

83. Can you say anything about the relative values of the Oringi and the Umutaoroa Blocks?—I should say the Umutaoroa was of considerably more value than the Oringi, because of having more timber and adjoining the township; while Oringi is miles away. When I was speaking of Oringi, I spoke of it in its natural state. Oringi is highly improved, and might be worth more than Umutaoroa at present time. I know the Tahoraite Block; it is very poor land; it is shingle-bed. In its present condition Umutaoroa is of very much greater value than Tahoraite.

84. Then, if Tahoraite is valued at £3 and Umutaoroa at 25s.?—I should say there was a gross discrepancy.

85. *Cross-examined by Sir R. Stout.*] This is the first time you have been called as a land valuer?—Yes. I spoke of the Tahoraite occupied by Knight Brothers; the unimproved value of that is very little—I should say 10s. an acre; parts not worth that. Oringi, unimproved, is worth £1; if valued at 15s. it is under-valued.

86. If Oringi unimproved value is £6,760 and Umutaoroa at £6,216?—I do not think there would be a great discrepancy; I should think the valuation very even; I would not say any discrepancy. I think I know Tahoraite No. 2 Block as Omataroa. I think £1,400 for Tahoraite No. 1 is a high valuation. I should say unimproved value of Kaitoke would be over £1. As between Kaitoke and Umutaoroa, at the unimproved rates, there is no discrepancy; I speak of the improved values as being discrepant. I have been over the whole of the country in past years shooting, and over Umutaoroa. I have not been all over the block. I have not seen shingle, and it is principally clay. Have not been there since the year 1890. Oringi is highly improved, I should think over £2 an acre.

87. If Tahoraite put down at 10s., and Kaitoke at 11s., and Umutaoroa at 25s. per acre?—I should say that not unfair for unimproved values.

88. Who called your attention to the valuation? How did you come to mention Mr. Smith to Mr. Rees?—In a talk in my office about general politics before the memorandum. I am an Opposition paper. I and Mr. Rees talk about politics, but often differ. I thought Mr. Rees must have been one of the Auckland members who signed the "round robin." He said it was all nonsense. I then said I had a good authority—Mr. Smith. There is nothing in the article about the "round robin" or Mr. Smith. Mr. Smith was my informant. The conversation was at the Criterion. I had had a glass of whiskey with Mr. Smith. Mr. Smith most certainly told me. The greater part of this article was from shorthand notes made at the conversation. The conversation with Mr. Rees was after the public meeting Mr. Rees had about Native matters. I knew that there had been some friction between Rees and Smith about the Chairmanship of Committees and Native matters. I intended it to be confidential to Mr. Rees; it slipped from me. I objected to its being told to the Premier. Mr. Rees asked my permission to use Smith's name; this was months after the original conversation. I never said that the article was a good guess on my part.

89. Did you ever say that paragraph 14 of the first memorandum was a good guess of Mr. Rees?—I think that I, in commenting afterwards, said that of course this was an assumption of Mr. Rees. I said that was my attitude. I had told Mr. Rees. This was in a later article.

90. EDWIN BAMFORD, District Land Registrar, examined by Mr. Rees.]—Do you produce the Crown-grant certificate of the Umutaoroa Block?—I produce the register book, folio 160; that is the Crown grant, it is the same as a certificate of title, for 4,973 acres.

91. Do you see the pencil memorandum of certain figures?—Yes; it is £19,619; grant, £1; registration, 2s.; assurance on £19,632, £40 18s.; acreages, £5 1s. 6d.; total, £47 1s. 6d.

92. The item £19,632: is that to make it up to even shillings?—Yes, so that it would not want so many stamps. Stamps to the amount of £47 1s. 6d. were paid to Mr. Morley, clerk to Sainsbury and Logan. The lease (Natives to Monteith) was brought forward as an outstanding deed, dated 14th February, 1883. That was from eight grantees to Henry Monteith—ten grantees altogether. Then Monteith assigned to Cadman and Smith, registered 28th October, 1887; date of transfer was 31st October, 1885; stamp-duty was paid 12th January, 1886.

93. Can you explain the memorandum as to the valuations?—I cannot bring to my mind this particular assessment. I can only tell you how assessments of this nature were made. The chief clerk would take the Crown-grant to the Chief Surveyor, and ask him what he considered the value of the land. The Chief Surveyor would there and then say off-hand £3 or £4 an acre, the valuation he considered it worth.

94. Give dates and names of the different assignments of the freehold interests?—From the Natives to Mr. Smith?

95. No, to all of them?—(1.) Transfer dated 2nd October, 1889, to Irvine.* Interest transferred from Irvine, to Irvine, Cadman, and Smith, dated 6th October, 1889. Transfer dated 15th April, 1891, Irvine to Cadman and Smith. (2.) Another share. Transfer dated 2nd May, 1891, to Cadman alone. (3.) Another share. Transfer dated 12th October, 1891, to Smith alone. (4.) Another share. Transfer dated 29th December, 1891, to Smith alone. (5.) Another share. Transfer dated 12th January, 1892, to Smith alone. (6.) Another share. Transfer dated 2nd July, 1891, to Smith alone. (7.) Another share. Transfer dated 23rd July, 1891, to Smith alone. (8.) Another share. Transfer dated 7th May, 1891, to Smith alone. (9.) Another share. Transfer dated 19th February, 1891, to Smith alone. Transfer dated 7th May, 1891, to Smith alone. (10.) Another share. Transfer dated 18th July, 1891, to Smith alone. (11.) Another share. Transfer dated 9th October, 1891, to Smith alone. (12.) Another share. Transfer dated 1st July, 1892, to Smith alone. (13.) Another share. Transfer dated 12th September, 1892, to Smith alone. That is all the transfers, by which all the shares are acquired. I produce mortgage deed, 14th June, 1892, Cadman and Smith to the Union Bank of Australia (Limited). The consideration is £2,491 16s. 1d. then due, and further sums due by us jointly to Union Bank. It recites the interests held according to the transfers. There is a covenant to assign future acquired interests. The land still stands in the names of Cadman and Smith. I produce the lease to Monteith.

* Exhibit 8, for defendant. All land-transfer papers connected with Umutaoroa Block.