

yet to be allocated to the company, in order to make up the deficiency I have already referred to, is particularly specified. It is put in this way: "In addition to the above there is land yet to be allocated to the company by the Government, which therefore cannot be valued (about 65,000 acres), but, say, at above rate, £130,000." This prospectus was issued in 1883. There was then no actual experience of the value of the land which the company was to get, but there were opinions entertained by gentlemen who had some knowledge of the country that a good deal of the land was of considerable value. A good deal of it is, no doubt, very indifferent, consisting of mountain tops of the usual character, which may fetch a few shillings per acre. But the land in the vicinity of the line has always been considered to be of large value for purposes of settlement. In point of fact the construction of the line was based on the existence of a tract of country suitable for settlement. Gentlemen who had merely travelled from Wellington to Foxton, along the sandy beach, with the sea on one side and most uninviting sandhills on the other, generally came to the conclusion that there was not an acre of useful land throughout the district. Indeed, a Commission, appointed by Government to inquire into the expediency of constructing a line of railway through the district, reported dead against it. But those who had better opportunities of becoming acquainted with the land knew that there were large areas of extreme fertility, and especially spoke in high terms of the Horowhenua Block.

*Mr. Ross:* I think it might enable the Committee to follow more closely the position if you state how it was that the successor to Mr. Bryce, who came into office at the end of 1884 (the contract was made in 1882, and Mr. Bryce was then Native Minister), did not complete the purchase of any part of this Native land before 1887.

*Mr. Travers:* I am afraid I shall have to say that Mr. Bryce had become somewhat hostile to the company. The correspondence which I have here will show this, or, at all events, that Mr. Bryce was not altogether favourable to the company. I think I have already mentioned that, while we had reason to believe that the Minister of Lands, the Minister for Public Works, and the Hon. the Premier were all favourable to the company, we found persistent opposition on the part of each of the honourable gentlemen who occupied the position of Native Minister. In 1884 Mr. Bryce ceased to be Native Minister, and he was succeeded by Mr. Ballance, who, I am obliged to say, has shown still greater hostility to the claims of the company than even his predecessor did. For, though money was at Mr. Ballance's disposal for the purpose of completing the purchase of the blocks in question, he refused to avail himself of it for the reason I have stated before—namely, in order to defeat the rights of the company. As I have already said, the correspondence between the company and the Government, up to the year 1883, has three phases—the first before the contract was entered into, the next after the contract had been entered into, and the last after the matter had been transferred from the Public Works to the Native Department. I now propose to call the attention of the Committee to this correspondence, and to offer a few observations upon such parts of it as appear to me of weight in connection with the company's case. The first letter on the subject is one dated the 13th February, 1882. [Letter read.] I would at once invite the attention of the Committee to one special fact which will be found to pervade the whole correspondence—namely, that there has always been a distinct statement on the part of the company, with reference to the supplementing of the deficiency in land for allocation, that this deficiency arose in consequence of a request on the part of the Government, acceded to by the company in the manner already detailed to the Committee. From the commencement to the end of the correspondence this is to be found in the letters addressed to the Government by the company, whilst, in those addressed by the Government to the company, there is not a syllable dissenting from this proposition. You will see, Sir, that this bears out what I have said, that the period of five years mentioned in the contract was an arbitrary time fixed with reference to that allowed for the construction of the railway, on the completion of which the selection of the allocated land was to be completed. No reply was received to the letter of the 13th February, 1882, except perhaps the ordinary official acknowledgment of its receipt, but no reply to the request contained in it. On the 21st September, 1882, an interview took place between the Minister for Public Works and the Deputy Chairman of Directors of the company, at which Messrs. Levin, Johnson, Plimmer, and the Secretary were present. A minute of what took place was made by the Secretary of the company after the deputation had withdrawn, and that minute will be placed before the Committee. It was made immediately after the deputation had left the Hon. the Minister, and the statements contained in it will be found to be borne out by a letter which was addressed on the next day to the Hon. the Minister for Public Works with reference to that interview. The letter was dated 22nd September, 1882. [Letter read.] I think the statement I have made as to the correctness of the minute referred to will be fully borne out on reading the reply to this letter; for in that reply there is no suggestion that it contained any misrepresentation on the part of the company with respect to the actual arrangements between it and the Crown as to the blocks withdrawn—namely, that this was done on the distinct understanding that diligence would be used to acquire the lands on the western side of the range with a view to supplementing the company's allocation. The answer to the above letter is dated the 18th October, 1882. [Letter read.] On the 22nd November, 1882, a letter was sent to me, as solicitor for the company, from the Public Works Office. [Letter read.] You will observe, Sir, that in neither of these letters is there any suggestion that the statement made by the Chairman, in his letter of the 22nd September, was not in accordance with fact. Of course, Sir, the company, with an assurance of the kind referred to, and seeing that the contract did not contemplate any grant in money, naturally concluded that it was justified in relying upon the understanding which existed with reference to the acquisition of these lands, and in believing that that understanding would be given effect to within a reasonable time. It certainly could not have been contemplated by the company that, in the long interval which elapsed since the date of the Minister's letter, no steps would be taken to fulfil the arrangements that had been made. Now, when it was found that the matter had been transferred to the Native Minister, the