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Natives will get any return for their lands. Either the Government ought to advance a certain amount of money on loan for a term of years to the central Board, for the purposes of surveys, or they could lend it out under the Auditor-General's control as it was required. Then, when the land was sold, the first charge would be the return of this money. The money could also be utilised to help them in the making of roads, and the cost of making these roads should be deemed to be a lien on the block, to be satisfied after it was sold. If you leased under perpetual lease, or some other form, a block, say, of 20,000 acres, you might need £5,000 wherewith to make roads. That £5,000 would be a lien upon the 20,000-acre block, and would have to be repaid by the people occupying it within ten or fifteen years. That would not affect the price to the Natives at all. I apprehend that that is the only way to do it: that would be to get the Government to lend the money on some security—of course, the land itself would be sufficient security—and I have no doubt that the Trust Office would only be too glad to be paid 5 or 6 per cent. on money invested in that way. That is the financial difficulty you would have to face in dealing with the settlement of the lands of the Maoris. You have also to provide for seeing that they get sufficient reserves for themselves, so that they should not be pauperised; for many of the Natives, just the same as among Europeans, are improvident, and would be inclined to sell or mortgage all their lands if they were allowed to do so. These reserves I would absolutely prohibit their mortgaging. Their land should be kept entirely inalienable; and, with respect to the lands that were dealt with by lease, your Board would have to see that the rents were properly collected, and paid to the Natives entitled to receive them. I believe, if that were done you could, on the one hand, save enough to defray the cost of administration, and, on the other hand, reduce proportionately the work of the Native Land Court Judges and the Native Land Department. Of course, this object that you would provide for, of having a proper system of control kept, would cost a considerable sum of money; but, on the other hand, the saving effected by the economical administration of the Board would make that up. I think, therefore, that some system like that would have to be tried. Of course, the Government would have to see that suitable men were selected for the purpose, and they would also have to see that the Natives would go along with them. The Natives, I think, recognise now that the past system of dealing with their lands has simply been ruin to them, making wealthy a few settlers, but securing no real settlement, and that it has been tending to kill off the face of the earth their own race. That is my own opinion of the result of our past legislation, and I have never ceased to speak against it. Nor have I ever seen cause to alter that opinion. That is why I wish the Government to have control of it, and in this way that I have described. I think it is the only safeguard against the rocks ahead, and that it is the only just one also, in so far as the European settlers are concerned.

2198. Mr Rees: I do not think it necessary to ask you any questions, inasmuch as what you have been saying runs exactly on all-fours with the results, based upon the testimony of Maoris and Europeans alike, that the Commission has arrived at so far. Of course, from those witnesses we have not got so clear a statement of their views as the statement you have given us to-night.

Mr. Mackay: Nor so succinct a statement. Mr. Rees: But from all sides, where their opinions touch the lines of what you have said to-

night, the testimony is strangely unanimous, both of Maoris and Europeans.

Sir R. Stout: It was said in 1886 when I advocated this plan, "Oh! the Natives will never consent to the mode of alienation which you propose. They are just as competent as Europeans to look after themselves. Give them titles to their land, and let them deal with it as they please." Now, I declare that idea to be entirely wrong. The Natives cannot equal the Europeans in buying, or selling, or in other things. They have not gone through that long process of evolution which the white race has gone through. That race has attained its present position through individual struggle. It has left the communal habit behind it some thousand years. The Natives have not emerged from the communal system fifty years, and it is absurd to say that they can compete They have not had the advantage of the experience which our race has acquired with Europeans. in a long process of evolution to enable them to compete with Europeans. All these things have to be looked to, and I say, therefore, that the State, as a State, has, so far as the Maoris are concerned, to be a paternal State. It has got to look after their interests. It is its highest duty to preserve their race, and it can only do that by preserving their lands for them, so that they are not left landless. The old notion entertained by some men of our race in this colony was that which I have heard thus expressed: "The best thing that can happen to the Maoris is to deprive them of their lands, so as to force them to pass through that same individual struggle which we, as a people, have successfully come through." Of course, that simply means the extinction of the race. If they are to compete with our race, I say that they cannot do it in face of the fact that so many other races have tried, and failed. I wish to see our race-I think it is our duty as honest, righteous mendo what it can to preserve the weaker race, and we can only do that duty by recognising their communal system, and by the Government stepping in and preventing them from parting with their means of subsistence recklessly. At the same time that they do that, they will only be doing that which is just to the European settlers in taking the useless waste lands of the Maoris, and offering them to all people on the same conditions, so that the man of wealth has no advantage over the poor man, or, at all events, over the man who has sufficient money to use the land properly. There are many men in this colony who have made huge fortunes out of Native land, and that is because they had capital at their back, with such a knowledge of the Natives as enabled them to acquire large tracts of land. It is not a righteous system, and yet the Government have allowed it to continue year after year. I have always held that the only chance for fair-play towards both races is for the Government to step in, and by means of a Board or Commission, with properly-audited

accounts, do something to preserve the Natives and their land.

2199. Mr. Rees.] With regard to disputes between Natives and Europeans in relation to titles, do you think it would be a good thing to create by statute a Commission to finally determine all such matters?—I think that is the only chance. The only thing is this—and it happens in connection