

Mr. Worgan said, This is Hata Rio, one of your lessors. He told me then that it was absolutely necessary that Hata Rio's interest in the block of land mentioned in Turner's lease should be purchased out by the Government. Hata Rio declined to sell to the Government without the consent of Major Turner. He said, Would I give my consent on behalf of Major Turner? I think I told him at this time that I was the purchaser. I think so; I am not quite clear. I refused my consent to allow the Government to purchase except subject to the lease, for by so doing I should lose considerably. I valued his interest in the lease at £200. Mr. Worgan then said, unless I allowed him to purchase for the Government, he could not possibly make the allocation of the land in the lease. He then asked me if I would purchase Hata Rio's interest myself. He said by so doing I would do myself good and the Government a service, seeing that my interest in the lease might suffer if I did not assist him in getting rid of the difficulty. I asked him to ask the Native what he wanted. He said £400. I then asked where the allotment was to be. He could not say; I should have to leave it entirely to him. He then told me his reason for wishing to purchase Hata Rio's interest out, which was that he claimed the land on the bank of the Waitotara River which has been given to Shephard and Kells. I may say I knew this well at the time. I then said I could not give £1 per acre and leave the allotting of the land to Mr. Worgan, as I did not know what kind of land I might get for my money. Another reason I gave for not giving £1 per acre was that I had instructions from a client to purchase 400 acres in the Waitotara Block, and that I was limited to 15s. per acre. I told him I would give the £1 per acre if he would allot it in a particular locality, to be named by myself, in the Waitotara Block. He refused to do this. He gave his reasons for refusing, saying it would interfere with Government requirements, and said if I would purchase Hata Rio's interest, paying the sum required, £400, and leave the allocation to him (Mr. Worgan), he would undertake to procure me another section of 400 acres at the 15s. per acre, to enable me to fulfil my engagement with my client; but that I was to distinctly understand that I was to accept the allocation he made in both instances, no matter where or what, it being understood that it was to be between the Rivers Waitotara and Whenuakura. I agreed to this solely to rid the Government of the difficulty and forward the allocation of the Native interests in the Turner lease. I told Mr. Worgan at this time that I was losing £300, as I valued the interest of Hata Rio's in leasehold which he claimed at £200; and also, by leaving the allocation to him (Worgan), I did not expect to obtain land worth so much by about another £100. I must state that since the land has been allotted I have seen it, and do not consider it worth as much by £2 per acre as the land claimed by Hata Rio. It lies seaward of the Railway Reserve. I purchased the land from Hata Rio; Mr. E. Woon was the interpreter. About the end of May I waited on Mr. Worgan, and requested him to carry out his part of the arrangement, by procuring the 400 acres at 15s. per acre. My client then being in town wished to have the matter settled. Mr. Worgan then sent a Native called Poari Kuramate, whose interest I purchased at 15s. per acre; Mr. Woon acted as interpreter. Mr. Worgan called on me previous to me completing the transaction, and requested me to retain the sum of £100 which he had paid them on account of the Government. I handed the £100 to Mr. Worgan. These are all the transactions I have had with Mr. Worgan.

385. *Mr. Perham.*] Have you ever been connected with Mr. Worgan up to the present time in any land transactions for your joint benefit, by way of partnership or otherwise?—No; none whatever.

386. In any conceivable way, past, present, or future?—None.

387. Do you anticipate in any way reaping a profit from any of your land transactions in which Mr. Worgan is to have any advantage, pecuniary or otherwise?—None whatever.

388. In all business matters has Mr. Worgan ever had interviews or transactions with you other than in his public capacity in reference to land?—None whatever.

389. *Mr. Booth.*] In purchasing these lands that you have mentioned, did you purchase them on your own account or as agent for Government employed by Mr. Worgan?—On my own account.

390. Do you remember a meeting having been held in Mr. Pharazyn's room relative to Turner's lease in July?—Yes.

391. Do you recollect there stating that you had been purchasing land from the Natives as Mr. Worgan's agent?—I told them that Mr. Worgan asked me, where he could not himself purchase out Native interests or otherwise by his absence from the place, that if I had an opportunity to purchase these interests on his behalf for the Government to do so.

392. Do you recollect also on that occasion, in the presence of the above-mentioned gentlemen, denying that you had sold any of these lands purchased from Natives in the confiscated blocks?—I do not recollect ever such a question being put; neither did I deny it; that is, assuming that the question was put.

393. In purchasing the 400 acres from Hata Rio, have you bound yourself to pay him the balance?—Yes.

394. And you have not been relieved of the responsibility—paying him the balance, £200?—I consider myself partially relieved by moneys since paid to him.

395. Did not Hata Rio and Mr. Worgan sign an agreement relieving you of the responsibility?—No.

[Agreement read by Commissioner between Hata Rio and H. S. Taylor, already in evidence, and marked 7.]

396. Do you still hold yourself bound to Hata Rio for the £200 and interest?—Not for the whole sum, only for the balance at the present date.

397. The stamp on this document has not been dated, do you hold that to be any bar to its legality.—None whatever.

398. You stated in Wellington you were willing to part with your interest in the lease, and you repeated it to the Board. Be good enough to state what were the terms you offered.—Cash value of the difference in amounts between current rates of interest on 20s. per acre for twenty-one years, and the amount of rent to be paid by me for the said term.

399. What did that amount to?—The cash value amounted to about £1,250?