

also, I see : £90,000, or thereabouts, on a valuation of £180,000. Now, the Assets Board's valuation would amount to about £200,000.

129. Do you know what the title to-day is of the bank's property? Is it Land Transfer?—I do not know.

130. Can you tell the Committee what the title to the land was when it was sold?—When it was sold through the bank?

131. Yes?—There were nominally 3,000 acres of freehold, which were bought for £3,000, and the balance of the block was a lease of rather more than forty years, with a complete improvement clause covering all improvements.

132. There was no Land Transfer title to that?—Well, that I really could not tell you. I presume this : that the bank, for its own protection, through its solicitors, took all the necessary steps to make the title secure in anything of that kind.

133. The bank sold on the 25th March, 1889?—Yes.

134. At that time, you say, there were only 3,000 acres of freehold?—Yes.

135. You went into this district and this block in 1857?—Yes.

136. You occupied this block for some years?—Yes.

137. You had no title to it?—I had a title to it.

138. Are you aware, Mr. Hamilton, that the title was only investigated in 1866?—Yes; that was the first sitting of the Land Court in the country.

139. Well, you had no title previous to that?—No more than the ordinary title of men who owned runs.

140. Subsequent to 1866 you obtained a lease for twenty-one years?—Yes.

141. At a rental of something between £200 or £300 per year, speaking from memory?—At a rental, I think, of £120. You are speaking of the Crown grant lease?

142. Yes. Now, can you tell the Committee the year the bank took over the management of it?—Do you mean by "taking possession"—

143. Not at the time of the sale: previous to that?—The first time they took possession as mortgagees?

144. Yes?—The 24th June, 1884, there or thereabouts.

145. That is your evidence given on a previous occasion; and you remained in charge until September, 1890?—When the bank took possession for the purposes of this extension the bank recommended me to fall in with their arrangement, viz., that as an increased security between their interests and mine, they should like to have an independent manager on the place. At the same time I was not to be disturbed in occupation, and I was to go on working up the Natives' titles. Well, after an interval of, say, two or two and a half years, or thereabouts, it was found that this arrangement to further the interests of the bank did not answer; that the account was getting higher, and improvements were stopped. Development was stopped, so that I then again took up the management as manager of the whole property as well as managing the Native business. I believe the bank generally gave instructions in this way: that as little was to be said of my being only partly managing as possible, because the understanding was that if the Natives thought there was any sort of an attempt to oust me out they would immediately stop giving the title as a gift. Then I went on with the management till just three months before that date of sale, the 25th March, 1889, when Mr. Balfour sent an urgent telegram to say that he should like to meet me at Dannevirke on important business, and I went and met him at the train. When I met Mr. Balfour at the train he expressed himself to this effect: that he had been sent to "fire the shot." In Scotland "fire the shot" means to let off a blast in a quarry. I did not ask for any explanation of that, but I thought something unpleasant was coming, and my anticipations were instantly verified, as soon as we got into the hotel, by his saying, "I may as well jump to it at once; I am sent up to ask you to pay the money." This really was so utterly absurd, considering we had been trying to raise this money and that they were facilitating me.

146. You were living on the Mangatoro until 1890?—I have the exact date here in Mr. Balfour's letter—viz., "Bank of New Zealand, Napier, 26th August, 1890.—To George Douglas Hamilton, Esq., Mangatoro.—SIR,—In terms of the agreement between the Bank of New Zealand and yourself of the 7th May, 1889, you will be good enough to take notice of the termination of your engagement as manager of the Mangatoro Station. In terms of clause 8 of the agreement the bank has decided, in lieu of the two calendar months' notice provided, to pay to you two calendar months' salary in advance, and the sum of £83 6s. 8d., being for salary up to the 1st November, 1890, is hereby handed to you by the bearer of this letter, Mr. McCair, who is authorised to take possession of the property. You will be good enough to comply with the provisions contained in the 8th clause of the above-mentioned agreement, by which you are to give up possession of the dwellinghouse and to leave the property within seven days after payment to you of the amount in lieu of notice.—T. W. BALFOUR, Manager at Napier of the Bank of New Zealand" (Exhibit J).

147. You were manager there until November, 1890?—Yes.

148. From the 24th June, 1884, the bank took possession, and you were in charge until the latter end of 1890—the 26th August, 1890?—Yes.

149. During the period between 1884 and 1890 the sale took place. The sale took place in 1889?—Yes.

150. Now, between 1884 and 1889 how many interests had you acquired the freehold of?—I had secured the freehold of one.

151. That was only Karaitiana Takamoana's?—Yes. As I was acting as the Native trustee I told them I should not ask them to sell to myself. If they wanted to sell I told them I would buy, also under such a lease as I had nobody outside could buy the freehold. The interests were, roughly speaking, £3,000 each, and the rents that the Natives were drawing for them was £40 a year with a forty-years lease on the top of it; nobody outside could afford to buy the freehold and let it lie; they could not afford to let it improve in value.