

190. *Mr. Mander.*] And you would not be justified in building a mill for that area?—No. We do not know who the Maori Council are.

191. What district are you in?—The Maniapoto. Why I say that is because the President of the Council is an officer of the State—a Land Purchase officer who might be opposed to any one getting a footing.

192. You have no confidence in the Maori Council yourself?—No.

193. *Hon. Mr. Carroll.*] And for that reason you are apprehensive?—Yes.

194. *Mr. Herries.*] If any Native were dissatisfied he could sue you in the Supreme Court? If he refused to sign he would have his rights against you in any Court of law?—Yes; but not a single one has refused.

195. Then, if you do not carry out your contract they have a right in law to sue you?—No; we should simply forfeit all we have spent in going as far as we have gone.

196. They could not recover damages from you for not carrying out your contract?—No; but we must within two years begin operations.

197. Supposing you are in the middle of your operations and you suddenly stop, can they get damages from you?—There is no provision to that effect. Their own interest in the thing is so large that it is practically a controlling interest.

198. You must make a start in your operations within two years?—Yes.

199. Supposing the Maoris refused to carry out their contract, have you any remedy against them?—No, I do not think we should have; but the terms we are offering the Maoris are such that we feel perfectly safe in their hands. They receive a substantial royalty, and hold one-third interest in the company; and there is another thing, I do not think it will be necessary to call up more than 20,000 shares, and consequently they will then be half owners in the company themselves. I know from the nature of the bush that the royalties will be very profitable, and they will also participate in the future value of the timber. The Maoris have everything to gain and nothing to lose by this contract.

200. If any one loses it will be the white man?—Yes.

201. What arrangements have you made about felling and cutting the timber?—We have not made any special arrangements, but we erect the mill and start proceedings.

202. Do the company fell the timber, or the Maoris?—In the first clause of the agreement the Maoris make the company agents in the matter, which, of course, this new Bill proposes to prohibit.

203. Then, the Maoris make you the contractors for felling it, and you employ the Maoris again?—Yes.

204. What price do you propose to give them—day wages or contract?—We propose to pay day wages.

205. *Hon. Mr. Carroll.*] That is not the subject of agreement yet?—No.

206. *Mr. Mander.*] You are at liberty to deal with whom you like to fell and deliver the timber to the mill?—No; we are compelled to give preference to the Native owners in employment.

207. Whose idea was this partnership?—The idea of the Natives.

208. They came voluntarily forward and asked for it?—Yes; they insisted upon being allowed to acquire this interest in the company.

209. How did you come into it? Did the Maoris approach you, or were you looking for timber in the district?—My mother is a half-caste, and cousins of ours knew that Te Heuheu was desirous of forming a company on these lines, and brought the matter before me and introduced me to him. That was the point from which we started.

210. What I want to get at is whether the Maoris approached the white man?—Yes.

211. Then, it is not the white man who wants to get anything from the Maori?—No; it is the Maori who wanted to get a company formed to share this thing with him. That is the true position.

212. *Hon. Mr. Carroll.*] You said, in answer to Mr. Herries—or, I drew it as an inference—that you did not start operations because you were waiting the decision of the Legislature?—Yes.

213. What decision of the Legislature?—To see whether that clause 31 will render it impossible for us to cut the timber.

214. Had that clause not been suggested at all this session would your operations be now going on?—I think so. We should have been further advanced in the floating of our company. Our next step would be to acquire our tramway rights.

215. I understand you to say that your real objection to the clause is the possibility that the Council would have power under that clause to modify or alter any agreement that came before it?—Yes.

216. Otherwise you would be willing to submit your agreements to the Council for confirmation?—Yes.

217. At the same time, I think you said the terms are so good that you do not fear anything at all from the Natives?—That is so.

218. But you do fear some modification in the terms from the Council?—No; in the area, not in the terms.

219. You would be perfectly confident, supposing that clause passed—seeing that you would have to submit your contract, if of legal effect, to the Council—to submit it for confirmation?—Yes.

220. You would have no fear whatever that the Council would modify the terms?—That is so.

221. Your fear is in regard to the limitation of the area?—Yes.

222. And you have been advised that the Council could not possibly grant you a lease of a larger area than 640 acres?—Yes.

223. Were that restriction removed you would be perfectly satisfied?—Yes, that is so.