

think it is quite obvious that if the Natives are not to be deprived of the right to compete, their right to compete will be little less than a sham unless they are in a position to finance the payment to the outgoing tenant for his improvements. Now, that raises the question as to what the Government should do in the way of financing the Natives. Your Worships will remember in the report of the Public Trustee in 1909 which I read this morning, the Public Trustee then advised the Government that the Advances to Settlers Department should be authorized to advance to the Maoris in order to enable them to pay for their improvements, and he added that there would be ample security. Now, the Natives ask that they should be placed in the same position as the pakeha for bidding—that is to say, they should have the same opportunities of backing their bids with finance as the pakeha competitor has, and on the Public Trustee's report there will be ample security for that. They also ask that the right to go to the Advances to Settlers Department should not only be limited to those Natives who wish to compete for the leases, but should be extended to those who take up occupation licenses. I have discussed this matter briefly with the Public Trustee, and he put to me this position: Suppose we, by a loan, assist the Native to get in, and suppose then he does not make a success of it, and allows the land to go back, we are impoverishing the Native. Now, the question of loan or no loan differs from the question of right to bid or no right to bid, in this way: that we have guaranteed to the Native his right to bid, but we have not guaranteed to the Native his finance; so that I think the Natives are bound, and they are prepared, to agree to reasonable safeguards being taken by the lending Departments to prevent the loans actually injuring the Natives. I put it to them that they should authorize me to suggest that the loans should be made, and that after inspection, or at the end of five years, if the making of those loans was proved to be unjustified by the results, the lending Department should be in a position to go back on its bargain. They are so confident that they will be able to show good results that they would authorize me to consent to an arrangement of that sort. I do not, if your Worships will permit me, propose to follow that question as to finance further at this moment; it is not a question upon which it will be necessary to call evidence. I have indicated something of the nature of what I should propose, because your Worships will want to turn it over in your minds during the rest of the hearing. I think the wisest course will be for me to discuss with the Public Trustee what he thinks would be reasonable safeguards, and to then put the proposals which he makes before my clients, and then to suggest to you what my clients would wish at the close of my case. That is the whole of what I have to say, sir, and I have to apologize again for taxing your patience; but I have felt that I am not only addressing you. The evidence right through has raised all sorts of points, and the history which I have given you of our previous dealings with this matter must have convinced you that more than once Parliament has agreed to legislation with its eyes shut—that points have been blurred and matters have been pushed through and the Natives have not been heard. Now, I have been trying to deal with every point that has occurred to me would be brought up not only before you, sirs, but in Parliament. I have been endeavouring to find a complete answer for each one of those points, and that explains the extreme length of my address.

*The Chairman:* I do not think there is any apology due from you at all. The Commissioners are very pleased to hear the clear way in which you have placed the matter before us. The matter is an entirely new one to myself, and I am glad to hear both sides of the question as far as we have gone. I think the Public Trustee is here, and if he would feel inclined to make a statement before the Commission we should be very glad to hear him.

*Dr. Fitchett (Public Trustee):* I should like to say a word or two. Beyond complimenting Mr. Bell on his clear and logical speech to the Commission, I do not feel called on to refer to it except on one or two points. Mr. Bell instanced a couple of letters which appeared on the file, but if Mr. Bell knew more of the business of the Public Trust Office he would not wonder at finding letters of that sort on the file, and still less would he wonder that no reply went from the Public Trustee. The Public Trustee has a very large correspondence—hundreds of letters come every day, while not one in every hundred personally reaches him. The letters are opened by the distributing clerk, who distributes them to the various sub-departments. They are there put on their respective files before being dealt with, and the officers in charge of those departments are too busily engaged in attending to the actual business to think of the ethical points involved in those letters. If the Public Trustee took upon himself in every case to write stinging replies to improper suggestions he would have no time to attend to his proper work. In regard to the first letter to which Mr. Bell referred, my predecessor was concerned. I do not suppose he ever saw it, and if he did he would, I am sure, do precisely what I did with the second letter—namely, ignore it. Mr. Bell does not suggest it influenced the Department. I can assure him it did not. Every letter which is received by a Department such as ours must go on the file, and it is impossible for the head of it to keep the morals of his correspondents in order. The second point is a more serious one—Mr. Bell's view of the action and attitude of Parliament in connection with these reserves, and I mention it not by way of criticizing him, but in order that the Commission might hear another view of it, at all events. Mr. Bell postulates that the Act of 1881 was a contract with the Natives, and that therefore it was not competent for the contracting parties to depart from it without mutual consent, and that Parliament in amending the Act committed what he called a breach of faith. I cannot accept that view at all. The Natives had nothing to do with the Act of 1881; no bargain was made by Parliament or the nation with the Natives. The broad view which may reasonably be taken is this: When the troubles arose the Taranaki Natives helped us; the military authorities recognized their help, and no doubt promised to reward them, as every nation does in such circumstances, when peace is restored, and steps are taken to give substantial effect to such promises. That is precisely what the State did in this case. It set apart large areas of land for the benefit of those Natives. It was a gift—not a bargain, the method of administration being a pure matter of detail which Parliament has always controlled by Act from 1881 onwards.