

53. *Mr. O'Callaghan.*] Did the company incur no expense in assisting the Government in the purchase of the Native lands?—None at all that I know of.

54. Was there any land beside Native land available on the west side of the range, within the fifteen miles—no other land available which could have been given except Native lands?—None at all; there are just the Native and Crown lands.

55. Was there any more Crown land on the west side of the range that could have been given to the company?—No, it was all given.

56. *Mr. Ballance.*] In reference to this allocation of 30 per cent. of the estimated cost of the line, you are aware of the opinion of Mr. Rolleston on the subject?—Yes.

57. Did he try to acquire any land afterwards for the company by purchasing from the Natives?—Not that I am aware of. Giving an opinion, I should say that he would not care to try it.

58. Do you know if Mr. Bryce tried to acquire any of this land?—I do not know. The Government were trying hard for years, before ever the company appeared on the scene at all, to purchase this land with the object of opening it up for settlement.

59. I mean that the contract having being made, did Mr. Bryce try to acquire this land?—I could not say that. No doubt the Land-purchase Department could state definitely on that point: I never heard him speak of it.

60. Have you any papers showing that Mr. Rolleston expressed his opinion that the company had got sufficient?—No; I do not think I could produce any papers to show that.

61. Who was the umpire?—Mr. Kennedy Macdonald. He went with us, but did not require to give an opinion.

62. Had you anything to do with the valuation of this land for the purpose of floating the company in London?—No; I positively refused to have anything to do with it, or allow any of our staff to have anything to do with it.

63. Have you seen the prospectus?—Not till I saw it here.

64. You do not remember who was appointed valuer?—I do not remember. I may say that very considerable pressure was brought to bear upon me to allow our Chief Surveyor and Commissioner to be their valuer, but I would not allow it. I positively said "No," so far as the department was concerned. Of course, if the Government overruled me it would have been different.

65. *Mr. Travers.*] I do not know upon what authority Mr. McKerrow says that, because the secretary says that application was never made for any such person. It would be in writing if it existed. Mr. McKerrow is probably under some misapprehension. I should be very sorry indeed to think that he would say such a thing, knowing it to be incorrect; and I think he has been misinformed on this point?—No, Sir; I am speaking of my own knowledge in the matter. There was an officer who was asked to be valuer, and Mr. Marchant was the gentleman. Mr. Marchant saw me on the morning of the new year—I think it was as I was going down to the wharf—and asked me about it, telling me the proposal that had been made to him. I told him that I could not agree to it. Then I was interviewed on the subject, and I said, "No, I would not agree to it." Then the Minister was interviewed on the subject (Mr. Rolleston), and he would not agree to it. There was no writing in the matter; but the whole matter was before myself, the Minister, and Mr. Marchant, by personal interviews by parties who were negotiating the financial business of the company.

66. There is nothing in the record about that?—No, there was not.

67. *Mr. Ballance.*] Then you have no personal knowledge of the position, or how the valuation was made?—No; as the department refused to have anything to do with it, and it was none of my business to know.

68. You say you based the valuation on the then value, and not the prospective value?—No; it is specially provided that prospective value was not to be taken.

69. *Mr. Whyte.*] Was that application to the Government for a valuer done with the avowed intention of showing the valuation in the London market?—Yes, that was my main objection. I said in effect to the parties who saw me, "It looks to me very improper that you should select Mr. Marchant, because he is not such a super-excellent valuer; but his name is to appear in London as the valuer, and by this means the Government is to be inveigled into the matter, and if the valuation does not turn out as you say, the Government may be brought in to make up the deficiency." This view I took up, and the same view was taken by the Minister.

70. *Mr. Ballance.*] Did you remember that stipulation with regard to the £29,000 for the land at the time you read that clause?—I was not consulted in making up the contract: I know nothing about that.

71. Did you know at the time that it was in the contract that land was to be purchased for the company to the extent of £29,000?—I cannot say that I did. The contract was made by the Public Works Department.

72. *Mr. Macarthur.*] Do you know whether the Government removed any restrictions or made any concessions which enabled the company to purchase this Native land?—I could not say so definitely, but I know that the Government were very favourable to facilities being given to the company to buy the land, and would do everything to assist them.

73. They could only proclaim the land if they had made advances upon it, could they?—Yes: I would not say that they had made any advances.

74. But, so far as you know of your own knowledge, the Government did not make any concession which could be made in the matter of this Native land purchase which could be held to be a fulfilment of any promise as to the £29,000?—No, I do not think I know of anything of that kind.

75. *Mr. O'Callaghan.*] Did the Government of the day consider it was an equivalent for the £29,000?—I could not say.

76. *Mr. Macarthur.*] The purchasing of these Native lands by the company was altogether an transaction independent of the Government?—Yes; quite independent.