

6. The agreement was made before the legislation was passed?—Yes.

7. And this legislation was passed to make the retrospective agreement good?—The actual position was this: an agreement had been made with the Natives. This matter had been inquired into by the Native Land Commission and other Courts, but the Commission was the final Court. They made certain recommendations, and the modifications were agreed upon—some in the Natives' favour and some in the Tongariro Company's favour. Mr. Skerrett and I were acting on behalf of the Natives, and we put in a stringent clause in the agreement for the protection of the Natives. Afterwards it was found that the company could not finance it, and they came again to the Court, when a modification was agreed to including a 25-per-cent. reduction in the royalties.

8. An agreement was made between the Natives and the Tongariro Timber Company in 1908?—Some time prior to that.

9. And that could not be carried out because the law would not allow it—is that the position?—It was more a question of title. From the company's point of view it was absolutely imperative that they should have an indefeasible title. Native titles are always subject to objection, and as it was necessary to undertake heavy financial responsibilities it was imperative that the company should be in a position to get an indefeasible title. It was for that purpose that resort was had to legislation.

10. That was in 1909?—That is so.

11. No further legislation was required for the 1910 modification?—No; that was consented to by the various persons who were authorized to consent. It is section 37 of the Maori Land Laws Act, 1907.

12. The agreement was made with the Natives before this legislation was passed?—Yes.

13. And you had to get this legislation passed in order to give an indefeasible title to the company?—Yes, and then a new agreement was made in terms of that, as soon as the necessary legislation was passed, with the Maniapoto.

14. *Mr. Young.*] You say the Te Heu Heu family have 100,000 acres?—Approximately.

15. Is that in the south of Taupo?—In the north as well.

16. And also large interests to the west of Taupo?—100,000 acres round about north and west Taupo. Roughly, half of it, 50,000 acres, is affected by this railway, and the other half is affected by the Tongariro Timber Company's railway.

17. Taking the total altogether, what is affected by the Putaruru-Taupo Railway, and what would be affected by the Tongariro Timber Company's railway: it is 100,000 in all?—Yes.

18. What would be the extent of Te Heu Heu's family interested?—About sixty persons.

19. In the ownership of 100,000 acres?—Yes.

20. *The Chairman.*] There has been no land parted with by these Natives—it is only the timber royalties?—Yes, except that there is an agreement to part with small sites and station-sites.

21. *Hon. Sir J. Findlay.*] I understand your clients offer no objection to the prayer of this petition as amended?—No.

22. And so far as you are concerned you desire the prayer to be acceded to?—Yes, we cordially support it. I should say we are not in any way interested. I am not representing the Tongariro Company, and I can affirm as far as the Natives are concerned that there is no arrangement existing between the Tongariro Company and your company as far as I am aware of, and I think I would be aware of it if it were so.

23. The Tongariro Timber Company undertook to complete their railway in the first instance in five years?—Yes.

24. When did that five years expire?—The original arrangement was for completion within five years from the 23rd December, 1908; that would be the 22nd December, 1913. Then that was subsequently extended to five years from the 1st March, 1911, which makes the 1st March, 1916. They got about two and a half years' extension.

25. Now, although the agreement is as old as the date you mention, no work or construction of any kind has yet been commenced?—That is so.

26. The insuperable difficulty is to find capital?—That is the whole difficulty.

27. Do you know what the estimated cost of the railway is?—I did hear the figures, but I have forgotten them now. It was mentioned at Rotorua.

28. £280,000, I think?—It was within the region of a quarter of a million.

29. And with the example of the Taupo Totara Company's experience before New Zealand capitalists there has been so far no rush to take up this enterprise?—I think it is to some extent the experience of the Taupo Totara Company's railway that has militated against the successful financing of this railway.

30. You would not like to undertake to say in what time this railway, if offered, would be completed?—No.

31. You have not the gift of prophecy?—I do not pretend to have the gift of prophecy.

32. You have not inherited that as a family feature?—No.

CHARLES BOWER COLLINS made a statement. (No. 11.)

1. *The Chairman.*] You are a barrister and solicitor?—Yes.

2. And you appear on behalf of the Wellington Trades and Labour Council?—Yes. This is the statement of the grounds of objection made by the Wellington Trades and Labour Council: We make the following formal statement of the grounds of our objection because we recognize that, whatever the Committee's recommendation may be, the responsibility of any action thereon must rest with the Government. The alternative proposals contained in paragraph A1 (as expanded by the proposals filed a week after the commencement of the hearing) and in paragraph A2 of the prayer of the petition are so different in character that they are dealt with