

in the company's progress since its origination to the present day. My submission therefore would be that you permit Mr. Atkinson to state shortly to you its history. He has the figures and necessary knowledge, and therefore can speak at first hand, while I should not be able to do so. I could, perhaps, shorten the proceedings if I were given permission to appear here as solicitor for the company just to lead Mr. Atkinson on the lines you may wish to hear him.

*The Chairman:* You cannot do that, Dr. Findlay, because a solicitor can only appear before the Committee by request or as a witness. If Mr. Atkinson knows the history of the company from its inception he will no doubt be able to answer the questions members of the Committee may wish to put to him.

*Dr. Findlay:* I may, perhaps, be permitted to ask questions when Mr. Atkinson has concluded his statement to the Committee.

TUDOR ATKINSON examined. (No. 13.)

1. *The Chairman.*] The reason the Committee require information from you in reference to the Taupo Timber Company is this: that they have been inquiring into the agreements that have been made between the Europeans and the Natives with regard to timber rights, and they wish to get all the information possible from those who have made such agreements with the Natives in connection with timber rights. If you can give us shortly the nature of the rights that you have over Native lands it will be quite sufficient. We do not want to go into the details?—This matter was begun by me in 1898. I took the initial steps, and my reason for going to Taupo in the first instance was because I received a request from certain Native owners of the bush there. They told me that they had timber lands near Taupo which they would be glad to sell at £1 an acre, and I visited the lands and subsequently had various meetings with the Natives—of whom there were a great number, several hundreds—at different places. These Natives were scattered over many parts of the North Island, which, of course, involved a great deal of time and travelling-expenses, and so on; and I finally agreed through interpreters to give them £2 an acre for the bush upon certain terms which were embodied in an agreement which was prepared by Mr. Maurice Richmond, submitted to Mr. H. D. Bell, and afterwards to the Natives in turn. Various amendments were suggested by the Natives themselves, and finally the form of the agreement was settled. It was in 1899 when the terms of this agreement were settled. Those agreements—because there was more than one—at that time gave me the right to some portion of the area of timber presumed to contain about 5,000 acres. This bush is known as Tuaropaki, and lies within two distinct blocks known as Tihoi and Pouakani, and is situated north of Taupo and between Taupo Lake and the Waikato River. I and a few of my friends here, who relied upon my statements, spent some thousands of pounds in the preliminary steps taken; but it soon became clearly evident that we could do nothing at all under the somewhat primitive agreements we had unless we could get some more substantial title. The country was entirely unknown, and lies some forty miles from the railway in a direct line. The country was totally unexplored, and as soon as one came to investigate it was found that without a large amount of capital the whole project would fall through. It was at this point that I approached Dr. Findlay and represented the facts to him, and asked him to take the matter in hand with a view to seeing whether we could get a more secure title. I prepared a memorandum of the facts—I think Dr. Findlay has a copy of it which I could read—which memorandum was placed before the Government. I may say at once that the Natives from the very beginning were in favour of the steps being taken, and were extremely anxious that the matter should be pushed on. They were in full accord as a body—but, of course, you get a few dissentients in everything—with what was being done, and their only complaint was that it was not done quick enough. I can produce a copy of the statement which was lodged with the Government, and which, as I understand, moved the Government after ample consideration to give effect to the prayers of the Natives. It contains all that could then be said of the bushes, and the conditions under which they could be taken up; and, moreover, if I had to write it to-day I should have to alter it very little. It is on record in the Government offices, and could be put in before the Committee, as there is nothing to be concealed about it.

2. *Hon. Mr. Carroll.*] That is the application for the Order in Council?—It is the statement supporting the application. The application was put in, I think, near the beginning of the year 1900, and the Order in Council was granted in November of the same year. Dr. Findlay saw the Minister a good many times during the interval, and he instructed me from time to time as to progress. I was anxious to get on, and he said Ministers were considering the matter, and having it reported on, and so on. Then the Order in Council was finally given which is before the Committee, and I need not go into the terms of it. The whole point of our undertaking lies in this: that our difficulty has been, and still is, in finance. When we began we did not realise to the full extent what an enormous number of difficulties lay ahead of us, and from that beginning, as I have said, there has been a continual struggle with our finances. We have had to make sacrifices and give inducements for money which have put our interests wholly in the background as the original promoters; we can only expect to make anything out of it by very careful management. Numbers of first-class business-men have declined to enter into the matter on account of its uncertainties and difficulties, and had it not been for the way in which it had been tackled, and for the pluck of the men who were behind it, we could never have got so far as we have. Our railway will cost us alone over £100,000; in fact, when we have completed our scheme as a whole it will have cost us £150,000 at least. The railway, which in our circular was put down at forty miles in length, has turned out to be fifty-one miles, owing to the roughness of the country and the necessity for careful grading.

3. *Mr. Herries.*] What other agreements have you with the Natives? We have only heard that you paid them £2 an acre?—The conditions under which we hold the leases are set out in the Order in Council. The Government were very definite about these conditions. One of the con-