

302. Can you remember whether anything took place between Mr. Ballance and Sir Julius Vogel with reference to funds for the purchase of the Horowhenua Block?—I am not aware of anything. When I say that, I probably heard at the time remarks to that effect, but I have no official cognisance of it.

[Mr. Travers here read a memorandum made by the authority of the chairman of the company.]

303. Have you any recollection of anything connected with that?—Nothing. As I explained before, my land-purchase duties often take me away a great deal. I have no knowledge of that. I am aware it has been stated, probably in conversation with Mr. Wallace and Mr. Nathan, that the money difficulty could be got over in the way suggested.

304. I presume you were aware that the company were anxious that the Government should acquire this land with a view of supplementing the allocation?—Yes.

305. You cannot say that the Government desired to postpone the acquisition until after the five years?—I cannot say.

306. It was discussed—there was a conversation about it?—Not from that point of view. Necessarily the period has been referred to, but I could not say, nor do I think it right to say, what would be the policy of the Government.

307. *Mr. Ross.*] Mr. Lewis said there was an advance made on the Horowhenua Block previous to 1882?—Yes; they are old advances. There are money payments charged to the block going back as far as the time of Sir Donald McLean.

308. Was it known at the time the contract was entered into that these advances were made?—Undoubtedly. Whatever payments were made upon the block were known to the Government.

309. Do you think the Government would have been induced to give an unusually high price for the land if they had been under the impression that they would be bound to hand over the land if the company completed negotiations?—I should not think the Government would give a high price under the circumstances.

Mr. ALEXANDER McDONALD, of Awahuri, examined.

310. *Mr. Travers.*] I believe you have been connected with the Natives in business?—Yes.

311. Do you know the Horowhenua Block?—Yes.

312. And the Tuwhakaturua Block?—Yes.

313. Did you take any part in the passing of those blocks through the Native Land Court?—I had something to do with the subdivision.

314. With what view was that subdivision of the Horowhenua Block carried out?—I understood it was subdivided for the purpose of making it possible to sell. The people were precluded from selling previous to subdivision, and it was probably also to enable them to get their title and deal with their land.

315. Were there a large number in the schedule of the certificate?—One hundred and fifty-one or one hundred and fifty-two.

316. So that any allocation of the land in the certificate would have required the whole of the signatures?—The Government still under that particular title.

317. Then, the subdivision was to enable them partly to sell and partly to individualise their titles?—Yes.

318. Have you any idea of the extent of Kemp's interest in the block on subdivision?—He got three blocks in his own name alone—one of 4,000 acres, one of 1,200 acres, and one of 800 acres; and he got a share in a block of 16,000 acres, with one of the young Warana Hunia, son of the late Kawana Hunia.

319. Then, he and Kemp had 16,000 acres independently of the original block?—Yes.

320. Had Kemp any interest in any other block?—No; he had a share in the 16,000 acres.

321. Can you say of your own knowledge whether any of the Native owners, when the subdivision orders were made, were prepared to sell?—Yes; a great many of them.

322. Did they offer them?—They offered them at the time the land was going through the Court; but there was the Proclamation on the land, which prevented them from selling.

323. Was Kemp desirous of selling?—I heard of him offering only the 4,000-acre piece.

324. Others of the Natives were prepared to sell?—Yes.

325. What extent of land was offered in that way?—There would have been a considerable amount altogether. There were, I think, about a hundred Natives to have 100 acres each, and there was also an allowance made of 5 per cent. for road-making—a block of one thousand two hundred or one thousand three hundred acres altogether.

326. Which they were prepared to sell?—A great many of them.

327. Was that notified to the Government?—I am not aware of any special notification.

328. Did you take any part in getting the subdivision effected?—I did. I was instrumental in getting Kemp to make the application in the first instance.

329. State whether this was done in your capacity as agent of the company?—It was. I was employed by the company to get it done.

330. With what view?—To enable the land to be purchased by the Crown.

331. For what purpose?—I understood with a view of allocation to the company.

332. Was it largely or mainly through your intervention that they were brought to apply for subdivision?—I understood so. It was recognised that it was necessary for Kemp to apply, as he was sole trustee in the title. I understood that some difficulty had been found in getting Kemp to make application, and I was asked to see him.

333. By whom?—Mr. Wallace, on behalf of the company. I was given to understand that the company were at the time in communication with the Government, with a view to getting the land