

19. *The Chairman.*] You say he is working this timber: is it on his own land?—I do not know whether he is working it, but he has land containing timber which he acquired from the Crown.

20. *Mr. Remington.*] I would like to have the matter made quite clear: in giving the Premier that information, you did not give it because you thought that the Natives would be exploited—that an unfair advantage was being taken of them?—No; I gave it to the Premier in order that he might make inquiries if he liked.

21. *Mr. Willis.*] Were there any other circumstances which might have led to your bringing it before the Premier—circumstances which led you to suppose that the Natives were being dealt with in an unfair manner?—No.

22. All you had to do was to give him this letter?—Yes.

23. *Mr. A. L. D. Fraser.*] The letter made no reference to the Natives leasing the land? It was only one man acquiring it to the detriment of some of the local settlers?—Yes.

24. *Mr. Herries.*] Is the writer of the letter a white man?—Yes.

25. I mean he is not a Maori or a half-caste?—No; he is an Englishman, I think.

26. He is not a sawmill-owner?—I cannot say whether he is interested in a mill or not.

27. Has he a mill at this place?—He is a very intelligent man, and is very well known. He takes a good deal of interest in local affairs and in county matters, and that is how I came to know him. I am sorry that I cannot give you his name, because I have not got his consent.

A. L. D. FRASER, M.H.R., made a statement. (No. 11.)

Mr. A. L. D. Fraser: A company known as the Taupo Timber Company (Limited) leased from the Natives a total of 6,245 acres, divided into what is known as the Tihoi bushes, 4,170 acres, term of lease thirty-three years; and Pouakani, 2,075 acres, for twenty-one years. The leases are strictly in terms of the Order in Council duly gazetted and dated the 14th November, 1900. The company under the leases pays £2 per acre for the totara and matai only, for every acre of good timber bush, in five equal annual payments. The prospectus of the company states that "the rent is nominal merely." The estimate of cost of putting the business into sound working order will be as follows:—

	£
Estimated cost of tramway through bush to Putaruru, including formation, bridges, and light steel rails, assuming the distance to be forty miles, at £1,500 per mile	60,000
Rolling-stock	7,500
One log-hauling engine, with steam-engine, &c.	1,200
Two band sawmills, with all accessories, capable of cutting 150,000 ft. per week, and cost of erecting same	10,000
One small sawmill at bush	2,000
Sheds, buildings, &c.	500
First working-expenses	5,000
Bush tramways, four miles, at £150	600
Grice's freehold	12,500
Royalties on account	1,000
Total	£100,300

Very careful estimates compiled by competent men show that there should be a profit on an output of 12,000,000 ft. per annum, sawn timber, of from £40,000 to £50,000, and that is making a provision for a substantial reserve fund. Mr. James McKerrow, for over twenty years Surveyor-General, Secretary of Crown Lands, Chief Commissioner of Railways, and Chairman of the Land Purchase Board, made a careful inspection of the Native Bush by taking a square acre and lining it off with prismatic compass, measuring it by tape, and all necessary examination, to come to almost a definite conclusion, and he concludes by saying, "as a precaution against exaggeration, if one-third is deducted from the mean of the 3 acres specially examined, an estimate of 40,000 ft. of totara, and 8,000 ft. of matai per acre may be accepted for the 5,410 acres in this forest." This refers to a portion of the leasehold only, or a total of 216,000,000 ft. of totara and 43,000,000 ft. of matai. The total amount to be received by the Natives for the purchase of the timber will be £12,490.

This statement is not made in any way as questioning the *bona fides* of the company's negotiations with the Natives, but simply as an illustration of what the Government considers to be fair and equitable terms as between European and Native in the acquisition of timber rights.

FRIDAY, 6TH NOVEMBER, 1903.

Dr. FINDLAY, Solicitor, of Wellington, examined. (No. 12.)

The Chairman: The Committee are aware that you are able to give some evidence in reference to what is called the Taupo Timber Company. A statement has been made before the Committee in reference to the position occupied by that company, and the Committee would be pleased if you could give in as short a form as possible what you know as to the position of the company in regard to the acquisition of timber rights on Native land.

Dr. Findlay: Yes. I have been connected with the company as a solicitor for some two or three years now, but I am afraid I cannot give you so much information as Mr. Atkinson, who is present with me, and who is really the originator of the company. He is familiar with every step