

224. You said that if the Natives chose to revoke their contract or stopped you carrying it out you would have no remedy against them?—No.

225. If they went on the land and prevented you removing the timber, could you compel them to carry out the agreement?—No.

226. You would prefer this contract to be taken on its merits, but you want that legalised and validated?—Yes.

227. If there was a clause to that effect you would be satisfied, but failing any such clause as will give you an extension of your area you would prefer that there should be no legislation on the subject?—Yes.

228. *Mr. Herries.*] You told me you would have no remedy if the Natives did not carry out their contract?—Yes.

229. Why have you no remedy? Is it not because you have no contract with the land?—Yes; in law, I understand, I should have no remedy.

230. Because the Maoris are worth nothing?—Yes. The cutting-rights are in law useless; only a lease of the land is useful.

231. The only reason why you have no remedy is because you cannot recover anything? You could sue them, and probably get damages awarded, but there would be nothing to get because their land is their only asset?—Yes, that is so.

232. You are quite satisfied that you have got a legal and valid contract with regard to the timber?—Yes.

233. And you have been advised that the Maoris have a perfect right to sell their timber?—Yes.

234. You would not have entered into the contract unless you were sure of that?—No; legal advice has declared the contract to be perfectly valid, but the proposed legislation would render it invalid.

235. You are opposed to any legislation that would render your valid contract invalid?—Yes.

236. *Hon. Mr. Carroll.*] Supposing the Natives refused to carry out their part of the contract, have you been advised as to what steps you could take against them? Could you take action for breach of contract?—Of course.

237. Have you been advised that you could successfully take action?—The question has never arisen.

238. We want to know what your advice has been on that particular point, supposing the Natives failed to carry out their contract?—I believe that is a question of law, and if we went to law we should not know what would be the result. I can rely on the liberal and just way in which they are treated to prevent any breach of contract. They are getting from this company terms which have never hitherto been given.

239. *Mr. Hone Heke.*] The company is appointed attorneys for the Natives?—Yes.

240. In that capacity do they take from the royalties any of the moneys for the felling and cutting?—No.

241. The royalties you have already recited are clear moneys to be paid the Natives without any deduction for cutting and felling?—That is so.

242. Or for the laying-down of the tram-line?—No money is to be deducted from the Natives for anything excepting the 20 per cent. to pay for their shares.

243. If the company fails in their work within two years they are not called upon by your agreement to pay for the destruction of any of the timber that the company may have cut during that time?—Supposing the company fails to carry out their undertaking within two years, then everything is void. The royalties are payable monthly, so that not more than a month's royalties will ever be owing to the Natives.

244. Are you joined together with the syndicate, in regard to this timber, called the Donahoo Syndicate?—No, we are not joined; we are a separate company.

245. It is not appertaining to the same block?—We have a part of the Puketapu Block, and they have another part.

246. Have the two points been defined by survey?—I understand the Donahoo part is defined by actual survey, but ours is defined by natural boundaries.

247. You said that you will construct your tramway in conjunction with Mr. Ellis's company?—It is proposed to do so.

248. Have you entered already into an agreement on the subject?—No; it has been discussed only.

249. *The Chairman.*] Do you consider that land first-class land, as defined by the Government—that is, the land itself, apart from the timber?—No; I should consider it very second class. I should consider it poor land—pumice.

250. What value would you put on the land, apart from the timber?—A very few shillings per acre.

251. Two shillings?—Yes, probably. It is questionable whether it will carry grass.

252. Have you considered the value of the timber per acre you will cut from the land? Can you give us any idea?—On 4,000 acres it would be about £50 per acre. I may be over the mark with regard to the number of acres—say, 3,000.

253. You think it would amount to £50 an acre?—Yes; the best bush in the Puketapu Block would yield £50 an acre.

254. Do you consider, then, that the proposed legislation—especially with regard to clause 31—would be inimical to your interest?—I do.

255. And if this clause became law you would not be prepared to carry out your contract with the Natives?—No, I dare not. I would be liable to a penalty of £50 if I felled a tree on any of the land other than the 640 acres, and such an area is too small to work.