

"The Registrar of the Native Land Court at Auckland will furnish you with the vouchers in which you are to take the receipts of the Natives as they sign the deeds. Further advances will be arranged as applied for.

"Please return imprest cheque-book and account forms forwarded with my memo. above referred to, as you will not, in consequence of these modifications, now require them.

"T. W. LEWIS, Under-Secretary."

I also sent a memorandum to the Registrar of the Native Lands Court at Auckland, asking him to furnish Mr. Millar with a list of owners, and the deeds and vouchers for signatures, and any other information which he might think he would require. About a week after these arrangements Mr. Cadman received a telegram from Mr. Lundon, in Auckland, asking if he could not modify the instructions to this extent: that, instead of sending the deeds to Mr. Millar, they might be handed over to himself, in order that he might visit the Native villages first, and explain matters to the Natives. Mr. Cadman said he would cancel the whole arrangement first—that it would be possible, if Mr. Lundon got possession of the documents, that, as now alleged, the whole of the money might not reach the Natives. When the first set of vouchers came from the Postal Department for authorisation I noticed that the postmaster, instead of, as was usual, issuing one cheque, had issued several cheques to each vendor. I returned the vouchers duly authorised, but I attached a slip to one of them, as follows: "I do not understand why the postmaster issued more than one cheque to each Native." The Postal Department recorded the memorandum, and referred it to Mr. Millar, with this minute:—

"THE attached is a memorandum from the Native Office relative to the payments recently made by you for purchase of land from Maoris. Be good enough to furnish me with your reason for issuing several cheques to each Native.

"The Postmaster, Rawene."

"GEO. GRAY, Acting-Accountant.

This is Mr. Millar's explanation:—

"The Secretary, Wellington.

"THERE is no bank at Hokianga—none nearer than Russell, fifty miles distant. Some of the shares were £217 10s. Mr. Lundon informed me that the Natives wished the money paid to them in smaller cheques—one large cheque being useless to them, as they could not get it cashed, and they had engagements to meet. The amount of cheques required was handed to me in each case, and the cheques carefully checked by a Justice of the Peace and myself before handing them to the Natives; by this means they were satisfied. If this procedure is not approved of by you, please wire instructions. I have a list of the *number* and *amount* of each cheque and to whom paid, which I can furnish if required.

"6th January, 1892."

"THOS. L. MILLAR, P.M., Rawene.

"General Post Office, 14th January, 1892.

"MR. SHERIDAN,—Mr. Millar's explanation in reply to your query is herewith. Kindly return this paper when you have done with it.

"GEO. GRAY."

I replied,—

"MR. GRAY,—Explanation appears to be satisfactory. It sometimes happens that creditors follow the Natives up, and in cases where a number of cheques have been issued, complaints have before now reached the department suggesting collusion between the Government officer and the creditors. I do not for a moment imagine anything of the kind in the present instance, but Mr. Millar cannot be too careful, as Natives are not at all particular about what they say.

"15th January, 1892."

"P. SHERIDAN.

This paper was then sent back to Mr. Millar and noted by him. The first day this Committee met I said that the Government never had any intimation of anything being wrong until the petition was presented. I say so still. The letter to Natives, signed by me, which was produced, was in reply to a very vague statement by the Natives, in which they appeared to have got mixed in their figures. This is a copy of their letter,—

"Opanaki, 4th April, 1892.

"FRIEND,—Greeting to you. This is a prayer from us two, asking that half of the money for our shares in Kaitaia Block may be paid to us now, the share of each person having now been signed (? fixed) at £130 10s., and so far only one share has been paid in full, and that share is Tamaho's, £239 5s. Let, therefore, the balance of ours be paid. Sufficient.

"From your friends,

"WI RIKIHANA.

"The Hon. the Native Minister."

"HEREWINI TE TOKO.

I simply did not understand what they meant. I could not reconcile their figures with their accounts. I sent them this reply,—

"Native Office, Wellington, 26th April, 1892.

"FRIENDS,—Greeting to you two. Your letter of the 4th instant, asking for the payment of the balance of your shares in Kaitaia, has been received.

"This is to inform you two that Mr. Millar, postmaster at Herd's Point, has already paid to each of you two the sum of £217 10s. for your shares in Kaitaia. These sums were paid to you two in the month of December last. There is now therefore no money left for payment to you two. Sufficient.

"From your friend,

"Wi Rikihana and Herewini te Toko, Opanaki, Hokianga."

"P. SHERIDAN.

They never afterwards challenged these figures; they never replied to my letter at all, so I thought I had set them right on the question. I never heard anything further on the subject until the petition was presented. There is only one other matter which perhaps I had better make clear,