

to get down to the bed-rock of labour. We have begun at the wrong end, and are pauperising the Maori. I have known a young Maori become an industrious artisan because he was taken away from his surroundings. Under the present system the Natives are just rotting away. I think facilities for borrowing money are doing them harm.

Cross-examined by Mr. Bayley: My district is Manaia. I did not say credit was stopped because you lend them money. You have nothing to do with that, so far as I know. I would not lend a Maori money at any rate of interest on the personal security of Maoris. So far as I can see, it is no use giving the land to the Natives, as they will not work it. If they have cattle they sell them. I have had sixty-five years' experience of Maoris on this coast.

*William Fox Omahuru* (sworn): I live at Matapu. I am a licensed interpreter. I am a member of the Taranaki Maori Council, and am keenly interested in the welfare of the Natives. I have seen the effect of facilities for borrowing money. My experience for the past twenty years is that it is a common practice for Natives to borrow money, principally when they are in difficulties, for the purpose of providing provisions at a tangi or attending meetings at Parihaka. During the last few years the practice of borrowing money has greatly increased, and their income from rents has decreased, and practically they are unable to meet their liabilities to different creditors. To satisfy his more pressing creditors a Maori could not resist the temptation of borrowing, without considering the amount of interest charged. I doubt if the Natives of this district would refuse interest at 50 per cent.

Cross-examined by Mr. Bayley: It is a common practice for Natives to borrow money and to pay their debts, too. I live on the Hastings Road. I know a store there kept by a man named Crabb. He has been there a year and a half or two years. I know the Natives deal there, but I know nothing about their indebtedness. You appointed me sub-enumerator for the census. I think I reported the social condition of the Natives as improving. I consider it is improving.

Re-examined by Mr. Paterson: Sometimes I see Mr. Fisher paying rents to Natives. Mr. Bayley is present, "mostly." I do not remember seeing Natives handing cheques to Mr. Bayley.

To Commissioner, at Mr. Bayley's request: I think the last occasion was five years ago. I think the Public Trustee should organize some system of manual instruction, and should lend them money similar to the Advances to Settlers. I think the Public Trustee might help the industrious Natives by providing cows, &c., for dairy-farming.

Commission adjourned to 10 a.m. to-morrow.

WEDNESDAY, 29TH AUGUST, 1906.

Commission resumed at 10 a.m.

Mr. Paterson calls *Kuini Wi Rangipupu* (sworn): I am wife of R. S. Thompson. I live at Normanby. I have lived some years in Normanby. I am well acquainted with the Maoris of this district. Some of them receive large rents and some small. They have been in the habit of anticipating their rents by borrowing. They have told me, as they have told this Commission, that the interest they pay is large. From what I know of the Maoris' income, they have not more than enough to provide them with the necessaries of life. Some of them have not enough. If they have to pay large interest their position is worse. Some Natives have small areas reserved for their own cultivation. They cultivate them. They grow potatoes and sell them. The proceeds supply them with the necessaries of life. Of these reserves a great part has been leased to Europeans. These areas range from 3 acres to 20, 40, and in some cases 60 acres. In some cases one man owns an area. They pay rent to the Public Trustee, as Europeans do. Some of these areas the Natives have leased to Europeans through Mr. Bayley. In some cases two or three years' rent has been paid in advance at one time. These areas are insufficient to encourage industry, because the greater part is held by Europeans. Hence in several cases Maoris have borrowed money at high interest. They have parted with their land, and are in such poor circumstances that they cannot afford to buy cattle.

Cross-examined by Mr. Bayley: I do not object to the Maoris leasing to Europeans, but I do object to the system of occupation licenses. When my husband made out leases it was understood that half the rent should go to improving the land. When these leases expired the Natives came to him again and wanted to get money advanced to them. Mr. Thompson told them they ought to work the land. He did not encourage them. Some of them did not come back, and went to Mr. Bayley, to whom they were indebted. I know Marokopu's land. When he got it some of it was standing bush. I do not know much about it. I have the interests of the Maoris much at heart. I know a Maori named Haupuhiroa, my father's brother. He gave me the share of his son in the Hapotiki grant, as *aro-ha*. The land was inalienable, and the gift was thus ineffectual. I did not know that at the time, nor did the Court. It was you who got Haupuhiroa to deny that in Court.

*Whakawiria* (sworn): I live at Fraser Road. I have had transactions with Mr. Bayley. I have borrowed money from him. I have paid interest 5s. in the pound for six months. I had to repay when Mr. Fisher paid me rent, whether one month or six months after the loan. Six months was the maximum. It was stipulated that I should hand my cheques to Mr. Bayley. Mr. Bayley was present when Mr. Fisher paid me.

To Commissioner: I have had several transactions with Mr. Bayley.

Examination continued: When I handed my cheque to Mr. Bayley he gave me receipts. I produce some of them. I have lost some. [Two receipts produced.]

Cross-examined by Mr. Bayley: You have sometimes refused to lend me money. I do not know why. You have had difficulty in getting money from me. On the last occasion my father and I came to you and said my child was ill. It was on account of my father's representations