

253. But it seems to me it was inserted, and it ought to have some use. It seems as if neither of the Governments cared much about it either one way or the other?—I might be allowed to say that, so far as I am aware from recollection at this distance of time, the Government of which I was a member did go on with the purchase of land, and that it was only owing to difficulties which occurred that their efforts did not mature.

254. If they had been matured that would have meant that the company would have got the land?—I think so.

255. Then after the date fixed by the contract—so many years—was over, do you consider that they were to fulfil it? If it was got within a certain time the land was to be handed over to the company, but if it was not got by that time was the company, in your opinion, bound to get the land from the Government?—In terms of the contract, no; but the question of the moral obligation is one which, of course, would be a matter for the Committee to form its own opinion upon. It would depend very much upon circumstances.

256. Yes; but you consider the Government did everything that was in their power to get the land in that time. It was not put off for the express purpose of preventing the company from getting it?—Certainly not by the Government of which I was a member. It did all that it was bound under the terms of the contract to do.

257. Then, as you did everything that could be done under the contract without getting the land, do you consider that the company were bound to have it according to the contract?—According to the contract, if everything was done that could be done for the whole period of five years, there would not have been any liability either morally or otherwise if land were not obtained.

258. *Mr. Whyte.*] You think if the purchase had been completed before the expiration of the five years there would have been a reasonable claim on the part of the company?—I think that the term five years was one that had very little significance other than for the need of prescribing a period in the Act, and that the term of five years was an arbitrary term. As I have said, I did not very much interest myself on this point, and I should say that the term “five years” was put there because the term “five years” was the term for the contract. I imagine it was named for that reason, and it would be a question of how far the Government would press the strict letter of the contract in a question of that kind.

259. *Hon. Mr. Ballance.*] But you had no knowledge of the conditions under which that part of the contract was made. You have said you knew nothing of the negotiations in respect of that clause?—I know the general result as it appears in this letter, which, as I say, came to me, and, as I happen to know, had these words inserted.

260. But you have no other knowledge of the clause except that which came to you?—I had the general knowledge, but the general negotiations were conducted by the Premier. I think you have full evidence as to the negotiations from him. I never interfered in the matter, except in that particular responsibility which I had as Minister of Lands.

261. Did you think the company had got sufficient land allocated?—I have no doubt I did at the time the contract was first completed. The draft contract was closed, as I believe. My recollection is that the draft contract was complete, and this clause was brought in afterwards. It was a subsequent clause. But I do not think that my opinion on the matter is really of any value. One of my objections to the Act was the impossibility of forming any certain opinion as to the value of the lands to be conceded.

262. But did you think the Government was bound to give to the company the maximum quantity of land allowed by the Act?—Well, the Act was passed by Parliament with a view to this contract; and, if it could be done reasonably, I think it was the intention of both Parliament and the Government to do it. It was found, as a matter of fact, however, when I insisted upon that particular aspect of the Act that it should not be taken outside the area benefited, that the land was not sufficient.

263. *Mr. Whyte.*] In fixing the five years, was it thought of by both sides, or either side, that in all probability that period would be sufficient?—I do not think my opinion is worth anything on that particular point, which never came specially under my notice.

264. But, putting it in another way, was this particular clause looked upon as of great value, as meaning something tangible, or was it considered to be of very little value?—I thought the provisions of the clause would be a subject that would afterwards come up in respect of the dealings with the company.

265. Do you think it was looked upon as an important concession by the company or by the Government—as really something tangible, that in all probability meant a good deal of money?—I thought, myself, it would not accrue to the full amount of £29,000; but I thought it was impossible to put that clause in without it meaning something.

266. *Hon. Mr. Ballance.*] Before that clause came before your notice, did you think the Government had dealt fairly with the company in respect of giving them land?—I have said previously I had an individual opinion that the concessions were of sufficient value. But that was merely the opinion of one member of the Cabinet. One of my principal objections to this form of dealing with the public estate is that it is a matter of speculation as to what the values of these concessions are, and it was a matter therefore that I did not press very strongly my own opinion about, because I think, as I have said, that both the Legislature and the contract contemplated concessions, if they could be fairly given, in excess of these that were available within the limit of the benefited area.

267. *Mr. O'Callaghan* (Acting-Chairman): You said that the draft contract had no provision for the concession?—Clause 11 was subsequent to the draft contract.

268. Was that draft contract drawn after the arrangement was made for the taking of the land on the west side instead of the east side?—There was never any arrangement for the taking of land on the east side. There seems, from the evidence I have read, to be some question as to the allocation of the land in the Mangatainoko Block, because that land was valued. My own recollection, and of course I must be deemed to be speaking from recollection in this matter, is this: That the