

17. Do you think by acting in that capacity you have done right by the Natives?—Yes. What I have done I did on principle as far as I was able to. I usually acted on what I thought was the best principle throughout.

18. Do you consider this block is suitable for close settlement?—Well, I do not know that I ought to express any opinion upon that matter at all. I was not engaged in that capacity. If I was to be engaged in that capacity I should have to be paid and make a proper investigation of the place. I have only given my opinion as a casual observer. If you want my opinion, I do not think it is suitable for small settlement. I want to assist you as far as possible.

19. *Mr. Massey.*] Do you say you have not made a proper examination of the block?—I went to the south-eastern side and the northern side.

20. Did you see all over it?—Yes, where I could go on foot. I spent all my Christmas and New Year holidays over the block. I have not only seen it there, but up to the Mokau River and up the Mohakatino side. I went up on to the mountains by myself.

21. *Mr. Dive.*] You also gave an opinion yesterday in reference to its capacity for bearing coal?—Yes. I did not say “capacity for carrying coal.”

22. That it was not good coal country?—I say, economically speaking, it was not—that as far as I could see it was not a good proposition. The coal in the Mohakatino side was down below the water, whereas on the other side of the river, on the Mangapapa Block, it stood up about 35 ft. above the river. Consequently on the right-hand side of the river the coal was in a bad condition for mining.

23. Have you been over the block sufficiently to give an opinion on that point?—Yes, I have been on it on the four sides, and I think I have a pretty good idea of it. I know all the country round about, and it is similar.

24. Are you aware that there are outcrops of coal?—I was not aware of that.

25. In several places?—Three miles up the river. If there are any higher up than where the present coal-mine is of course they are not economically placed because of the cost of transport, and, moreover, just above the scene of the Mangapapa Coal-mine the river narrows very closely and the hills come down very precipitously. Consequently there would be a difficulty in navigating that part of the river. Any mine that works under greater disabilities than the present mine of course cannot compete with it. The Mangapapa Block so far as its position is concerned is better than the other. I do not want to enter into details further than that, because I have not made an extended visit there.

26. I understood you to say you had not advised the sale or otherwise of this land?—Indirectly I have opposed the sale most unmercifully, because those were my orders to act for the Natives and they did not wish to sell at the start, but when it came to the point that they could not carry on any longer and said that they must sell, well, all I could do then was to acquiesce in that.

27. You told me in the first instance in reply to my question that you did not advise them one way or the other?—No.

28. Now you tell us that you advised them most unmercifully not to sell?—I spoke to Damon and Macdonald. I opposed the sale because we were out for that at the start, but I did not speak to the Maoris and did not hold any conversation with any Maori, whether full Maori or half-caste.

29. I understand you went to Palmerston and met Mr. Loughnan?—Yes.

30. And you got an additional offer in the way of £2,500 worth of shares besides the price of £25,000?—Yes.

31. Upon getting that did you then advise the Natives to sell?—No, not the Natives. I telegraphed the whole of the conditions under which the arrangement was made to Damon and Macdonald and Aterea and Tauhia, to let every one know the exact conditions under which the arrangement was made.

32. And when you met them did you suggest anything?—I never met them properly after that. Tarake telegraphed me to know when they could have a meeting, and I replied any time and anywhere, and I gave them particulars. We have still to meet to go through the whole of the proceedings and the various matters in connection with it.

33. *Mr. Herries.*] If the Natives had been able to raise that £800, do you think they would have agreed to sell?—Well, I think it would have influenced them towards maintaining their original position.

34. That they would not have sold?—I do not think they would. I would have advised them to carry on as long as I had funds to carry on the fight.

35. And you found difficulty in raising the £800?—Certainly I did. Various properties were coming into my hands: I found I could not deal with them.

36. It was not because the Natives were landless?—No, they all had land.

37. But the land was locked up?—In one case the land was held by the Native Land Commission. It had been handed over and it would then be in the hands of the Native Land Board. First of all I found the survey had not been completed. I saw the Taranaki Land Board and the Chief Surveyor with regard to cutting it up.

38. There was ample land that the Natives held as security for this £800 if they could have made use of it?—Yes, if they made use of it.

39. If it had been European land there would have been no difficulty in raising the £800?—No, I do not think so, if the lands had been untrammelled in any way.

40. You stated, and it is in the minutes of the meeting of the assembled owners, that Mr. Dalzell made a threat of withdrawing the offer?—Well, he did not make a threat, he simply stated the facts—he did not threaten at all. He simply said that his instructions were definite. He has acted perfectly correctly in that respect.

41. Andrew Eketone took it as a threat, did he not?—Yes, he was on the other side. That is the sort of thing Natives do. If you are working with them and try and force the position they get their backs up.