

190. Would you rather adopt that course, and defend an action in the Supreme Court, than submit to the course proposed in the Bill that you have seen?—I should prefer to have it tested in the Court. It seems to me that the Council have no real power in the matter.

191. What amount of capital have you invested in the Native blocks?—One of our mills is on Native land, one on the Mangapeehi Station, and the other is a sawmill on a site leased from the Wellington Land Board. I may state that we were forced into the Native bush. We had a block from the Wellington Board, and when we had cut the first 100 acres we were told that we could not cut any more, and we were forced to look round for more to keep the plant going.

192. Supposing this legislation was passed, and your lease was declared invalid, and you could not get that reviewed, what would be your loss of capital?—£30,000.

193. You have already got that invested?—Yes.

194. You would actually lose that in hard cash?—Yes; it would simply mean ruin to us.

195. Are there any other people up your way who would be in the same position if this legislation were carried?—The Maoris have a mill of their own, but we are the only European sawmillers who have started.

196. Do you know of any other people who have milling-rights as well as you?—I know of other people negotiating.

197. Do you know of any actually completed arrangements made?—Only by rumour.

198. *Mr. Jennings.*] Mr. Harrison has arranged for a small bush on this side of the tunnel, has he not?—Yes.

FRIDAY, 30TH OCTOBER, 1903.

JOHN WILLIAM ELLIS further examined. (No. 7.)

1. *Hon. Mr. Carroll.*] At our last meeting you gave the names of the blocks that you contracted for in your timber leases?—Yes.

2. And they were?—Hohotaka.

3. *Mr. Fraser.*] Is that the 2,000-acre area?—Yes.

4. *Hon. Mr. Carroll.*] And the next block?—Tiroa.

5. What area?—3,000 to 4,000 acres milling-timber. And Mangawhero; that is nearly cut out—there are about 200 acres left.

6. These are under title from orders of the Native Land Court?—Yes.

7. Are there many owners in those blocks?—Yes; there are about one hundred in the Hohotaka.

8. And Tiroa?—Something over one hundred. I am not quite sure of the exact number.

9. And Mangawhero—that is practically cut out?—Yes; that is a small block.

10. Did you contract with the whole of the owners?—With the whole in Tiroa, but the other is not fully completed. It is complete as far as it goes, but the deed provides that it is not necessary that all should sign to complete agreement.

11. Why is it not necessary for all to sign?—I do not say it is not necessary. It provides that the agreement applies only to the interests of those who do sign.

12. Have the interests been allocated?—No; not in this block.

13. In the matter of deceased owners, how do you treat the reputed successors?—The actual successors that have been appointed have signed the agreement.

14. There are no cases in which their successors have to be appointed?—Yes; but they are now gazetted to be dealt with in the Court.

15. You did not deal with them?—Yes.

16. You have taken their presumed successors?—Yes, in some cases.

17. Anticipating confirmation by the Court?—Yes.

18. You said you were not quite clear as to your objection to the clause, or to the Maori Council being placed in the position to ratify transactions in regard to timber between the Natives and the sawmillers: I think you said the Councils had no power?—Yes.

19. Is that your only objection?—Partly; my objection is because it is a legal question, and they are not possibly competent to deal with it.

20. Then, you would make that exception, that in legal phases you would not submit your transactions to them for decision?—I should prefer them to be submitted to a Judge of the Supreme Court.

21. Then, if it came to a question, apart from the settlement of a legal point, as to the *bona fides* and equities of the transaction, would you still have the same objection to the Maori Council?—Why divide the inquiry? And, besides, an Order in Council is necessary to confirm action of Council.

22. Put your answer in this way: that without the Order in Council you would be quite satisfied with the Maori Council?—Yes; I am not afraid to submit it to any tribunal.

23. Leaving aside the settlement of any legal question, leaving aside also the issue of any Order in Council that may be necessary, and taking the *bona fides* of any contract and the equities thereof, would you prefer the Supreme Court to settle the matter on these grounds in preference to the Maori Council?—I have no reason to doubt the fairness of the Maori Council, but it seems undesirable to divide the matter into two parts.

24. In any case you prefer the Supreme Court?—Yes, I think so.

25. Supposing the Supreme Court rules you out on a point of law and declares the contracts to be invalid, and you still had a show of your own transaction being tested on the ground of equity and fair dealing, would you not like to have a validating tribunal?—Yes; but if the Supreme Court ruled that it was not legal it would be of no use bringing it before them again.