

to know why the Commission was set up and asked to go into it. The petitioner stated that the Commission, consisting of the Chief Justice and Judge Palmer, was appointed to go into this matter, whereas you applied to have it dealt with by the former Commission. Your letter is dated a month and a half prior to the appointment of the new Commission?—Yes.

18. You stated that Mr. Jones had no standing, and therefore should not be before the Court?—No lawyer would think so.

19. Mr. Jones claims that, as a matter of equity, he should have been asked to attend, as every one else was there?—He had no legal standing whatever, because he was not on the register.

20. *Hon. Mr. R. McKenzie.*] How was this Commission set up?—It was set up by the Governor, to report generally on Native matters.

21. What was the scope of the Commission?—It was to report generally as to what should be done about unsettled Native lands.

22. Under the Governor's Commission they were asked to investigate this matter?—Yes.

23. Do you know whether the scope of the Commission was altered or varied in any way before this matter was inquired into?—In no way.

Mr. Treadwell: There was a second Commission set up, consisting of Sir Robert Stout and Chief Judge Palmer.

Mr. Dalzell: I have no idea of any alteration whatever.

Mr. Treadwell: I do not admit that the Commission had any right to make inquiries into this matter.

FRIDAY, 28TH OCTOBER, 1910.

Mr C. P. SKERRETT, K.C., made a statement and was examined. (No. 7.)

Witness: I shall be very brief, but desire to place as clearly as possible before the Committee the position the Natives take up in this matter. I may say—and I believe the Committee has so far agreed with me—that hitherto throughout these transactions the Natives have been regarded rather as a pawn, to be moved one way or the other at the instance of the other parties. In the past their interests have been flagrantly disregarded. I am not concerned in any dispute between Mr. Jones and Mr. Lewis—with that phase of the matter I do not propose to deal; but I am concerned with the fact that it would be in the highest degree unfair if the Natives were prejudiced in using their land to the very best advantage because of this dispute between Mr. Jones and Mr. Lewis, which will probably be settled when the last trumpet awakes the dead. That is the point I wish to make—that any dispute between Mr. Jones and Mr. Lewis should not prejudice the rights of my clients. The Committee is aware that there are a number of leases of the Mokau property. They may be divided into two classes: the first is the big lease of 30,000 acres; the second is the leases of the remaining part of the land, which is purely pastoral and timber country. I am referring to this only to mention two facts: the first is that the Natives claim as against Lewis that the leases are invalid; and, secondly, that there have been such breaches of the covenants of the leases as entitle the Natives now to re-enter and determine the leases. I am not aware of what knowledge the Committee possess, or if they have a general knowledge of the terms of the leases.

The Chairman: Yes.

Mr. Skerrett: You will remember that the lease of 1882—of the western part, containing 30,000 acres—contained these covenants on the part of Mr. Jones: Mr. Jones was to form a company with a capital of £30,000 to exploit the minerals and timber, and two of the lessors were to be directors of that company; and from the 1st July, 1884—two years after the lease—Mr. Jones or his company were to expend £3,000 per year in developing the mineral and timber resources, and the Natives, in addition to the small rent reserved to them, were to get 10 per cent. of the proceeds of the coal, after deducting expenses. I would point out to the Committee that there was never any attempt on the part of Mr. Jones to form a company or in any way comply with the terms of the covenant. It is said, and I believe truly—although I have not seen the document—that Mr. Jones procured an agreement from the Natives whereby, for an increased rent, they waived these covenants. I do not even know what the increase of rent was; I believe it was only small, and the agreement was signed by some, and not by all, of the lessors. The Natives are advised that the document does not bind them, and that they are now entitled to re-enter and determine the leases. I would point out that it is a monstrous position, looking at it from a fair standpoint, that these covenants of thirty years ago, whereby capital was to be found, should be surrendered without any inquiry before a Trust Commissioner, for some paltry consideration in the way of increased rent. I only mention this in order to lead up to the present position. We claim, besides the right of re-entry, that the lease of 1882 was wholly invalid. I do not suppose I need trouble you with the grounds of that claim, as it is a complicated matter; and we further claim that, if Mr. Lewis has a Land Transfer title, the Registrar-General is entitled to compensate us, because the lands have been brought under the Land Transfer Act. With regard to the rest of the leases, of the pastoral portions, I have advised the Natives that all these are bad leases, and that if Mr. Lewis has a lease under a Land Transfer title, they are entitled to compensation from the Assurance Fund, and I have given the necessary notice in all the cases. They have got to be brought within six years from 1904; and in one case I have issued a writ against the Assurance Fund claiming damages. You will see that, if not settled, this is going to involve great and costly litigation. There will be actions against Lewis to determine the lease, and, possibly, actions against the Assurance Fund to claim compensation. It therefore is a matter which in the interests of the Natives ought to be settled.

The Chairman: It would not matter who secured it, the other would claim?