

Hon. Dr. Pollen.
5th Oct., 1875.

75. I observe in one of the returns laid before the House that there is a sum of £900, moneys payable to Messrs. Whitaker and Russell as compensation for surveys executed and moneys advanced on account of Matakana, opposite Tauranga. I have heard that that sum has been agreed to be written off the price of the sale of Waikato land.

[Sir Donald McLean here explained that that matter had nothing to do with the Piako Swamp sale.]

76. *Captain Kenny.*] This land had been open for sale previously?—It was thrown open in 1867.

77. *The Chairman.*] And remained open until 1871?—Until whatever time the new Regulations were issued.

78. *Captain Kenny.*] The Government considered, for political reasons, it was necessary the road should be made through this country?—I understand so.

79. How much of the road has been completed?—That I cannot tell you. A large sum of money has been expended upon it, and the work is being actively prosecuted just now.

80. Have the Government already derived, or do you think they will derive, any political advantage in the attitude of the Natives?—Yes.

81. Will it make available for sale, or will it give an increased value to, other lands in the neighbourhood? Is there any other portion of the country that will be affected by the works?—I do not know, except such lands as the Government are acquiring on the other side of the confiscated boundary.

82. Have the Government any information as to the cost already incurred by the purchasers?—I have heard it stated that about £11,000 has been expended already.

83. Can you furnish any information which will enable the Committee to form an idea whether the 2s. 6d. per acre returned to the purchasers will cover the cost of the road?—I have none, except what I have heard; of course all that will be ascertained before any final settlement will be made.

84. *The Chairman.*] Was there any probability of this Piako Swamp being taken up in smaller blocks?—I do not think so.

85. What I wish to come at is this: Whether it was possible the swamp could have been drained piecemeal?—It was impossible to do that. It had to be drained on a large scale or not at all.

86. By a detached or by a comprehensive scheme?—A detached scheme was quite out of the question, and a comprehensive scheme was absolutely necessary.

87. You alluded incidentally, a few minutes ago, to land the Government were purchasing outside of the confiscated boundary; is that at the head of this road, as it were?—My knowledge of the country is not specific enough to enable me to answer; but I know it goes into the Piako country, and I know that the lands now being purchased are on the banks of the river.

88. Is this road open for traffic of any kind?—It will be when it is completed.

89. But is it now?—That I could not say.

90. Because if it is not open for traffic, I do not understand how it could have such a good effect upon the Natives?—The effect of the road is a moral one. It does not depend upon the completion of the road, so much as upon the fact of its being made.

91. With respect to the agreement made between the Government and Mr. Thomas Russell, do you consider the colony is bound by that agreement?—I think so.

92. *Mr. Rolleston.*] Are you aware that the Regulations of 1871 provide that the lands shall be sold by auction, and be previously surveyed?—I am.

93. Would not the public be justified in expecting that no private transactions would be entered into with respect to confiscated lands, so long as the Regulations were not formally revoked?—They would have a right to suppose that no transactions would be entered into.

94. Would not some advantages have been got in the way of settlement if the Government had constructed this main road and undertaken this system of drainage in connection with immigration?—No doubt; but had the Government proposed such a thing, it would most probably have been rejected. The funds for such an expenditure were not available, unless taken from some other source for which they were required. I am quite sure if the Government had come down to the Assembly with a proposition to spend £20,000 in draining a large swamp, the prospective advantages of such a proposal would not be sufficient to induce the Committee of Supply to grant the money.

95. Do you think there was no possibility of any other capitalists desiring to have the advantages of getting any of the other great swamps of this country?—There are a great number of capitalists with enormous appetites for cheap land in this locality.

96. Was Mr. Vogel in Auckland at the time this arrangement was made?—I cannot remember.

97. Does the Government intend to bring in a Bill to validate this transaction?—It is by no means necessary. The Government have ample power under law to complete the transaction.

98. Have they not already given an assurance to the House that they will?—Yes.

99. *Mr. Cuthbertson.*] Was there, in the opinion of the Government, an immediate necessity that these two rivers should be connected by this road, with regard to the attitude of the Natives there?—I was not in the Government at the time. I was acting as Agent of the Government.

100. *Mr. Sheehan.*] You have stated that funds would not have been available for the purpose of constructing this road without the sanction of the House; was there not a large amount available then for road works in the North Island?—It was very nearly all expended or pledged in 1873.

101. Then the Government, you believe, would have had to come to the House for a specific vote?—If they had thought it desirable.

102. That could have been done, I presume?—I think the Mangere Bridge expenditure might have been put there; it would have been much better employed.

103. Then the Government do not justify the sale as a piece of policy by opening up the lands by a road, so much as a means of removing distrust among the Natives? You do not justify it as desirable or a necessity?—It would have been a desirable thing to have drained the swamp at any time.

104. *Hon. Sir D. McLean.*] Do you not think it very desirable for the Waikato settlers to have had communication with the Thames, by means of this road, for the purpose of sending down their