equity of redemption pass away from the Natives without a further chance being given to the Natives.

50. *Mr. A. L. D. Fraser.*] The business for the accountant does not go beyond 1895?—No; because of the decree of the Supreme Court.

51. That is in the agreement, of course?—Yes.

52. The total amount is £52,522 that they have to inquire into?—Yes; it really does not mean that to us; a very small part is in dispute.

53. The amount of the bank's indebtedness is £52,525?—Roughly, that is the increase beyond the term named in 1895.

54. And the trustees dispute some of that?—Some items. The greater part is not disputed at all.

55. Some items are?—The question of whether Paramata ought not to have been credited with large sums which it received.

56. There is only a small amount involved?—Yes.

57. In section 3 what do those words, in line 34, "or otherwise" mean? Does that mean the bank can in two years sell without any notice whatever?—No, it may sell; if it sells under the conduct of the Registrar of the Supreme Court it can buy itself. It will not sell under the conduct of the Registrar of the Supreme Court anything which it knows it is able to find a purchaser for.

58. The sale could not be done by private arrangement through the bank and private owners. It must be sale by auction?—Yes, it must be sold by auction, because it is Native land.

59. You say it can be sold under an order of the Registrar of the Supreme Court or otherwise, and "otherwise" means by auction?—No, it means under the conduct of the Registrar, but the bank can only sell by public auction.

60. *Sir W. R. Russell.*] They can deal privately?—Not with Native land. The only provision in the Act with regard to Native land is that the bank may itself buy at the auction.

61. *Mr. A. L. D. Fraser.*] Did I understand you to say that you drafted this Bill, Mr. Bell?—Yes; I drafted the greater part of it.

62. Under whose suggestion or instructions did you put in the Bill, Mr. Carroll and Mr. Wi Pere to be relieved of their positions and the Maori Council to be put in their place?—That was not my drafting, but I may say that I think it is desirable that Mr. Carroll and Mr. Wi Pere should be relieved of the trusteeship and somebody else appointed. We feel that it has been a failure so far with them, and they must feel it themselves.

63. In clause 10, "All lands now held by the trustees, either by themselves or with other trustees, in trust for Native beneficiaries, and whether comprised in the securities hereinbefore referred to or not, shall immediately upon the passing of this Act and by virtue hereof be vested in the Council," &c. They have managed it for a number of years?—They have managed some of the properties.

64. And the Receiver?—I may be quite wrong. I thought they had made a mess of it.

65. That is a matter of opinion. That is not your drafting at all, I understand, Mr. Bell?—No.

66. Would you kindly explain section 10, this part especially—perhaps you will kindly explain to the Committee professionally what this means: "The title of the Council shall be indefeasible, save as is herein provided," and so on. What has that got to do with the bank—anything?—Nothing; but I am not the draftsman. I suggest that you ask Mr. Rees.

67. Has that anything to do, either directly or indirectly, with the bank's securities?—Except by the last words of it. They were buying the land out from the Natives and getting Europeans on it, and we doubted whether we could not be taxed on the basis of European land. The proviso is my drafting, "Provided that for all purposes of any Act relating to taxation the bank shall continue to be liable only as if the equity of redemption of the lands mortgaged had continued to be vested in the trustees."

68. That proviso has little or nothing to do with the greater part of the drafting?—That is so.

69. *Mr. McNab.*] I understood you to say that if the sale went on it would practically mean that the bank would have to buy the property?—It would not have to buy the specific securities. There would be plenty of bidders for the specific securities, but at a very great undervalue. With regard to the specific securities, the public know exactly the sum which the bank claims, because that sum is filed in the Supreme Court. They know, therefore, the price. We know there will be for many of the specific securities purchasers at that reserve price. There will not be very great competition, but there will be a sale.

70. What value of the land do you anticipate the bank will have to buy and sell if the sale comes on?—It will offer the whole of the lands comprised in the principal security, say, to the value of £100,000 odd.

71. So that, if we do not pass this Bill, it will mean lands coming into the ownership of the bank to the extent of about £100,000?—Yes; and the other lands will pass away from the Natives at a very gross undervalue.

72. If the provisions in the Bill are given effect to by Parliament the necessity for the bank acquiring the ownership of an estate of about £100,000 will not be necessary?—Not for two years; and, I think, in all probability a large part of that will be redeemed in that time, as well as the specific securities. There is no danger of the specific securities passing into the possession of the bank.

73. The danger of the specific securities is the sacrifice?—Yes.

74. In regard to the others, the bank accounts lodged command £100,000 of real estate?—Which it would prefer to have instead of mortgage.

75. And which, if it fell into their hands, would fall into their hands at a figure largely under its real value to the real owners?—I am not sure, sir, about that in regard to the principal