

Maori Land Board did something else which is still more extraordinary, Mr. Chairman. They directed that £2,500—10 per cent. of this £25,000—should be paid into the hands of certain Natives to be applied in payment of expenses.

*Hon. Sir J. Carroll:* Perhaps we will get that better from the Board.

*Witness:* Yes. My point is this: I am submitting that the Maori Land Board was not only concerned in getting the resolution passed, but it actually provided that the expenses—of whom I do not know—should be paid by 10 per cent. of that money; and this 10 per cent. has been placed in the hands of two people, one of whom is making a claim of £1,000 for commission for selling the land.

*Hon. Sir J. Carroll:* That wants to be reduced to the actual fact, which is as to what the Board did.

*Witness:* Yes, Sir James. If I am misstating the position I am very sorry. But, again, the Board had no power to do that.

*Hon. Sir J. Carroll:* If it did it.

*Witness:* "If it did it." What the Board did with regard to this 10 per cent. I do not know. It seems from what Sir James has said that I have misunderstood it; but the Board did something with 10 per cent. of the purchase-money when it had no power to interfere with a shilling of it. Of course, a lawyer's opinion is not worth anything on the question of value, and I am not offering an opinion, but I am suggesting this as a fact which I used to guide the Natives upon this question of value, that if there were a number of experienced gentlemen who were willing to pay a large sum of money for the land, they might well rely on that as against the opinion of valuers who were employed to assess the sum at which it would pay the Government to buy the land. The Natives, I think, were influenced to some extent by that way of putting it, and I still adhere to it. The position I take up is this: that the Natives never had independent legal advice, and that the Maori Land Board, whose business it was to protect the Natives, saw that they had no independent legal adviser, and ought to have seen that they were protected. The Maori Land Board, so far from trying to protect the Natives, did everything in its power to force through this sale. Secondly, that there never was any substance in the claim against the Assurance Fund, but that if there was, then it is still open, and if £80,000 is the damage which was suffered by the registration of the leases, the freehold must be worth a quarter of a million. Those are the facts which I venture to submit, speaking from the point of view of the Maoris, are important. I have nothing whatever to say on the question of the Government's action. I am neither competent nor desirous to express an opinion upon it. That is all I desire to say.

8. *Mr. Massey.*] You referred, Mr. Bell, to a sum of £800 which the Natives were required to raise before any action could be taken. By whom was that £800 intended to be held?—By the committee representing the Natives.

9. That is, by Tuiti Macdonald?—It was to be put into a bank.

10. In whose names?—Well, I suppose I should have had some control.

11. Still, it was to have been held in trust?—Yes.

12. It was not to have been handed over to your firm or any other firm?—No.

13. You mentioned that 77 per cent.—I think you said 77 per cent.—of the Native owners were opposed to the sale when it was first suggested to them?—I do not know that. The 77 per cent. was the information I got, by telegram or letter, from Mr. Hardy and Mr. Tuiti Macdonald between the first and second meetings, when they were getting the signatures to the warrants.

14. They informed you by telegram or letter that 77 per cent. of the Natives were opposed to the sale?—Yes.

15. Have you got the letters?—Yes, I have the one about the 77 per cent. And here is one of the telegrams. [Produced.]

*Mr. Massey:* There is one paragraph in this letter from Mr. Hardy referring to the point I have raised, and it is this: "It was not till after the second Court"—I presume that was the second meeting of assembled owners—"that Dalziell learnt the strength of his opponents represented by my party—namely, 77 per cent. of the whole."

*Witness:* The telegram reads: "New authority excluding Macdonald signed by Natives. Have been very successful, as to signatures to writ, &c. Hope see you shortly. Notified Board *re* adjournment.—Hardy." That is only one of the telegrams I received, and the final result is said to be 77 per cent.

16. *Mr. Massey.*] According to this letter, then, the strength of the party opposed to the sale even at the second meeting was 77 per cent.?—That is Mr. Hardy's report. Of course, I was not there.

17. Mr. Hardy was one of the committee appointed to look after the Native interests?—Yes, he was chairman.

18. Is it correct that Mr. Hardy changed his mind after the second meeting, or changed his attitude?—His explanation is here in this letter. He says, "Luckily, however, about that time Mr. David Whyte, representing a syndicate from Hawke's Bay, called upon me (being an old friend) and asked me to subscribe for shares in a company formed to take over the Stubbs' coal property, and the Mokau lands if Lewis succeeded in getting the freehold. I refused to take any shares, but, having heard the whole proposals of the company, thought it would overcome the Native scruples against parting with their land if they could sell and retain an interest in the form of shares. I forthwith laid the proposition before the Natives and it was promptly accepted, all facts having been divulged and afterwards published in Wellington."

19. There is another point about which I want to ask you. It has been suggested that if the Government had purchased the freehold interest from the Native owners there would have been difficulty about acquiring the interests of the leases. I do not know whether you have noticed section 375 of the Native Land Act, 1909. If so, might I ask you whether you think the difficulty