

193. The title under which the bank sold to the Government was Land Transfer?—Perhaps it was; I do not know.

194. The leasehold value of a thirty-years' lease in a case of this kind would be greater than the freehold?—Quite likely.

195. That would explain it. You say the bank bought from the Natives at 10s. or 15s. an acre: that was, subject to the lease?—Yes.

196. Did you ever have any word from the bank, verbally or by letter, as to why they refused £40,000 from the Northern Investment Company?—No; I had no explanation whatever. There was one word came, so I was told by the manager of the Northern Investment Company, and that was "Declined." It is a mere conjecture, and I presume the bank at that time was charging me 8 per cent. The Northern Investment Company offered it at 6½ per cent., and the bank would have been losing 8 per cent. on the £40,000. Nobody whatever, nor themselves, could follow what they were about.

197. In section 4 of the Dannevirke residents' petition they say, "After holding the property for a few years (during which time the bank expended nothing on the estate beyond the income derived therefrom) the bank sold to the New Zealand Government a little more than one-half of the area of the same without the stock, for the sum of £90,000 or thereabouts, which amounts to about £30,000 more than Captain Hamilton owed the bank at the time when the property was sold." That few years, speaking correctly, would be about eleven or twelve years, would it not?—Well, really, I do not quite know, unless Mr. Foster chooses to tell when the Government bought from the bank or the Assets Board.

198. You know it was sold in 1889 by the bank, and that the Government bought it about a year or eighteen months ago: you are aware of that, are you not?—It says here in the petition that the bank sold to the Government. I suppose it ought properly to be to the Assets Board.

199. It was from 1899 to 1900?—The Assets Board and the bank combined had held the property for about eight years.

200. *Mr. Hornsby.*] What amount of money did you put into the concern from the time you went in until you were put out by the bank: what was the amount, roughly speaking, of your expenditure?—About £4,000.

201. From the beginning until the time you went out?—Well, I may have put in about £800 afterwards. It was put in in this way: When I came back from England I had some loose cash that I had picked up at Home, and I used that instead of drawing money out of the account. It was entirely my account. Of course, all that money, at 10 per cent. compound interest from 1857, went into the property. I drew nothing out of this property, and I had £100 a year as salary which I allowed myself as managing partner of my own concern for fifteen years. The first real salary that the manager got I drew from the bank itself after they had taken possession, and after they had bought in.

202. Then, the whole amount of money you put into the concern was only £4,800 in cash?—Yes.

203. What about the stock?—Well, I think that might be calculated in this way. I had stock on another station that I had an interest in, and I sold that stock when I went in here, and bought other stock with the money to stock this station.

204. And what was the value of the stock?—I really forget the exact number—say, one thousand two hundred. I sold them to the Rev. Mr. Woodford St. Hill for £1 2s. 6d. per head cash. But if you look at it in this way, that I absolutely ran the whole risk without any help from first to last; that my money was always in the risk, and that my interests would amount to about £70,000.

205. Then what did you consider was the value of your interest in that concern when you came out it? Supposing you had been allowed to stay in and work out your own salvation with the Natives, what did you calculate was your interest?—£120,000 when I came out finally.

206. How much has the bank or the Assets Board or the institution that has to deal with it realised on the property since they foreclosed on you?—About £90,000 I think, besides eleven years' sale of stock and wool.

207. That is £85,000 more than they bought it for at the sale?—My debt to them, as near as it could be fixed at the time, was £60,000, and they have sold rather more than half of the property without the stock for about £90,000, and they retained the whole of the stock and the leasehold.

208. That is to say, they have realised £25,000 more than the amount they gave for it and the amount of your mortgage. They are £25,000 to the good, and how much of the property have they left?—They have realised £25,000 or £30,000 more.

209. And what amount of property is left?—I think, 11,670 acres.

210. What do you calculate that is worth?—That being leasehold, of course, is a very difficult question to say. I should say the stock at the time they sold was worth £30,000—that is, the whole of the stock. There were three thousand head of cattle and some forty thousand sheep, which would account for £20,000. Then, there were implements, work-horses, working-cattle, and working-plant left.

211. When you borrowed the money from the bank, was the bank cognisant of your position with the Natives: did they know what your position was?—Absolutely and entirely.

212. And, knowing what your position was with the Natives, they lent you the money?—Yes. They would not have lent it without this lease at all. They lent the money with an absolute understanding that this money was not to be called up except in such an extraordinary emergency that they should have to sell clean out to get the money in. The way arranged was to improve up to a very productive position, and then pay off.

213. *Mr. O'Meara.*] With respect to the validity of these leasehold titles that so much is being made of. The fact of them being leasehold, and this woman not signing her name or giving