

*Mr. Skerrett:* That is so. Of course, it depends upon the accuracy of my information—that the Registrar for Taranaki improperly brought the land under the Land Transfer Act. In consequence, I have been in negotiation with Mr. Dalziel, who represents Mr. Lewis, and who has been in communication with the English mortgagees. As you are aware, the property is subject to mortgages of £40,000. After considerable negotiation, a proposal in this nature was made to myself—that Mr. Dalziel's clients should offer £25,000 for the interests of the Natives in the land, to be paid within three months from the time that we are able to enter into a valid contract. I have taken the responsibility of advising the Natives to accept that proposal in their own interests. I think the price, £25,000, is a fair one, having regard to the value of the land and the tremendous difficulties the position involves. There is one difficulty about the matter: It is not quite certain that Mr. Lewis will be able to finance the £25,000, but if he does not within the three months, then the parties will revert to their original position, and this agreement will be cancelled.

*The Chairman:* Then your Hawke's Bay friends will come to light again.

*Mr. Skerrett:* We have felt that there can be no objection to this from a public point of view. No doubt it is in the interests of the State that these lands should be cut up—it is in the interests of the public—and it occurred to us that there might be a difficulty in allowing one man to acquire so big a block of land. That we propose to provide for by putting into the Order in Council a condition that Mr. Lewis shall within three years subdivide and sell the land in accordance with the provisions of the Land Act, and shall not be entitled to call for any transfer of any part of the land from the Natives except in accordance with sales made pursuant to the statute. I understand from Mr. Dalziel that he is prepared to have that sale placed in the hands of some officer of the Lands Department, such as Mr. Kensington. That in a nutshell is the present position of the matter. I desire to say, speaking with a full feeling of responsibility, that this arrangement, if it can be carried out, is an extremely satisfactory one for my clients. It will avoid all the litigation and expense, and enable them to get their money—£25,000; and I submit that this Committee might recommend it even in the interests of the public, because, although Mr. Lewis will be able to acquire a large piece of land, it will be acquired under conditions which will force him to sell, and comply with the conditions of the Land Act.

*The Chairman:* That entirely ignores Mr. Jones's contention?

*Mr. Skerrett:* Undoubtedly. In this arrangement Mr. Jones has no part. I am prepared, as far as my clients are concerned, to deal with Mr. Lewis as the possessor of a Land Transfer title. That I am entitled to do, and no one except Parliament can prevent it. If this is to be settled in the interests of my clients, it has got to be settled at once. If not settled now, there will be a huge mass of litigation, which will involve a very large amount of expense. What I say in regard to Jones's claim is this: Supposing he has a claim—which is entirely denied by us—why should he not be permitted to attack any proceeds of sales which accrue to Mr. Lewis, in an ordinary action in a Court of law?

*The Chairman:* Would not that be kicking up against a dead wall?

*Mr. Skerrett:* Of course it would, but that would be only coming back to the conclusion which the Committee must come to—that Mr. Jones has no legal claim, and, I regret to say, no moral claim, for consideration. One regrets to have to say it, but one has got to do the right thing. I submit that the sole merit of his claim is his sincere belief in it himself, and the unwearying persistence with which it is pressed. Is the Committee to prevent this transaction going through merely out of sympathy for a man who honestly but mistakenly thinks he has a grievance. Parliament cannot grant relief if considerations of this kind are going to act. I have indicated the general character of the matter from our point of view, and I know the Committee has got work to do, but I shall be very glad to answer questions.

1. *Mr. Hindmarsh.*] Was the freehold sold for £25,000?—Yes, subject to the leases. That will give them the whole fee.

2. *Mr. Newman.*] I understand you dispute the right of Mr. Lewis to the Land Transfer title of his?—Yes.

3. You suggest that he should deal with the Natives?—Yes. I recommend that the Natives should deal with Lewis, because of the legal difficulties arising out of the claims of the Natives—that the leases are void, or that they are entitled to re-enter; and I believe that the price they are getting is a fair price.

4. It is a case of seeking to deal with a man whose title is in dispute?—That is the basis of every compromise. If there was not a doubt as to the validity of the leases which Mr. Lewis holds, and if there was not a doubt as to the right of re-entry—owing to the agreement I have mentioned—one would not make any compromise. The responsibility of advising the Natives is mine, and I have taken the responsibility upon myself.

5. *The Chairman.*] That would be subject to a special Act?—It might be done by Order in Council under the statute.

6. Are you sure?—Yes. It would undoubtedly be better if a special Act could be passed, but it can be done under the provisions of the Native Land Act, 1909, section 203, by the issue of an Order in Council pursuant to that section.

7. *Mr. Newman.*] I would like to ask is he also satisfied that he could compel Mr. Lewis to cut up this land under the provisions of the Land Act?—Yes, because it could be made a condition of the Order in Council. The statute authorizes the Minister by Order in Council to except certain sales from the conditions of the statute. The Order in Council should be so drawn that it would authorize sales by Lewis of these lands or by the Natives to Lewis, only in accordance with the limitations contained in the Land Act.

8. He would have to fix the price of the land?—No; he has got to put it on the market in three years. He can only get a title in accordance with the limitations of the Land Act.