

MINUTES OF EVIDENCE.

TUESDAY, 16TH NOVEMBER, 1897 (Mr. HOUSTON, Chairman).

Hon. Mr. CARROLL examined.

The Chairman: Mr. Carroll, it would be as well if you would first make some statement, then questions can be put to you.

Hon. Mr. Carroll: Sir, the petition has reference to certain dealings with the Ngatiporou Tribe (on the East Coast) by the New Zealand Native Land Settlement Company. That company was brought into existence in the year 1882 or 1883, I forget which. It was composed of Natives and Europeans. The scheme of the company was a large one—to settle the Native lands on the East Coast. Many of the leading men in the colony took part in the work of the company, and were shareholders in it. I think the list will show that many of our leading legislators were involved in the work of the company. It was formed on the principle that the Natives were to contribute land and the Europeans money. As a matter of opinion, in my mind, the scheme was a very good one, and if it had been properly handled by good business-men there would have been every success in the undertaking. I, with others, strongly opposed the company on the ground of the *personnel* of its management, and I tried all I could to get the Natives to withhold putting in their lands in the unguarded manner I thought they were doing. My friend Mr. Wi Pere was at that time a very strong advocate of the company. He was, in fact, a leading light in the Native world so far as Native affairs on the East Coast were concerned. My opposition, however, did not have the desired effect. The Natives gave over their lands, and the company proceeded to carry on its business. The agents of the company at that time had to contend against innumerable legal difficulties. In fact, all the titles on the East Coast at that time had been thrown into a state of confusion, owing to the uncertainty of the law as read and determined by the various tribunals of the land. This was a source of great difficulty in the way of the company, and materially handicapped it in its efforts to make its scheme a success. Heavy expenses had to be incurred. At every step that was taken financial arrangements had to be made with the Bank of New Zealand, which advanced sums of money to the company to enable it to carry on its work. The time came when the load assumed such proportions that it was unbearable, and, as a result, a mortgage was effected in favour of the bank. When the liability reached something like £150,000 odd over all these lands, the bank—I speak subject to correction in this matter—by some legal process transferred its rights to the Estates Company. About that time an arrangement was made—I was present at the meeting that was called, and there were present leading men of the Natives and those also who represented the Bank of New Zealand—whereby Messrs. W. L. Rees and Wi Pere should be advanced by the Bank of New Zealand a sum of money to enable them to go Home to England and raise money at a cheap rate of interest to pay off the liabilities and carry on the settlement of the land and the work of colonisation, as had been intended at the very first. The East Coast representatives were there, and the petitioners were represented by one or two of their number, who were present. I was present myself as a representative man of the district.

1. *Mr. Monk:* What date was that?—It was in 1888. I was one of the objectors.

2. One of the objectors?—Yes, one of the objectors to the proposal of sending Home Messrs. Rees and Wi Pere. Well, Messrs. Rees and Wi Pere went Home. For some reason, however, they were unable to raise the money, and things remained as they were before, except that there was the additional expense of that trip. After this, the Estates Company foreclosed.

3. Many years after?—No, not very long after. Notice required by the law was given, and all these blocks of land, all that had been transferred to the company and were in their hands at that time, were put under the hammer. On the morning of the sale the Natives came to me—I mean all those who had been opposed to the Native Land Settlement Company, and those who had been interested in the company, and, in fact, all of them—came and asked me to interfere and to try and stop the sale. I agreed to do my best. This was the first step I took in having anything to do with this company—that was the first time I went into it in any way whatever—as a Native of the district disagreeing with the work of the company.

4. What date was that?—I am not certain, but I think it was in 1892 or 1893.

5. Before or after the present Government came into power?—Before.

The Chairman: It must have been 1890, I think, because there were several petitions then before the House on that subject.

Hon. Mr. Carroll: I really forget if the present Government was in power or not. I then joined with Mr. Wi Pere and took legal advice, and the result was it was decided to give notice of objection at the sale. Well, the sale went on till 1 o'clock in the day, and properties to the extent of £60,000 or £70,000 odd were sold up to that hour. At the adjournment for lunch we met the representatives of the Estates Company and the Bank of New Zealand. After a discussion that lasted for about an hour we came to an agreement. That agreement was that the sale should be stopped; that the time should be extended for five years in order to enable the Natives to pay up the balance of the liabilities; that in the meantime some arrangement should be concluded whereby the Bank of New Zealand and the Natives would carry on the management of the balance of these properties, with a view of deriving profits from year to year, and ultimately releasing them from their burdens. In consequence of this arrangement the sale was stopped. Parties then came together, and all the Natives who were present on that day, who were interested in these properties, and who were either for or against the company, unanimously requested me to represent them in