

150. And you did not consider it necessary?—No. As far as I know it is a good valid agreement as between man and man; that is the advice we got.

151. And you reckon you will lose £5,000 if this legislation passes?—Yes; we would if it affects us as we think.

152. And the Maoris would be very heavy losers?—Yes. Our conditions are different to many others. We employ the Maoris, and have a good staff of them employed.

153. *Hon. Mr. Carroll.*] I want you to say again whether, in your opinion, this contract between yourself and the Natives is enforceable on one side and not on the other?—I take it in good faith that the agreement is a good valid agreement.

154. But, in fact, they could refuse to carry out their part of the agreement, and you have no power to enforce it?—In that case it would be against me.

155. You understood that risk when you entered into the speculation?—No.

156. You understood there was no risk at all?—Yes.

157. You considered it was perfectly lawful to contract with the Natives for timber rights?—Yes, in the chattel state.

158. When did it occur to you that you could contract with them for their timber in the chattel state?—When I took up the land over twelve months ago.

159. That was the reason why the contract is drawn up to make them the contractors and you the contractees?—The contract was drawn up by a solicitor, and was intended to be binding on the Natives and on us.

160. In the ordinary way you would be the contractor?—Yes.

161. But I suppose you were advised by your solicitor that the best way would be to put the Natives in as the contracting party with yourself?—When I thought it was likely to come to business I went to a solicitor and told him that I was making arrangements to acquire the right of the timber—to get the Natives to supply the timber to me—and that I wanted a document to cover my rights under those conditions, and the document is the document I now present.

162. You explained to him that you had entered into a contract with the Natives to cut the timber, and asked him to draw up the document in such a form as to give you legal rights?—That is so.

163. You say that if your contract was knocked on the head by any legislation it would be very hard on you, and also very hard on the Natives?—Yes.

164. May I understand, too, that it would be impossible for the Natives to let their timber rights legally under some other form?—No. I was presuming that if the passing of this Act affected the right of the Natives to deal with me, it would prevent them getting a living.

165. If the clause referred to existing agreements that were not made legal before a certain date, the cancellation of that agreement would cancel all future agreements: you read the clause in that way?—Yes.

166. Supposing the Natives had transferred that land to the Council, and the Council had submitted it to public tender, would there have been any loss on the part of the Natives?—Yes.

167. In what way?—In the first place, they would not have got 6d. per 100 ft. by public tender at the time they let it to me. If it is advanced to 1s., as I have heard to-day, at the time they sold it to me they could not have got 6d. As a matter of fact, the Government to-day are offering large areas of land at 12s. 6d. per acre in the neighbourhood, and cannot sell it—it is hanging fire. The Natives will suffer in that respect, and they would suffer very seriously in another respect. With me they get 1s. per 100 ft. for breaking out the timbers, which they never would have got from any other man, and they would suffer in that respect. It is an absolute livelihood for them, and you would deprive them of it. You would reduce their earning rate from £11 11s. to £2 10s.

168. Why do you say no one would engage these Natives in the way that you do and pay them 6d. royalty?—I do not know that any other people would employ Natives in the bush as I am doing.

169. Are you not aware that other sawmilling companies have provisions in their agreements for the employment of Natives?—There may be, but certainly not in my neighbourhood.

170. You say that if this land had been put up to public auction when you took it up, the Natives would not have got the price you gave?—That is my candid opinion. They would not have got 6d. a hundred for it.

171. And if it were put up to auction now, what price would it fetch, do you think?—At the present time it might fetch the 6d., but I do not think that it would fetch more. I could name a man I could get the timber from at 4d. We have bought a little for 4d. alongside the block, so it does not look as if they could get the 6d. even now.

172. You say you can get bush in the vicinity at 4d.?—Yes.

173. Have you bought it at 4d.?—Yes; small areas on the edge of this bush of mine. But I have another large area adjoining it also offered to me at 4d.

174. You can give the 6d. for the royalty and can employ the Natives at 1s.?—Yes.

175. You can pay the freight and can undertake all the other expenses, and at the same time sell it in the market and allow 17½ per cent. discount?—That is so.

176. That is outside any profits you may have for yourself?—All our profits come after that.

177. You give away 17½ per cent.?—Yes.

178. Even at the price you say is a very great price, and you say that no one would give it, you are satisfied with your own profits and can give a discount of 17½ per cent.?—That is to the dealers. We are obliged to give it. They give a percentage again out of that to the builders—10 per cent.

179. Have you your agreements registered?—Not registered—they are stamped.

180. They are only stamped?—Yes.