

interviews of the company with the Government at that time.

570. You heard what Mr. McKerrow said the other day, that Mr. Rolleston said he thought you had got too much land?—I never heard such an expression from Mr. Rolleston: on the contrary, he assisted us.

571. Did you look on it as a right, that you were to receive the maximum quantity of land?—Yes.

572. Had you any reason for this?—I understood that was the understanding in the first instance with the Government that we should get the full maximum; and that they were prepared to assist us; and that it was only for political purposes that we were requested to allow that portion in the Forty-mile Bush to be withdrawn.

573. Sir John Hall has written a letter. Can you explain why it was that he was not prepared to give you the full value of the land in money, when he would not locate it in any certain place?—There were no reasons given. I cannot explain them. There was no discussion on that point.

574. Why was the term limited to five years?—Because our contract for the execution of the railway was the period of five years. I think it was just taken for that reason—an arbitrary reason. We thought that Government would be able to acquire the land in that time, and that they would be coterminous.

575. Had you many interviews with the Government between 1882 and 1884 in regard to this land?—Yes, a good many of them.

576. Are you sure of that?—Yes; there is correspondence here showing that we were in communication with them.

577. I understood from the correspondence that you had no communication with the Government from the end of 1882, in your letter to Mr. Walter Johnston, the Minister for Public Works, and that you had no communication till the next Government in 1885?—No, that is not so.

578. You have said that the Horowhenua Block could have been purchased at any time. Do you speak from your own knowledge?—Not at any time. I said it could have been purchased when we brought it specifically before the Government. There were reasons why it might not have been bought while your predecessor was in office.

579. You heard Mr. Lewis's evidence yesterday?—I did not hear it all; but I know what is was. During the time your predecessor was in office I believe the land could not been purchased. That was one reason why there was a little inactivity in not pressing these claims between 1885 and afterwards.

580. Then, really it could not have been purchased until the subdivision took place?—Yes, to a certain extent. We might have been able to obtain it.

581. Was it not a fact that you were in negotiation with the Government urging that this land should be purchased?—Yes, but I knew that although Kemp was the ostensible owner there were a great many claimants behind him.

582. Therefore the purchase could not have taken place before the subdivision?—I know, as a matter of fact, that the Native Lands Department were in negotiation for the purchase of the block, and they could never get Kemp to agree to the subdivision, and that it was only by the influence of Mr. Macdonald and my own, and some other influence, that he agreed at last; and we did not get that influence to bear until we had an understanding with the Government that it would have been allocated to the company.

583. And therefore the block could not have been purchased till the present year?—It could have been purchased in 1886.

584. The subdivision did not take place then, did it?—Yes, it took place when I addressed the letter to you calling your attention to it. Shortly after that the subdivision had been complete.

585. I understood you to say the Horowhenua Block could have been purchased at any time. But you recognise now that it could not have been purchased until the subdivision had taken place?—Yes.

586. Are you aware that Major Kemp was prepared to sell any larger quantity than ten thousand acres at any time?—I understood that the subdivision of the block was made in this way: That the Government would be able to buy some of the larger subdivisions at once—thirteen thousand and odd acres that were handed over to the hundred Native claimants: they get 105 acres each, which they were prepared to sell, and are prepared to sell now; and I understood that Major Kemp had made overtures to you from Palmerston by telegram to sell a very large quantity of the block.

587. Have you any evidence of that? I am not aware of that.—I have this evidence only that the chairman says that he was aware of a telegram being sent from Kemp to you offering to sell his interest in the block.

588. You heard Major Kemp's evidence yesterday?—I heard evidence which was quite contradictory to what he said to me. I heard that he was not prepared to sell more than ten thousand acres.

589. *Mr. Kerr.*] Do you know, from you own knowledge, that your railway cost £8,000 a mile?—I do, having kept all the accounts.

590. That is, including what the Government gave you as well. That is, the Government gave you so many miles already made?—A small portion of it. They spent £33,000 upon labour.

591. What was it that the Government gave you?—They gave us work, which cost £33,000.

592. That is, including rails and carriages, and so on?—Yes; there was a total value of £50,000.

593. Was that taken into consideration in the cost of £8,000 per mile? Your part must have cost more than £8,000 a mile, because they gave you this.—We did not pay for it.

594. That is for the £8,000 a mile?—It was scattered over four miles of railway here and there that they gave us.