

the people agreed. Those who had given up interests in the Maraetaha Block asked to have shares in the other blocks as arranged. Under this arrangement 3,000 acres of the Maraetaha, called Te Kopua, which was in excess of the portion required to satisfy Mr. Johnson's claim, was to be handed back to us, and Mr. Rees also told us that Mr. Johnson would pay us £3,000 in addition. He did not explain to us that the £3,000 was for purchase of shares, but simply that it was part of the arrangement. Mr. Rees said that this money belonged to the people; that the committee must take it and place it in the bank; that they would get 6 per cent. for it; and that it would bring us in £180 per annum; but we never saw what became of the money.

49. *Hon. Mr. Mitchelson.*] Have you received any interest?—No; we have never received either principal or interest. It was then suggested that Mr. Johnson's interest in Maraetaha should be bought by us, he being willing to take £40,000 for land, stock, and everything else. We were agreeable to this arrangement. Mr. Rees said he could obtain the money from the bank. The agreement was entered into with Mr. Johnson. The money was to be paid to him in two years and a half, and in default of payment he was to keep the land. Subsequently Mr. Rees invited all the members of the committee to go to his office in Gisborne. He told us that the object of his sending for us was to execute a mortgage to raise £10,000 on the Pakowhai Block. I asked him what this money was for, and he replied that it was to provide for the sinews of war in carrying on the proceedings relating to the other blocks—Whataupoko, Kaiti, Mangatu, Paremata, Uawa, Mangaheia, and other blocks, which the company were negotiating for. Pakowhai, he said, was to be given for a security—a matter of form—that the whole of this money would be recouped to the Natives out of the other blocks. The Committee then agreed to his proposals, and signed their names.

50. Under the belief that Pakowhai was not to be responsible?—Yes; because we were told that all this money should be returned to us out of the other blocks; that Pakowhai would not be embarrassed. The moneys were obtained from the trustees of Reed's estate. The sole reason of our agreeing to this mortgage was that Mr. Rees positively told us Pakowhai was to stand free. We would never have agreed to it had we known that Pakowhai would be taken or sold. The committee do not understand how the company obtained possession of Pakowhai, because we never signed any transfer of it to the company.

51. Did not the Natives appoint Mr. Rees and Wi Pere sole trustees of that land?—Yes; we did appoint Mr. Rees and Wi Pere trustees, to act jointly with us, the Committee.

52. Was it not understood by the Natives that they were not to act without the consent of the committee?—Yes; they were appointed on the understanding that they were only to act with the consent of the committee. The two years and a half, at the end of which it had been arranged that Johnson would be paid, elapsed without anything being done.

53. *The Chairman.*] You state in the petition that the period was two years. You say, "An agreement was drawn up that £40,000 should be paid to Johnson at the end of two years." How is that?—I am not sure whether it is two years or two years and a half. In the year 1882 a relative—Hamiora Mangakahia—came to Gisborne. He told us that disaster would result to us from these negotiations with Mr. Rees; that we would lose our land. He had seen articles in the newspapers which made him believe that would be the result. It was about this time that our connection with the company ceased. We tried to find some way of getting out of our difficulty, and we brought an action against Mr. Rees and Wi Pere. Hamiora assisted us in preparing the case for the Supreme Court. The people collected £3000 towards the expense. We employed a solicitor from Auckland named Earl, and placed all the information in his hands. In 1883 he (Earl) came to Gisborne again, and he kept on until 1884. We could never understand why the case was not taken into Court; but, the whole of our money being exhausted, the case was never heard. In the year 1888 Mr. Rees and Wi Pere then suggested that they should go to England to raise the money, and they came to us to ask the committee's assent, explaining that if they should be successful they could set our lands free. We agreed, and signed a document authorising them to act on our behalf. Every one knows the result, or rather the want of result, of their going to England. We had great misgivings in authorising Mr. Rees and Wi Pere to act for us in raising money in England; but they were sure.

54. It does not matter now. You signed the agreement at all events?—Yes; I think I have touched on all the principal matters connected with this subject. The Maoris have never received one sixpence out of the £10,000 raised.

55. *Mr. Houston.*] What became of it?—I suppose it was spent by Mr. Rees and Wi Pere in travelling about. They went to England by steamer and travelled about. I placed 1,000 sheep on Pakowhai in 1883, but the company came and drove them off. In 1885 I again placed sheep on that land, but the company again drove them off.

56. *The Chairman.*] Were you a member of the company yourself?—No.

57. Were you not a shareholder?—No; nor did I receive any scrip.

58. *Hon. Mr. Mitchelson.*] In this Pakowhai Block, I understand, the Natives never got either money or scrip?—None of the owners in this block became shareholders in the company. They never received scrip nor any money.

59. *The Chairman.*] Or cheque?—No.

60. *Hon. Mr. Mitchelson.*] Do you say that neither you nor any member of the committee ever received any part of the £3,000 paid by Johnson, nor of the £10,000 raised under the agreement?—We have never received any portion of the £3,000 or of the £10,000. We do not know what became of it.

61. Have neither you nor any other member of the committee any knowledge what has become of the £3,000?—None of the committee know what was done with that money. We asked Mr. Rees over and over again to give an explanation how that money was spent. He never did so. Mr. Carroll will corroborate what I say about demanding an account of that money.

62. *Mr. Houston.*] Has anything been explained about the £10,000?—Nor was any explanation given us about this money. I never heard anything about it.