

301. What did you think the land would sell for?—I dare say from £6 to £7, so far as the flat is concerned.

302. Would you be surprised at £1 an acre being offered for rent?—Yes, I should be surprised.

303. Do you know of any land equal to that in the Colony of New Zealand being sold for less than £12 per acre—equal in value to that land?—I cannot say that I remember at the present moment any.

304. Is the land not as good as at Poverty Bay or the Heretaunga Flat at Napier?—I do not think it is. That is the opinion I form of the ground—that it is not as good.

305. *Hon. Mr. Mitchelson.*] Do you not remember the instructions given to Mr. Connell, when sent to the district to make the valuation that he was to place a valuation upon the land—not for grazing purposes, but to enable the Government to cut it up and settle it?—Yes, that was so; to value the land for settlement purposes.

306. Not for speculative purposes?—No.

307. *Mr. Rees.*] Do you know the Paremata Block?—I have been on part of it.

308. Can you form an idea of the area of the flat?—I cannot say at a guess. I have my notes upon it. I had no idea of the scope of this examination, and am not prepared to say what is the area of the flat land.

309. May I ask what Mr. Connell valued that at?—Two pounds an acre. You will understand, of course, that it is the mean value of the whole block. The value of the flats would naturally be more, and the value of the hills naturally less.

310. Do you know the price at which the hill land in that position has been sold, both at Paremata and Pakowai?—I made some inquiries when down there, but I cannot charge my memory to say what the price was.

311. The hill lands sold for £2 an acre?—Some of it possibly.

312. The Paremata Block is situated at Tologa Bay, on the harbour, is it not?—It fronts Tologa Bay, and on the river.

313. On the other side of the river is the Government township of Uawa, is it not?—Yes.

314. *Hon. Mr. Mitchelson.*] You would be surprised that the Paremata Block had been offered to a gentleman at the exact price per acre that Mr. Connell has valued it by the company?—No; I would not be surprised after having been over it and knowing the three values put upon it.

315. You think yours a fair valuation?—Yes, I think so. You have my valuation before you. I consider it a fair valuation.

316. *Mr. Kelly:* All the valuations, I presume, are in the Lands Department?—Yes.

Captain RUSSELL, M.H.R., examined.

317. *Hon. Mr. Mitchelson.*] What I want is that you should state to the Committee what the Government had in view in entering into this question—in the matter of the Paremata and Pakowai Blocks?—All that I remember about it is from an interview which you invited me to go to with Mr. Rees on one occasion. Most of it, I think, was done before I joined the Government. But I remember meeting Mr. Rees with you, and a general discussion taking place as to how land might be obtained for settlement on the East Coast, as it was desirable to get land for settlement; and how it was possible to settle outstanding quarrels with the Natives.

318. Without loss to the colony?—Yes, without loss to the colony. I remember the difficulty was to obtain land that could be cut up for settlement at such a price that the Government could dispose of it to intending settlers, and make sufficient reserves for the Natives.

319. Without entailing any loss?—Yes, without entailing loss.

320. Do you remember that after the visit to the district the Government could not see its way to offer such a price for the land, as it would not enable it to recover the cost of cutting it up, and leaving sufficient land for the Natives?—Undoubtedly that opinion was come to. I remember that particularly, because I thought the valuation of the land on the Pakowai Block was rather low.

321. You do not think the Government stopped the negotiations because it was afraid of any action which might be taken in the House by the Opposition?—Oh no.

322. The evidence of Mr. Rees states that the Government did not go on with the negotiations because it was afraid of the Opposition. Was that the reason?—No, certainly not.

Hon. G. F. RICHARDSON in attendance and examined.

323. *The Chairman:* You have been asked to attend at the request of the Hon. Mr. Mitchelson, in order that you may answer a few questions in connection with the Native-land settlements on the East Coast.

324. *Hon. Mr. Mitchelson.*] I want you to state what object the Government had in view in consenting to our visiting the Native lands on the East Coast?—We went up to inspect these East Coast properties to see, if possible, that terms might be arranged by which the Government could acquire land for the purpose of settlement, and, at the same time, to make the necessary reservations for the Natives; in fact, our only object for interfering at all was on account of the Natives; we wanted to combine settlement with the Native interests. We personally visited a number of blocks and valued them.

325. Do you think the values placed on these lands by the Government valuers were ridiculously low?—No, I do not. The average price placed on the land was fair. The Government could not have paid more without entailing loss on the colony.

326. Was there much difference in the value placed on the lands by the Government and by the liquidators of the Land Settlement Company?—Yes; the margin of difference was so great that it shut out all chance of any business being done.