

236. Do you know that it is the same coal as the Huntly coal? You stated in reply to Sir James Carroll that the land was subject to an unexpired lease, having twenty-six years to run. Do you know that there is very serious doubt as to the legality of these leases?—Yes, that is so.

237. You have read the report of the Native Land Commission?—Yes.

238. Sir Robert Stout, the Chief Justice, and Mr. Jackson Palmer, the Chief Judge of the Native Land Court, are acknowledged authorities, are they not?—Yes.

239. They state that in their opinion the leases were void or voidable?—Yes.

240. Now I come to Mr. Bell's opinion. He says: "It is necessary to separately consider the lease of 1r from the leases of the eastern half, and I take first the lease of 1r. Upon that lease, which is dated 1882, the Commissioners state three matters for consideration. First, that the lease has not been executed by seventeen of the Native owners; second, that the term of the lease commences a year after its date; and thirdly, that the covenant to expend £3,000 per annum in development has never been performed. With the most unfeigned deference to the high authority of the Commissioners, I am unable to advise the Native owners to rely in any degree upon the second objection. For whatever legal effect the postponement of the commencement of the term might have had, I think that any Court would hold that the lease is referred to in terms in section 3 of the Mokau Act of 1888, and that the permission given to obtain further signatures to that lease, and the further permission by section 4 to register the lease, and the further express recognition of its validity by section 5, prevent any question being raised as to the validity of the lease in this respect. But of course the seventeen who did not sign are entitled to all their rights as owners unaffected by the lease, and the lessors were and are entitled to insist upon performance of the covenant." So there were seventeen Native owners outside the lease altogether?—Yes.

241. It goes on: "For the reasons given by the Commission, I think that the agreement to abandon the covenant in consideration of a higher rent is one not binding upon the Natives who signed it." That is the opinion of Mr. Bell?—Yes.

242. I think that disposes of the statement that has been made that the then lessee covenanted himself out of the condition to spend £3,000 per annum in development. Mr. Bell also says, "As to the rights of the lessors in 1r, I think that they can only safely rely upon the breach of covenant to expend moneys in improvement and to reside on the land, but I think they are entitled to claim that the lease has been forfeited by reason of the breach of that covenant." That was Mr. Bell's opinion?—Yes. I represented a very small minority in 1r.

*Mr. Massey*: The point I was endeavouring to get at is that there was very little doubt as to the invalidity of these leases. I will put Mr. Bell's opinion in. [Document put in].

243. *Hon. Mr. Ngata*.] Have any of these Te Whiti-ites and Tohu-ites drawn their purchase-money?—No.

244. Can you give us a list of them?—Yes.

*Hon. Mr. Ngata*: If the Committee will agree to take a list of them, we could check it with the President of the Board.

*Witness*: You could get the list from the President of the Board.

#### THURSDAY, 31ST AUGUST, 1911.

*Mr. Greenslade*: Before we start the proceedings, Mr. Chairman, I should like to call attention to a paragraph that appeared in the *New Zealand Herald* of Tuesday, 29th August. It is headed "Parliament's Rest Over: A Chat with Mr. Massey." In it Mr. Massey is reported as having said, "The Mokau inquiry is going on slowly but satisfactorily. The main facts as set forth by myself on the platform are already established, though the details will take some time to inquire into. As to the report, it will be just such a one as might be expected from a Committee consisting of nine Government supporters and three Oppositionists." Is that correct, Mr. Massey?

*Mr. Massey*: Yes, substantially.

*Mr. Greenslade*: I want to say, then, Mr. Chairman, that personally I regret this very much indeed. As far as the Committee are concerned, Mr. Massey must admit that we have not shown the least bias, or given any indication as to what our findings may be, for the simple reason that we cannot do so until the whole of the evidence has been taken. The innuendo is that because there are nine Government supporters on the Committee and three Oppositionists therefore the report will be of a favourable character to the Government. That is a very poor compliment to the intelligence of Mr. Herries, Mr. Dive, and Mr. Mander.

*Mr. Herries*: They can look after themselves.

*Mr. Greenslade*: I take it they will vote as fairly and consider the matter as impartially as I and every other member of the Committee will do. I regret the matter has assumed this form, but I felt it my duty to bring it before the Committee. I resent the imputation, because it is absolutely undeserved and unfair.

*The Chairman*: One statement made in this paragraph is that the inquiry is going on slowly. Well, the slowness has been owing to Mr. Massey having to go away, and to Mr. Dive not being able to be here. The Committee was adjourned to meet your own wishes, Mr. Massey, and Mr. Dive's. Therefore the statement in this report is, I think, incorrect in that respect. However, it is a matter, I suppose, that rests with the good taste of the individual who makes the comment. We will proceed with the evidence.