider it was of political or colonial importance that the land in question should have been acquired by Government?—Yes; I consider it was of great importance to both Governments, particularly to the Provincial Government; in fact, Mr. Worgan was sent up for the purpose of extinguishing Native titles wherever he could for the Government.

18. *Mr. Worgan.*] Did I not urge upon the Government the necessity of acquiring the particular block alluded to?—Yes.

19. Under what circumstances were certain lands disposed of to Messrs. Shephard and Kells? Shortly after taking office in 1869, the Government was extremely anxious to get a mail-coach route established as far as Patea, and entered into negotiations with Mr. Shephard for the purpose. Mr. Shephard made it a condition that he should be allowed to purchase a block of land at Waitotara, with a view of establishing a farm, and other accommodation for horses on the line. Mr. Kells also proposed that if he were allowed to purchase say 100 acres, he would put up an accommodation-house and establish a ferry at his own expense. I made the best inquiries I could as to the ownership of the block, a portion of which those gentlemen proposed to buy. I found little or no information on the subject in the Native Office at Wellington; the best I could get led to the conclusion that it was quite open to the Government to deal with the land as confiscated land. Messrs. Shephard and Kells entered into arrangements accordingly, under which they became entitled to purchase respectively, I think, 200 acres and 100 acres at £2 per acre—Mr. Shephard at the end of three years, and Mr. Kells, as far as I can recollect, at the end of seven years, his outlay being much larger than Mr. Shephard's. At the time Mr. Worgan was engaged in these negotiations, I have understood that Hata Rio and friendly Natives had asserted claims to the whole of the reserve, including the portions allotted to Messrs. Shephard and Kells.

DONALD SMITH was sworn, and deposed:

There was an agreement between Mr. Worgan and myself to purchase and lease land. That is the agreement you have shown me. I paid £800 into the bank to Mr. Worgan's credit. I was led to believe by Mr. Worgan that there was some land that could be had from the Natives. I believe there were some allotments bought by Mr. Worgan from some of the Natives,—one Native was named Reihana—the land was on the northern side of the Waitotara. There were three blocks Mr. Worgan told me he had bought; Hata Rio, Pirimana Tahua, besides Reihana, were the names of the owners, I believe. The purchase was made, I think, a few days after the signing of the agreement (agreement dated May 7th, 1872). I understood the land was purchased in accordance with the agreement. I have received an account of the £800 lodged in the bank. The money was paid back to my account about two or three months after the agreement was signed. I understood the intention was to purchase or lease Native lands. There was no land conveyed to me. The agreement was not carried out. The £800 advanced by me was a portion of the £1,000 as stated in the agreement that I would advance. I never obtained any land to manage. I believe that the land in question was purchased with my money. Mr. Worgan told me that he had bought three sections of land on our joint account with my money.

20. Do you remember my meeting you and Mr. Worgan at Mr. Worgan's office, the day the agreement was signed?—Yes.

21. The agreement having been previously prepared, did I not witness your signature at your request?—Yes.

22. That agreement was simply a memorandum of an agreement to be afterwards prepared?—At the time, I understood the one put into Court to be the agreement.

23. Was not the agreement a sort of rough memorandum from which the deed was ultimately drawn?—At the time I signed that agreement I had no thought of any other agreement. I never saw any other, though I heard there was one.

24. Did not Mr. Perham, upon witnessing the agreement, state that the document of itself was of an imperfect nature, and that a proper document or articles of partnership should be drawn up?—I do not remember.

25. Do you remember Mr. Perham telling you afterwards that he had drawn up such a deed?—I do, but I never saw it.