

with, and that he should be allowed to work his farm in his own way?—Yes, I think so. I maintain that a practical farmer can work his farm better in his own way than it can be worked under the direction of pen-and-ink instruction from the office.

92. *Mr. Anstey.*] You are aware that some lease-in-perpetuity holders pay land-tax?—That may be so, but I hardly think this land has increased in value enough to come under the land-tax. Whenever it does so increase in value I think it is right that it should pay land-tax on the increase.

93. It should only pay land-tax over and above the rent?—Yes.

94. *Mr. McLennan.*] Was there ever a meeting of Crown tenants here with reference to the freehold and leasehold?—Yes.

95. Was it a large meeting?—About twenty were present.

96. Was any resolution carried at that meeting?—I moved a resolution that the tenants here were quite satisfied with the lease in perpetuity and did not desire any change.

97. Was there an amendment to the motion?—Yes. The motion was carried by eighteen votes to two.

98. Do you think that is the general feeling of the Crown tenants on this estate at the present time?—Yes; I think that is the feeling of the majority.

99. *Mr. Johnston.*] Was that a meeting of the Farmers' Union?—We have a Tenants' Association and the Farmers' Union as well. All the Crown tenants were present at that meeting.

100. *Mr. Hall.*] You think the £500 deduction under the land-tax should be abolished?—Yes.

101. *Mr. McCutchan.*] You do not believe in the system of taxing the unimproved value?—I am a great believer in taxation on the unimproved value, but the exemption should be done away with—that is, improvements should be exempted.

ALEXANDER BECK examined.

102. *The Chairman.*] What are you?—I am a farmer, and hold 136 acres under lease in perpetuity at Tokarahi. My rent is 7s. 9d. an acre. I have been here nearly eight years. I am satisfied with my lease-in-perpetuity section and tenure. I have nothing particular to bring before the Commission. My evidence would be much the same as that that has already been given. I heard the evidence given by the previous witnesses, and I pretty well indorse all that they have said. I quite agree that it would be more convenient to the settlers if the date of payment of rent was fixed as suggested by a previous witness.

103. *Mr. Hall.*] Your lease in perpetuity is satisfactory to you?—Yes.

104. Is it generally thought to be satisfactory by others in this neighbourhood?—Yes, I think so.

105. Do you get 10 per cent. rebate for prompt payment?—Yes.

106. Would it be an improvement if the rebate were fixed by statute instead of being left to the discretion of the Land Board?—I think it should be left to the discretion of the Land Board.

107. *Mr. Matheson.*] Do you think that the Land Board or the State should have power to lower the rent in any case?—I do not think so. As far as the rent is concerned, I am quite satisfied.

108. There are some people who have got a very good bargain and who may be doing very well; but suppose a man is doing badly, like settlers at Pomahaka, what then?—No doubt in such cases it would be advisable for the Land Boards to have power to reduce the rents in order to give such men a chance of making a living.

109. Supposing the seasons were good and prices booming, do you think the State should have the right to increase the rent?—Not at present, I think. I do not think there should be a revaluation for some considerable time—say, about an ordinary person's lifetime.

110. *Mr. McLennan.*] You are in favour of giving the Land Board more discretionary power?—Yes.

111. *Mr. Paul.*] Are you satisfied with the constitution of the Land Boards?—I think it would be advisable if some of the members of the Land Board were elected so that the Crown tenants might be represented.

112. Do you not think it is possible to have the Crown tenants represented under the nominated system?—Yes; but I think the Boards should be partially elected.

113. *Mr. Johnston.*] Have you had anything to do with the Advances to Settlers Department?—No.

114. *Mr. Forbes.*] As to the cropping regulations, is it your opinion that a tenant who has put substantial improvements on his place should be free from cropping regulations, and could that be done without any injury to the State?—I think so. A good tenant for his own sake would not crop out the land.

115. There would be just as much chance of a freeholder cropping the land out as a Crown tenant under such circumstances?—Yes.

116. *Mr. Anstey.*] Who are those who are agitating for the freehold being granted: are they lease-in-perpetuity settlers or others?—Yes, a small number of them are lease-in-perpetuity settlers, and there are some others.

117. Is your reason for coming here that you fear these men may possibly succeed in altering your lease?—I do not think the majority wish the present lease altered.

LINDLEY WILLIAM MURRAY further examined.

118. *The Chairman.*] I understand you wish to make a further statement?—Yes; I am interested in the balloting. I have a son who wishes to go in for land shortly. I think the Land Board should be more lenient with respect to the sons of farmers resident in the district and who have been brought up there. These farmers have in many cases been long settled in the district, and have reared their families there, and their sons should, I think, when the money values are equal, receive some consideration over that shown to, say, people from the towns.

119. But you could hardly stipulate that by law?—No, I would not ask for that; but sometimes a man gets land who has had no experience of farming.

120. That is inevitable in the case of the ballot?—I think the farmers' sons should be treated a little bit easier, or be enabled to get a section easier than the man who has had no experience.

JOHN PORTER examined.

121. *The Chairman.*] What are you?—I am a farmer, and hold close on 600 acres under lease in perpetuity at Tokarahi. My rent is 6s. 6d. per acre. I have held the land for about four years. I have also about 16,000 acres under pastoral lease on the ranges above Livingstone. I am satisfied with the tenure of my farm. The pastoral land is very high country, the highest altitude being 6,000ft. or 7,000 ft., and the lowest about 1,800 ft. It is very much summer country. I shored three thousand five hundred sheep this year. I do not use the run in connection with my farm. My rent is about £130 a year, and the lease is for fourteen years.

122. Have you done anything to improve the high country?—I did try sowing down some portions in grass. I sowed some of the lower country. I have only surface-sown a little near the creeks. It did fairly well.

123. *Mr. McCardle.*] Is your lease-in-perpetuity tenure satisfactory?—No, I would prefer the option. I think that a settler should be allowed to pay it off as he can.

124. Do you think revaluation should take place?—No; I do not believe in revaluation. That is really the reason why I want the option, because I am afraid revaluation will come in later on and destroy the lease in perpetuity.

125. You seem to be an exception to the rule in this district?—That is my view.

126. Are there many more who hold similar views?—I know a few, but they are not here to-day.

127. Do you think the cropping regulations might be altered? Supposing a settler had a free hand to crop and he reduced the land to second-class land, do you think the buildings would recoup the Government?—I think that substantial buildings and farmhouses would. If a man has any judgment in farming he will not abuse his land.

128. But, of course, the Government has framed the regulations to prevent that. Personally, I think these regulations should apply to some freeholders?—I think that the restrictions with regard to cropping might be done away with under the circumstances.

129. Do you know anything with respect to the Advances to Settlers Department?—No.

130. Can you say whether the Act has given general satisfaction?—I believe it has been a benefit to some people, and I believe it has tended to bring down the rate of interest.

131. The Government can only advance up to half the value of the improvements?—I think a half is rather too small. I think the Government would be well protected by giving a little more than that.

132. Is there any aggregation of large estates going on now?—No, not in the case of large estates, but a man with a small place may take up another small section in order to make a decent farm of the two. I think that big estates are a thing of the past.

133. Do you not think there should be some restriction to prevent aggregation?—Although I am inclined to approve of the Government not allowing any one to hold more than a certain area, I do not know that the present limit is the right one.

134. Do you not think that your tenure is equal to a freehold?—I would be clear of all interference if I had a freehold, and I would be clear of revaluation that I feel sure will come about later on.

135. Do you think the freeholder will escape—there might be increased taxation on him?—We would be paying taxation also.

136. *Mr. Hall.*] Seeing that the lease in perpetuity is practically a freehold for 999 years, would it not be equally in the power of the Government to upset the freehold as to alter the lease in perpetuity?—It is possible, but it is not likely that they will interfere with moderate-sized farms.

137. *Mr. Matheson.*] You do not see much difference between the lease in perpetuity and the freehold?—No; but in the case of the leasehold you have not got the same liberty.

138. *Mr. McLennan.*] You have been a long time in this district?—Yes.

139. Where were you before you got your section at Tokarahi?—Otekaike.

140. Was it a leasehold or freehold?—A freehold latterly. Part of it was on deferred payment at first.

141. How much land had you there?—540 acres.

142. Have you got it still?—I sold it.

143. And you came to this place and took up a lease-in-perpetuity section?—Yes.

144. You did not then think that the freehold was better than the leasehold?—I still think as I did, but I wanted to get nearer to the market.

145. Was there any other reason?—Probably there might have been, but that was the principal reason.

146. And now you advocate the freehold so that you can purchase it and sell it again?—No; I do not intend to take up any more agricultural land at present.

147. Do you belong to the Farmers' Union?—Yes.

148. Are you one of their representatives?—No; I always keep in the background.

149. I suppose you are aware that the Farmers' Union is strongly advocating the option of the freehold?—I have never been at any meetings of the Farmers' Union except at this place.

150. Have you any other object in advocating the option of the freehold?—It is simply to get clear of restrictions in respect to cropping, and there is always the fear of revaluation.

151. But you know it takes two parties to break a contract?—They have broken the freehold, and they can break these leases.



152. If the contract were broken the terms might be ten times worse than they are at present, and the sections might have to be put up to auction?—We do not want those terms. I have come here to tell you what we do want.

153. But the Government will tell you what the terms must be. I think the best thing the Crown tenants can do is to say very little about the freehold?—I have no great fancy for buying my leasehold just now.

154. *Mr. Paul.*] I suppose you paid something for goodwill?—Yes, about £460.

155. You are in a little worse position than the original settlers?—Yes.

156. You have paid £460 for something that you would like to be able to realise on?—Yes; it would be rather hard on me if I was forced to take it up as a freehold when I have paid between £400 and £500 for improvements. It would be a bit rough if I had to pay it over again.

157. Why are you afraid of revaluation being made retrospective?—Because we have heard of statements made by town members and labour organizations. They have got such a large population in the towns that they can overrule the country pretty well.

158. Are you sure that the labour members in the towns propose revaluation shall be made retrospective?—I cannot say that, but I have heard a little murmuring about it.

159. Why do you come to this Commission and say there is a proposition to revalue the land retrospectively when you admit you know little about it?—I said I had heard murmuring to that effect, and there will be pressure to bring about revaluation.

160. Have you ever heard that revaluation was to be applied retrospectively or only to future leases?—I cannot say anything about that.

161. It does not appear that you have much ground for your fear. If it only applies to future leases it does not apply to you?—Not a bit.

162. At the present time you wish to break your agreement with the State: you want the option of purchase—something that is not provided for in the lease?—Yes.

163. If the contract is broken could you complain if something you do not ask for is inserted in the new contract?—I would not be satisfied, but we have to agree to many things we are not satisfied with.

164. If you were the primary cause of having the lease varied you would not have very much cause of complaint?—I know I cannot be the primary cause. I am only one individual.

165. But you are doing all you can for it?—No.

166. Do you believe in restricting the area of land that one man may hold—I mean freehold land?—Yes, according to the quality of the land.

167. If the option of purchase is given you do you not think it matters much whether the settler is simply an owner in name?—We have no control over these things either in respect to leasehold or freehold. These things will go on, and as long as men require money they will try to get it.

168. And it is not necessarily an evil?—No.

169. *Mr. Johnston.*] You have got some high country?—Yes.

170. Do you winter your sheep on it?—Yes.

171. What are your losses, generally speaking?—I am satisfied that 15 per cent. would not cover my losses.

172. Have you any rabbits on it?—Some, but they are not very bad. They have been kept down.

173. Any noxious weeds?—No.

174. Have you ever tried sowing on the high country?—Only about the creeks.

175. Do you know any one who has?—I think there is very little of it done down here—in the high country anyway. The leases are short, and there is no encouragement to do surface-sowing or make other improvements.

176. If you had a longer lease would that induce you to make greater improvements?—Yes.

177. Do you know anything about the ballot system?—Yes.

178. Do you approve of it as at present?—Yes; but I cannot say much in respect to the ballot.

179. You considered your section was worth the money when you paid for it?—I thought I was paying pretty high at the time.

180. You are doing pretty well on it now?—Fairly well.

181. How many bushels do you expect your wheat to yield?—I insured it for 38 bushels.

182. What is the area under wheat?—About 144 acres.

183. *Mr. McCutchan.*] You said your mortality amongst sheep was 15 per cent., what is your increase?—I think the average is about 60 per cent.

184. *Mr. Forbes.*] Is Otekaike suitable for cutting up?—I think so, in suitable-sized sections, according to the quality of the land; but there is a good deal of poor land there too.

185. What sized places will carry two thousand sheep?—Between 2,000 and 3,000 acres, I think.

186. What are the restrictions you wish done away with?—The Land Board has not been too severe here, but I have seen accounts from Timaru that they were not so lenient there. I want to get out of their hands altogether, so that they shall have nothing to do with me.

187. You think that when a man has put on substantial improvements he should be free from cropping restrictions?—Yes.

188. *Mr. Anstey.*] You said you paid £460 for goodwill?—Yes.

189. Was it all goodwill, or was a portion of the payment for the improvements of the previous tenant?—There might be forty pounds' worth of improvements.

190. And over £400 was goodwill?—Yes.

191. You say you fear there may be revaluation?—Yes.

192. I suppose you think that would be a breach of faith on the part of the Government?—Yes.

193. Do you think it would be a breach of faith on your part if you insist on getting the right of purchase?—They have the power to say whether they will give it.

194. It would be a breach of your lease?—I would not consider it so. If one party wanted it to remain as it is I would let it remain so.

195. If your lease was broken in one way you could not complain if it was broken in another way?—I do not think they would break my lease if I did not want it.

196. If you alter the lease you must break it, and that is a breach of the lease?—Yes.

WILLIAM EDWARD DECOURSEY HUGHES examined.

197. *The Chairman.*] What are you?—A settler at Tokarahi, where I have 367 acres under lease in perpetuity, and 10 acres under temporary license. I pay 7s. 3d. an acre for the lease in perpetuity. My brother and I originally took up the section seven or eight years ago, but I have it myself now.

198. Are you satisfied with the holding?—I would prefer the freehold. By that I mean that the lease in perpetuity should carry with it the right of purchase.

199. Is the rent you are paying fair?—Yes; but, as a rule, it is considered to be too high all over Tokarahi

200. The first few years of the settlement was rather trying, but the last few years have been much better owing to greater moisture?—That is so.

201. Do you crop?—I have not been cropping for some time. My land is down in grass for sheep and dairying. I grow a little green crop.

202. What is your opinion of the present constitution of the Land Boards?—I think they should be partially elected, with a majority of nominated members. A petition asking for an elective Land Board originated in this centre, and was signed by settlers at Tokarahi, Windsor, Ardgowan, Elderslie, and Maerewhenua, but it was thrown out by the House.

203. What is the fault of the Land Board as now constituted?—The Land Board was considered to be biassed, and when any matter was submitted to them they would not listen to a tenant, but upheld the Department. I can give a case in point. I wrote to the Land Board on the occasion of a flood, and asked for an officer to be sent up to make a report to the Board. It took me three weeks in correspondence before the Land Board agreed and two officers were sent up. Had there been tenants on the Land Board they could have explained the matter to the Board.

204. Is there any other point you wish to bring before the Commission?—I think the Land Board ought to be allowed a little more discretion. When I took up my section it was not ring-fenced. I subdivided it into six paddocks, built a two-roomed hut, made two roadways, and built sheep-yards and a cow-byre. For all that, I got a notice saying that within fourteen days from date the section would be forfeited because the conditions of the lease had not been complied with. I admit that the capital on the section was not up to the amount required by the lease, but, at the same time, I do not consider that that is the way to encourage settlement. I drew the attention of the Board to what had been done on the section, and the matter was left in abeyance, and I heard nothing more about it. Nothing happened; but when a threat of forfeiture is made it might get into the newspapers and that would damage a tenant's credit.

205. What you received was not a peremptory notice of forfeiture, was it?—No, it was "to show reason within fourteen days." I am in favour of the freehold for this reason: the Crown Tenants' Association was formed here, with the object of assisting the tenants with the Board, without in any way interfering with present leases, but when an application came through the Crown Tenants' Association the Land Board refused to acknowledge the association, although it is registered. Seeing that we are living some distance from the town, it would be of assistance to the Board to have facts placed before them by such an association, and I may say that eventually the Land Board did agree to recognise us on certain terms and conditions. The Under-Secretary in Wellington, however, wrote down saying that the Land Board had no power to recognise us, so that we have the Department in Wellington and the Department in Dunedin against the association formed by the Crown tenants. This leads to an unsettling of the minds of the tenants, and makes them think that they would be in a better position if they could do as they please after certain conditions have been complied with.

206. What are the objects of this association?—It was formed before the Farmers' Union started, and it was for the general good of the district. It was not confined to lease-in-perpetuity tenants, and it was intended that if a tenant had a grievance the association would lay it before the Land Board in the same way as would be done by a Land Board agent. In one case, however, where a sludge-channel on a man's land was flooded, I brought it under the notice of the Board, but the Board said they would recognise no one but the tenant. I pointed out to the Board that they did it every day by allowing agents and solicitors to appear before them in Dunedin.

207. You agree with the former remarks that have been made with regard to the alteration in the times of paying rent?—Yes, except that the date should be a little later. Then, there is the question about the rebate of rent to tenants. When the tenants see that there is such a large profit being made out of the estates by the Crown it is only reasonable that they should ask for a rebate where necessary. In regard to the loading for roads, I understand the £7,000 was put on to Tokarahi, and I consider that that should come out of the general revenue, and should not have been put on to the estate. I would not be in favour of grouping sections in the ballot. That was one of the things that the association brought under the notice of the Minister of Lands.

208. Your objection, I suppose, is that under the ballot a man is sometimes forced to take a section he does not want?—Yes. Then, there is a great deal of talk about the unearned

increment. On Tokarahi 80 per cent. of the unearned increment has been caused by the efforts of the settlers themselves in the way of erecting a creamery, providing telephonic communication, and a school.

209. Did the tenants have to give a guarantee for the telephone?—They had to pay down £50 cash before it was brought in.

210. Was the school not erected out of the public funds?—Yes, but it was the exertions of the tenants that led to the erection of the school. We only got it after fighting very strong opposition. Then, with regard to the creamery. We applied to the Minister for the piece of land that this hall stands on as a site for a creamery, and we were refused on the ground that it could not be given away. We were forced to go and buy a piece of freehold, and the ground we had applied for was subsequently granted as a site for a hall. I may say here, in reply to what Mr. McLennan said down south, that our price for butter-fat ranged from 8½d. to 11½d., after I received notice about the forfeiture of my land I had to make arrangements for putting on my improvements, and I applied to the Advances to Settlers Department for a loan of £400. They offered me £250, and were to retain £100 of that as security for the erection of the house I proposed to put up.

211. Did you accept that offer. No. [Witness here read correspondence between himself and the Department with regard to his application for a loan.] The house, as a matter of fact, was finished before I got any reply from the Advances to Settlers Office about the loan I asked for. They would only advance me £250, but I was able to get from a private source £500 at 5 per cent. for five years, with a right of renewal. I consider that a tenant ought to be able to look to his own landlord for the money that he requires for improvements and not have to go to private individuals. There is also too much delay in sending applications through so many officers. The tenant has no confidence put into him. The Prime Minister, who is a member of the lending Board, speaking at Stratford the other day, said that he must put his finger on the spot where the weakness was. All these things point to the fact that the Crown tenant would be better off under the freehold.

212. *Mr. McCardle.*] Have you got any sound reasons to advance why the freehold should be granted to Crown tenants?—I think they would be in a better position with the freehold. It would be beneficial to them and to the State.

213. With reference to the Advances to Settlers Department, can you suggest any amendment?—I think they should be able to advance up to three-fifths.

214. In lending money do you think the Government ought to first consider their own tenants?—Yes.

215. If the Advances to Settlers Department advanced up to three-fifths of the tenant's interest you think that would be more satisfactory to the tenant?—Yes.

216. Do you think the State would run any risk if these moneys were paid back by instalments?—I do not think so.

217. *Mr. Matheson.*] Do you realise that under the Loans to Local Bodies Act many settlers are paying for the roads through their district—paying the whole cost?—Yes.

218. Do you think it would be a good reform, wherever settlers are ready to bear one-half through the Loans to Local Bodies Act, that the State should bear the other half rather than that they should ask the State to do it all?—When I referred to roads I meant that when an estate is broken up roads are put through it and the land is rated accordingly, and I have made what I think a fair suggestion.

219. Referring to the whole roading of the colony, do you not think it is necessary that some part should be borne by the settlers in order to give the Government a good reason for helping in the roading?—Perhaps so. I have not thought out that question.

220. *Mr. Hall.*] Did you mean that the option should apply to existing leases?—Yes.

221. Would that not necessitate a fresh ballot?—No. I take it that any two parties can amend or alter a lease. They do not break the lease, for both are consenting parties. I do not see why there should be a fresh ballot.

222. But important alterations would be made in the tenure, and you would exclude the public from participating?—Yes.

223. *Mr. McLennan.*] Are you a member of the Farmers' Union?—Yes.

224. Had the executive a meeting in Dunedin some twelve months ago?—Yes.

225. Was there a motion brought forward with reference to the option of the freehold?—Yes.

226. Did you favour the option being given?—I moved, as a delegate from Tokarahi Branch, that they should not get the option. I am not now representing the Farmers' Union or the Crown Tenants' Association. I am giving my own private opinion.

227. You were an upholder of the lease at that meeting, and now you are an upholder of the freehold?—At that time I was a delegate from this branch and I voted according to instructions. No petition came to Tokarahi for the freehold.

228. *Mr. Paul.*] So far as you know, the petition from the colonial executive of the Farmers' Union in favour of the freehold never came to this estate?—No.

229. You favour elective Land Boards. What would be the franchise?—I have not gone deeply into this matter, but I think that some members of the Board should be elected.

230. Did you say the Dunedin Land Board opposed the Crown Tenants' Association?—I said they would not recognise them.

231. You said that financial men advised you that you would fail in approaching the Advances to Settlers Office?—Yes.

232. Did they think the security was not sufficient?—It was before the improvements were put on, and also afterwards.

233. You agree with the land-for-settlements policy?—Yes.

234. You think it is wise that the State should acquire improved estates and cut them up and resell them in the shape of freeholds?—I think that if a man takes up land under lease in perpetuity,

and after he has resided on it for a certain time and complied with all the improvement conditions, he should have the right of purchase.

235. Do you not think there is a danger that the man who had a good bargain would take the option, and that the man who had a bad section would leave it in the hands of the State?—Yes.

236. Do you think that would be a good policy for the State?—I could not say.

237. Do you think the option should be at the present capital value or at the capital value when the lease was taken up?—At the time he took up the lease.

238. Do you not think if you were to break the contract it would be fair that the improvements should be valued and the land put up to auction?—I do not wish to break any contract, but only to amend the present contract.

239. It is pretty clear if you get the option of the freehold the contract is broken?—No.

240. If the Government wanted to amend it so as to provide for revaluation?—Then, the two parties would not be agreed.

241. Are there any restrictions that harass you on your farm?—No, the Land Board and the Ranger have always treated me fairly.

242. *Mr. Forbes.*] As to the Settlers' Association, do you think it is a reasonable thing for the Land Board to recognise a third party between themselves and a tenant when it comes to a case of an individual grievance?—The association was formed so that everything could be fairly laid before the Land Board.

243. You say you signed this complaint from the Farmers' Association?—No, I drew attention to damage by floods on behalf of the association, and the Board refused to recognise the association.

244. Do you think in the case of floods you should be entitled to compensation?—Certainly, when there is a big credit balance in the Land for Settlements Department.

245. If you could get compensation for floods and 10 per cent. rebate on your rent, do you not think you would be in a better position with that assistance than with the freehold?—No; I have to find six months' rent in advance, and therefore the tenant is entitled to rebate.

246. If there are many settlements like Pomahaka there will be a loss. Do you not think it would be businesslike to keep an insurance fund to provide for such cases?—Certainly, I should think that might be done.

247. As to the Advances to Settlers Department, do you not think it has had the effect of reducing the price of money to the farmers—outside money?—No.

248. Because the majority of farmers go to the Government, does that not make outside lenders more anxious to lend?—No.

249. You do not think the Advances to Settlers Department has had anything or very much to do with the reduction in the rate of interest?—I do not think it has had very much to do with it.

250. *Mr. McCutchan.*] Are you able to state whether the rebate is for prompt payment, or is it given because the Government was in the position to allow of it?—I cannot say.

251. With reference to the £7,000 loading, you do not approve of the principle of loading land for roads?—Yes.

252. Was the £7,000 wisely spent?—No.

253. Under what system was it spent?—Co-operative labour, and they took too long over it, and the work was not well managed or done.

254. It was since 1900 that you applied?—Yes.

255. The Act says it is allowable?—We could not get it.

256. Could you send the Chairman of the Commission the reply you got?—Yes, if I can place my hands on it when I get home.

257. At the time you sent the petition to the House of Representatives had you a representative from this district on the Land Board?—No.

258. You have one now?—We have one from Windsor.

259. Do you think the present settlement would have been here if this land had been opened under the freehold?—No.

260. You could not have got on to this land but for the fact that it was leasehold?—Not in my case.

261. It was very convenient for you to be able to get a lease?—Decidedly.

262. You say the rent is too dear?—It is high.

263. Do you know if any sections have changed hands?—Yes.

264. Did you give your brother anything for the goodwill?—Yes.

265. Then, of course, the land was worth a little bit more than you originally got it for?—Yes.

266. What position do you hold in the Farmers' Union?—Secretary of this branch, delegate, and a member of the Otago executive.

THOMAS EVANS examined.

267. *The Chairman.*] What are you?—I am a miner at Maerewhenua. I have lived in the district for twenty-eight years.

268. Is there any matter you wish to bring before the Commission?—My wife holds an occupation license over 27 acres at Maerewhenua, for which she pays 1s. per acre. The license has got eighteen years to run. She applied for an additional area of 60 acres, but it was refused on the ground that the application was opposed by the Mining Reserves Committee. That ended the matter for the time being. There are 2,180 acres in the mining reserve, which is held by the miners' committee for grazing purposes, with the right to the miner to work over it. The residents have very few head of cattle on the reserve compared to the number there belonging to three members of the committee who were running it as a monopoly.

269. Do those who run the cattle on the commonage pay so-much per head?—They pay 6s. annually.

270. Has every holder of a miner's right the right to run cattle there?—Yes.

271. What regulates the number of cattle each man can run?—I tried to get a limit fixed, but was not able to, the others on the committee overruled me.

272. Why did the Land Board refuse you this land?—Because the Ranger reported that we were taking too much frontages. We put the application in again in another form through an agent in Dunedin, and it was again refused.

273. *Mr. McCardle.*] Have you any suggestion to make?—The reserve should be let go as occupation licenses.

274. *Mr. Anstey.*] Would it not be better to have these commonages occupied by tenants?—Yes. Have no commonage at all.

275. *Mr. Matheson.*] When you could not get the block on the terms on which you asked it was it not reasonable to ask for it on any terms?—Our agent in Dunedin asked for it on any terms, and there was no chance of getting it.

276. The Land Board refused it to you in any shape?—I believe so.

PETER MCGRADIE examined.

277. *The Chairman.*] What are you?—I am a farmer holding 75 or 80 acres in the Tokarahi Settlement, for which I pay 6s. 3d. per acre.

278. Are you one of the original settlers on Tokarahi?—No, I am only twelve months here.

279. You bought in from some one else?—Yes. I believe in the freehold. I was a freeholder in Shag Valley for fourteen years before I came here. I had 257 acres, but I had to sell it in order to close a partnership.

280. What do you want to bring specially before the Commission?—I would like to have the option of purchasing the land.

281. Supposing the option to purchase was given you, would you be agreeable to have the land revalued at the time you exercised the option?—Not at all.

282. You want it at the original price?—Yes.

283. *Mr. McCardle.*] Is there anything more in your land, do you think, than you paid in goodwill to the man who went out?—I think so.

284. *Mr. Matheson.*] You paid him something for goodwill, and if you had to be valued again before you purchased you would be paying to the Government over again the money you had paid to the original holder of the section?—Yes, it would be unfair to make me pay twice.

285. Do you understand that when the Government took up this land originally it was with the intention of settling the land?—Yes.

286. Was it with the intention of making profit out of it?—No.

287. If they had no intention of making a profit, does that seem a good reason why they should sell to you at their original outlay?—Yes.

288. Do you consider the lease-in-perpetuity a good tenure?—It is very good for any one with small means wanting to go on to a holding.

289. Under the lease in perpetuity the whole of the unimproved value of the land remains on the land at a low rate of interest. What would be the advantage of making it into a freehold?—It would be a man's own.

290. It is now for 999 years?—Not exactly; he has to pay rent.

291. Do you think a man wants the freehold generally with the object of making money out of it?—No.

292. It is sentiment?—Yes.

293. Is there any real advantage?—A man would have all the fruits of his labour. Under the leasehold he cannot get the full value of his section with the improvements on it. I could not. I have put up nearly four hundred pounds' worth of buildings here in addition to what I paid for when I took over the lease. It is only an 80-acre section, and I could not get that value of improvements if I sold.

294. *Mr. McLennan.*] I suppose you got a good price for the farm you sold for partnership purposes?—I doubled my money on it.

295. How was it you did not go in for a freehold instead of taking up a leasehold, and preventing some poor fellow who could not take up a freehold from taking it up?—I did not want to keep anybody out of it.

296. *Mr. Paul.*] Did you pay what you did for goodwill as a speculation on the offchance of getting the freehold?—No, I took it as a home, and put on four hundred pounds' worth of additional improvements.

297. You recognise that in the freehold there is something above what you paid for goodwill?—Yes.

298. You are asking for the option at the original capital value?—Yes.

299. By gratifying that sentiment of yours it will pay you very well?—I do not know that it would. I would have no rent to pay.

300. You are admitting there is something substantial in this section beyond what you have paid for goodwill, and you say there is sentiment in the freehold?—I have been fourteen years under the freehold.

301. Do you not think you should pay something for that yearning?—I would pay the original value.

302. You admit there is something substantial in it above the original value and above the goodwill you paid?—There would not be but for the improvements I put on.

303. We are speaking of the unimproved value: your improvements would not be included in the value?—I want the place as a freehold at the original value.

304. You want the place as a freehold, provided you lose nothing by gratifying the sentiment?—No.

DUNTRON, FRIDAY, 31ST MARCH, 1905.

ANDREW BELL examined.

1. *The Chairman.*] What are you?—I am a dairy farmer at Maerewhenua. I hold 36 acres under lease in perpetuity, for which I pay 5s. per acre; and my wife also holds 19 acres, for which she pays 4s. per acre. The two places are not exactly together, but we work them as one. I run from twenty to twenty-five cows, and I supply the creamery. I grow some feed for the cows. I have been in the district for the last thirty-three years.

2. Is there any particular point you would like to bring before the Commission?—I suppose the principal thing you want to know is whether we are satisfied with our present holdings and our present tenures, and I reply that I am quite satisfied. I only wish I could get a little more land.

3. I presume from what you say that you prefer the leasehold to the freehold tenure?—Yes.

4. *Mr. Matheson.*] Would you like to see the State gradually regain all the land and lease it in this way, so that no freehold would be left?—Yes; the State, I think, should be the landlord of all land acquired for closer settlement, and even of the ordinary Crown lands. I think there should be no land alienated from the Crown.

5. *Mr. McLennan.*] Do you know of any other large estate that could be cut up by the Crown?—Yes, the Otekaike. I have been over the most of it.

6. Do you think it would make a very good settlement if purchased?—Yes, a very successful settlement.

7. Would you be in favour of the Government buying the winter country from the Maerewhenua River to the Otekaike, so that it might be worked along with the summer country?—I do not think there would be the slightest difficulty in getting rid of the winter country. I think if it were bought by the Government it could be cut up in such a way that every acre of winter country could be used. I saw by the Press that Mr. Don suggested that Otekaike should be cut up into 2,000- or 3,000-acre blocks. Mr. Don and his father cropped on Otekaike, and I think they gave something like £1 6s. per acre for one cropping, and at that time I think they would have been quite satisfied with 200 acres instead of 2,000. The outside public might be led to believe that Otekaike is of very little value for anything but pasture, and that would be misleading.

8. Mr. Don referred to the high summer country when he suggested that area. Do you think that a man could live on less than 2,000 acres of the summer or mountainous country?—I think 2,000 or 3,000 acres would be too small an area.

9. Do you think a man could live on 6,000 or 8,000 acres?—Yes, and he should have the benefit of some of the lower country as well.

10. What stock would that area carry?—I am not in a position to answer that question.

11. What sort of land is the lower country, say, from Duntrun from the freehold area to the Otekaike River?—It is very fair mixed-quality land, and would do at a fair value.

12. There are some reserves through Otekaike?—Yes, there are three endowments—municipal, hospital, and Harbour Board.

13. In the event of the Government taking over the freehold, do you think they should get tenants for the summer country as well as the winter country?—Yes; there would be no difficulty in disposing of the runs. The Otekaike, even to the top of Mount Domett, is not as high as the Kurow Range, and the country there has been successfully settled.

14. Do you think there would be any great difficulty or expense in fencing, say, 6,000 or 8,000 acres of the summer or mountainous country?—I do not think it advisable to cut that country into areas larger than 6,000 to 8,000 acres.

15. Do you think a farmer could live entirely on the products of 6,000 to 8,000 acres grazing sheep?—I am not in a position to answer that question.

16. Is there any other estate round about North Otago that you think it would be advisable for the Government to acquire and settle under the Land for Settlements Act?—There is the Corriedale Estate, which I think would make a very successful settlement. But I believe Otekaike would make a more successful settlement than it, and the land is quite as much wanted. Many of the young men growing up in the district are prepared to take up the whole of it. I do not think it is fair to force people to take up the back country when there is improved land here with railways and all other conveniences ready at hand for them to make a living on at once.

17. Do you remember the years from 1890 to 1894: was the North Otago district prosperous in those years?—That was the dry season, and the farmers had to struggle.

18. I suppose Oamaru was not very prosperous then?—So far as I can gather, I think the value of property has increased in some cases over 300 per cent. since then.

19. What, in your opinion, has caused that increase?—The settlement of the country. Our prosperity is entirely due to agriculture, and had it not been for the settlement of the country I do not see how that prosperity could have been brought to Oamaru.

20. Would these large estates have been cut up and closely settled had it not been for the Land for Settlements Act?—If they had been I do not think one out of every hundred of the present settlers would have been able to acquire a section. They had not the capital to purchase them.

21. Seeing that is so, do you not think it is very ungrateful for the Crown tenants now to cry out for the option of the freehold?—Though the Crown tenants have done very well within the last few years in this district, if they got the option I do not think a great many of them would be in a position to purchase. I think it is more of a cry than anything else.

22. Who has caused that cry, the Crown tenants or some other body?—I cannot say there has been any great cry in our district. It comes from outside districts.

23. Has the Farmers' Union anything to do with this agitation?—I cannot say. I have had nothing to do with them. We had a branch here, but it died a natural death.

24. *Mr. Hall.*] You say you believe firmly in the lease in perpetuity?—Yes.

25. You hear of some people having a desire to obtain the freehold?—I do not hear much of it here.

26. Do you think it is wise to raise these rumours?—They are the opinions of the people; one man may have one opinion and another another.

27. Though one cannot believe there is the slightest probability that the lease in perpetuity will ever be interfered with, still, raising rumours of that nature is like prompting the Legislature to do so. Do you think it is wise to foment these rumours?—You cannot prevent it. I think the rumours have been caused through it being reported there was going to be revaluation. I think if those who have taken up land in good faith under the lease in perpetuity stick to their part of the contract the Government should also stick to theirs.

28. *Mr. Paul.*] Have you heard anything definite as to retrospective revaluation?—No, it is rumour.

29. Have your dealings with the Land Board been satisfactory?—Quite satisfactory. I think the Land Board as at present constituted do their business very well. I would like to see the Land Board have more power, and to be kept as free from political power as possible. I think they ought to have a freer hand than they have now to deal with many matters that have to be referred to the Minister in Wellington.

30. *Mr. McCutchan.*] Have you had any experience of the Advances to Settlers Department?—I have never had any advance from them, and the only complaint I have heard is about the delay that takes place before a loan is made.

31. Was the Maerewhenua Block loaded for roading?—Yes, and that is a hardship. I do not see why any land should be loaded to the settler for roading for the simple reason that the cost of the roading is put on the capital value, and the settlers are paying rent on that at 5 per cent. The local bodies then rate you on your rent, and you have to pay a rate on the money you have spent for roading. I think that loading for roads ought to be entirely done away with. At any rate, the Maerewhenua settlers have paid enough to get it taken off altogether.

32. At 5 per cent. interest a loan extinguishes itself in twenty-six years: do you think it would be a fair proposal that you should cease paying interest on your loading in twenty-six years?—Would it not do a little sooner. I think at the very outside twenty years is quite long enough to continue paying interest on the loading.

33. Were you satisfied with the way the loading was expended?—I cannot say we were satisfied, because we never knew the amount it cost for roading. There is loading for other improvements such as buildings and fences, and so forth, and some of the tenants have to pay interest on them for all time, and I think that is a great hardship. We know that buildings and fences depreciate 10 per cent. every year, and yet we have to pay interest on them for all time.

34. I think that loading is extinguished in a certain time?—Not on Maerewhenua, but on other estates purchased since then.

35. Was the loading spent on the settlers' labour, or was outside labour brought in to do the work?—I think it was co-operative labour, but I was not interested in the estate at that time. I think all these burdens ought to be taken off the settlers.

36. *Mr. Forbes.*] Do you think that when a man has placed sufficient improvements on his land to show that he intends to make his home on it and has a substantial interest in the land the cropping restrictions should be taken off?—I say the settlers are quite capable of farming the land to the best advantage without any restrictions whatever. I have heard it said that the farmers under lease in perpetuity do not farm as well as under the freehold. I consider that is an insult to the leaseholders, because I reckon we have got in our district as good farmers as any freehold farmers in New Zealand.

37. It has also been said the man on the leasehold feels a kind of a slave, and has not the same independence as the man on the freehold?—I think the leaseholder is just as independent as the freeholder.

38. *Mr. Johnston.*] Has the value of the land increased or decreased since the settlement was taken up?—It has increased, but that is through the value of products increasing. The land is no better. It has also increased through the labour expended by the tenants.

39. Suppose you wanted to sell out and you estimated your improvements at so much, could you get any goodwill over and above your improvements?—I could get a certain amount. I would sell just as I would a freehold—to the highest bidder.

JOHN HOWE CHALMERS examined.

40. *The Chairman.*] What are you?—I am a farmer in the Kurow district. I hold a small grazing-run of 885 acres under lease in perpetuity. It is a part of the old Kurow Run. I pay 1s. per acre and 10d. per acre rent. I have held my run sixteen years. I carry about six hundred crossbred sheep, and my average clip is from 5 lb. to 6 lb.

41. Have you ever tried any surface-sowing on your country?—Yes, and with very great success in some seasons, but with indifferent success in dry seasons. Once the grass takes it does very well.

42. What is the altitude of your country?—About 1,900 ft. to 2,000 ft. I am considerably under snow in the winter.

43. Is there any particular point you would like to bring before the Commission?—My rent is too high. In 1902 I wished to surrender, and I asked that the Ranger should be sent up to value my property. He valued my place at 6d. per acre, and my trouble is that I am paying 1s. and 10d. for different sections. Similar country in the district is valued at 4½d. and 7d. per acre. My difficulty is that I want to keep my place and transfer it to my boys.

44. I suppose you must either hold on or surrender and take your chance of losing the run at the ballot if the rent is reduced?—That is so. I have divided the run into ten paddocks, and I



have done a lot of surface-sowing and stone-clearing and ploughing on the hilly sides. Then, I have a six-roomed house.

45. *Mr. Anstey.*] If you surrender your land, and the Board reduce your rent, it has to go to ballot?—Yes.

46. Suppose it was put up to auction instead, and you were allowed a chance of competing for it, would that satisfy you?—No; I would like to retain the place and transfer it to my family.

47. You wish the Board to have power to reduce your rent without putting it up to competition?—Yes.

48. Do you not think that is putting too much power in the hands of the Board?—No.

49. Do you not think it is open to the objection that particularly favoured persons might get special treatment?—That might be so; but I think the tenants should get every consideration on account of the work they have done and the years they have spent on the place.

50. *Mr. Johnston.*] Have you ever known of screenings from seed-cleaning machines to be used on the high country?—No.

51. Is it possible to make a living out of six hundred sheep?—Barely at times.

WILLIAM SUTHERLAND examined.

52. *The Chairman.*] What are you?—I am a sheep-farmer. I have 410 acres of freehold and a small grazing-run of 800 acres, and a private leasehold of 49 acres. I pay 10½d. per acre rent for the small grazing-run. I hold it for fourteen years. My freehold and part of my leasehold is cropping land.

53. Is the main part of your cultivation for feeding the sheep?—That is just my game.

54. Is there any special point you wish to bring before the Commission?—I would like to see a little more settlement round this locality. I think there is a great land thirst in this particular district. I do not care a rap about any further settlement, because I am a freeholder and a leaseholder, but I have sons. To the best of my belief Otekaike is very much adapted for cutting up.

55. You are aware that the low land is all freehold, and that behind there is a large area of mountain country, the property of the Government: of course, if the Government were to acquire the low land they would necessarily try to work in the high country with it?—That is quite correct. I think the high country could be cut up into 2,000- or 3,000-acre blocks, but I think the subdivision would require to be carefully done, so that the creeks should be made to lie in.

56. Have you had any experience of grassing the country by surface-sowing?—Very little. I cannot say I have been very successful. You must do it very early in the spring. What I did is nothing to what I would do. I sowed cocksfoot and a little bit of ryegrass, and a little red-clover amongst it. The red-clover seems to strike on anything damp better than anything else. But do not take the weeds from the mills; you must get the best seed.

57. Have you any weeds in your country?—None on my farm, and none that I have seen on the small grazing-run. I have plenty of rabbits, though.

58. I suppose you keep them under as far as you can?—That is the Inspector's business, not mine.

59. *Mr. Matheson.*] Do you think the Government would be wise to allow you to gradually pay off the capital value of your lease-in-perpetuity land out of your savings?—It would all depend on whether there was any outlet for the Government to make use of this capital.

60. *Mr. McLennan.*] Do you think if the Government cut up the summer or high country on Otekaike into 2,000-acre blocks that area would be too small?—I cannot say, really. You must follow the natural boundaries in cutting up Otekaike. But I am quite positive that, without the low-lying country, the high country on Otekaike, if cut up by the Government and settled, would bring in more rental, and be more successfully settled than it is at the present time as held in one block by Robert Campbell and Son.

61. Then, in your opinion, it is desirable that Otekaike should be cut up into smaller areas?—Yes. I should say it would be a most wise thing for the Government to do.

62. Do you know anything about the Corriedale Estate.—Yes.

63. Do you think it is advisable that the Government should take over the Corriedale Estate? It all depends on the price.

64. Is it all fit for close settlement?—Not in my opinion. I should not say it was as good an estate as the very worst of Otekaike, and I have been all over both estates.

65. Do you think it could be settled in areas of 500 to 600 acres in the back country, and in smaller areas of 200 to 300 acres in the front?—Yes.

66. *Mr. Anstey.*] Do you think the present lease-in-perpetuity holders should get the right to purchase the freehold of their holdings?—That is a question I cannot answer.

67. *Mr. Paul.*] Do you think the lease in perpetuity a good tenure?—I do—a very good tenure.

68. Have your dealings with the Land Board been satisfactory?—Yes. I wish for no change.

THOMAS REID examined.

69. *The Chairman.*] What are you?—I am a farmer. I hold 605 acres under lease in perpetuity on Maerewhenua. I pay 8s. 3d. per acre. I have held it about ten years since the commencement of the settlement. I go in for mixed farming. My nearest railway-station is Borton's Siding. I get plenty of water at 18 ft. by sinking.

70. Is your experience satisfactory?—Yes, so far.

71. Are you pleased with your tenure?—Yes, fully satisfied.

72. No desire for the freehold?—No; but, still, I may say that if I had sufficient money to buy the freehold I would be for the freehold.

73. Would you like the option to purchase the freehold?—I would.

74. Is there any other point you would like to emphasize?—No.



75. *Mr. Matheson.*] You are a tenant, and your landlord is the people of New Zealand, and the Land Board are the stewards: do you think the landlord would be wise to give you the right to acquire the freehold if you had accumulated savings?—I cannot say as to that.

76. You are one of the people of New Zealand, and you are dealing with your own estate: would it be wise to give you that option?—I cannot say; though, at the same time, if I had sufficient money to buy the freehold I would be only too glad to buy it.

77. That is your view as a tenant: what is your view as a landlord?—I only look at it from my own point of view.

78. *Mr. Anstey.*] Are your relations with the Land Board satisfactory?—Yes, thoroughly.

79. Are your cropping restrictions oppressive?—I am thoroughly pleased with them. I consider two crops quite sufficient to take off the Maerewhenua land in succession.

80. Have you had any experience of the Advances to Settlers Department?—None whatever.

81. *Mr. Hall.*] Leaving yourself out of the question, do you think that the Crown tenants generally would derive any real advantage by any change from lease in perpetuity to freehold?—I cannot say as to that. It is too far-fetched for me to give an opinion. At the same time, if I had sufficient money to buy the freehold I would be only too pleased to buy it.

82. Would it be an advantage to those who have not sufficient money to borrow money outside the Government to purchase the freehold?—My idea is that if I had sufficient money to reduce my rental down from 8s. 3d. to, say, about 2s. 3d. or 2s. I think it is only right I should be allowed to do so, because the Crown would still have the same hold over me as they have now with my rent at 8s. 3d.

83. *Mr. Paul.*] You say you have studied this question from your own point of view, and you have come to the conclusion that the freehold would pay you financially?—I am quite satisfied that the freehold would pay me in time better than the leasehold. I am thoroughly satisfied that my neighbours who have freeholds are doing better than I am with the leasehold.

84. You are not sure it is in the interests of the State?—I am not for the State at all. If I had sufficient money to buy my property and could do so I could do better than I can now, with the State having its say and my having to pay this 8s. 3d. rent.

85. You are looking after yourself?—Rather.

86. *Mr. McCutchan.*] You decline to express any opinion as to whether it is best in the interests of the State for you to acquire the freehold?—I cannot say as to that, but I do maintain that had it not been for the State acquiring these properties a lot of us who are now settled here would never have been on this settlement.

87. Do you feel at liberty to express an opinion as to whether it would be wise for the State to allow you to reduce your rental from 8s. 3d. to, say, 2s. 6d.?—I do. That is my opinion.

88. Have you any objection to the principle of loading for roads?—I have. I think we ought to be allowed to pay them off.

89. Do you object to the principle of loading to get roads?—I do. I think the County Council could have made them much cheaper than the Government.

90. Do you think it is more advisable for the Government to road the country than to make the tenant provide the whole of the roading?—I think the tenants should provide a portion of the money, but I do not think they should have to pay the whole of it.

91. Do you think the interest on the loading should go on for all time?—I do not.

92. Money extinguishes itself, both principal and interest, at 5 per cent. in twenty-six years, and, that being so, do you think the interest on loading should then terminate?—I do. I maintain we ought to be allowed a certain time in which to pay off the roading.

93. The witness who occupied the chair a few minutes ago objected to the County Council levying rates on the land and loading on the ground that it was a rate on a rate: is that objection in your mind too?—I cannot answer that question.

94. Do you object to the manner in which the money has been expended?—Yes; I maintain that the County Council could have expended the money more wisely.

95. You say that from personal observation?—Yes; it was done by co-operative labour.

96. Was it satisfactory labour, in your opinion?—No. I maintain the County Council could have made better roads at less cost.

97. Then, you advocate that if loading is continued the local authority should have the expenditure of the money?—I do.

98. *Mr. Forbes.*] You say the freehold farmers are doing better than you are on the leasehold: what are the drawbacks in this lease in perpetuity?—There is no drawback at all, but, at the same time, I might do better if I could pay so much off and reduce my rent.

99. You cannot take more out of the ground under freehold than under leasehold?—Nothing whatever. We are allowed every facility to work the ground to best advantage.

100. Do you not think the lease in perpetuity is rather better than the freehold in this way: you get a 10-per-cent. rebate on prompt payment of rent?—Yes.

101. You would not get that as a freeholder?—No.

102. In the event of extraordinary damage by hail-storms, &c., does not the State come to the assistance of the tenants?—Yes.

103. As the freeholder has not that privilege, do you not think you are in rather a better position as a leaseholder?—I will admit all that, but, at the same time, if I drew a sweep in Tattersall's and had the power to buy the freehold I would be the first to do it, and so would you.

104. *Mr. Johnston.*] Do you know what your improvements have cost you?—Yes, to my sorrow.

105. Could you get the value of your improvements out of your section if you wanted to sell?—I never tried it.

106. Do you know anybody who has transferred his section in the block?—Yes; perhaps three or four.

107. Did they make anything out of the sale?—I cannot say.

## ALEXANDER WILSON examined.

108. *The Chairman.*] What are you?—I am a farmer holding a lease in the Maerewhenua Settlement, for which I pay 9s. per acre. I have been there from the start of the settlement, and carry on mixed farming. I am about three miles from the railway-station.

109. Are you satisfied with the conditions under which you are working?—Fairly so. I like the tenure fairly well. If I had the opportunity I would like to make it the freehold. I consider that the buildings were too highly valued when I got the section. I got the homestead. I am paying on over seven hundred pounds' worth of improvements, and one of the floors gave way.

110. You will work off those improvements in twenty-one years?—Not in the case of Maerewhenua. I pay for the improvements over the whole term of the lease.

111. *Mr. Paul.*] You want the option of the freehold?—Yes. I would like to own a freehold before I die. That is what I came to the colonies for.

112. Do you not think that the lease in perpetuity is secure enough?—No.

113. In what way?—You have not the inducement to improve the land that you have if you think you can make it your own some day.

114. Is there anything insecure about it?—It is a leasehold, and I am paying a high rent.

115. On what terms do you want the option?—At the original capital value, certainly.

116. Would you be agreeable to the section being put up to auction and the improvements secured to you?—No.

117. *Mr. McCutchan.*] Do you think it is a fair thing that the interest on the improvements should cease when the State has been reimbursed their cost—that is, in twenty-six years?—Yes.

118. *Mr. Forbes.*] Does the Land Board treat you satisfactorily?—Yes.

119. You have no complaint to make about being harassed by the Ranger?—No.

120. Is your reason for wanting to have the freehold of your land the fear that it might be taken from you?—No; but I am continually paying a high rent.

## HENRY ALFRED DOVEY examined.

121. *The Chairman.*] What are you?—I am a farmer farming 561 acres on Maerewhenua under lease in perpetuity. I have been there from the start, and I pay 6s. per acre rent.

122. Are you satisfied with your farm and all about it—tenure and so forth?—I am fairly satisfied.

123. *Mr. Matheson.*] Do you think it would be wise on the part of the State to allow you to gradually pay off the value of your section?—I think we should have the option of purchase.

124. *Mr. McLennan.*] Do you think it is advisable that the Land Boards should have more discretionary power?—I do, although I have no complaint to make about the Board or the Ranger.

125. *Mr. Hall.*] You think the tenure should be optional: does that apply to leases granted in the future or to those at present existing?—I think a man, if he is in a position to do so, should have the option of purchase.

126. Do you think that should apply to leases now in force?—Yes.

127. Do you not think outsiders might consider that there should be a fresh ballot?—I think the present tenant has put all the improvements and all the labour on the land.

128. Of course, it is assumed that he would be allowed for all his improvements?—It is a difficult thing to say what a man's improvements are. There is a lot of labour expended in the taking-out of stones and general improvement of the land which is not included in the improvements at all.

129. The ballot was held under certain conditions, and if those conditions are altered should there not be a fresh ballot?—I should not think so.

130. *Mr. McCutchan.*] Can you express an opinion as to whether the method of expending the loading for roads by means of co-operative labour is wise and in the interests of settlement?—I consider that the roads on Maerewhenua have cost double what they ought to have done, and were not made properly then, and it has cost the County Council a considerable sum to put them in proper order. We have been rated for that extra work.

131. Was the amount of the loading sufficient to road the country satisfactorily?—Yes.

132. Can you enter into particulars as to why this expenditure by co-operative labour failed?—Yes. There should have been more horse and less manual labour. More should have been done by scooping and ploughing, and the expense would have been less.

133. Was the labour of a satisfactory nature?—I suppose the men earned all they got.

134. Was the work offered to any of the settlers in the block?—No.

135. Would the settlers have taken it?—I dare say many of the settlers on small sections would have taken part of the work.

136. *Mr. Forbes.*] You think that if the tenants had the right of purchase the lease in perpetuity would be a much better lease than it is now?—My idea is if a tenant, say, after seven or ten years has proved himself to be a successful settler he should have the option of purchasing if he wishes to.

137. Would the lease be not more valuable if it carried with it the right of purchase?—Yes.

138. Do you think the tenant would be willing to pay something for getting a more favourable lease, or would he want it for nothing?—I consider the tenant is paying fairly well when he is paying the value of the land.

139. You do not think that if this extra advantage was given to the lease the tenant would be justified in paying for it?—No.

140. *Mr. Johnston.*] How many sheep did you shear this season?—Four hundred ewes. I have no other sheep, and I crop from 100 to 120 acres of oats and wheat.

141. What is the yield of oats per acre?—I have 35 bushels of oats this season. I have had from 7 to 40 bushels per acre, and could not say what my average has been.

142. What was your yield of wheat this year?—40 bushels to the acre.

143. Had you the same last year?—No; I had 50 bushels of oats and about 30 of wheat.

144. Have you been contracting on the roads?—No.

145. You evidently know something about the way they should be made?—Yes.

146. Is there any Californian thistle on your land?—There was one patch there when I went, but I got it out by the use of salt. On a patch about 8 ft. by 4 ft. I used 4 cwt. of salt, putting it on 6 in. thick. That was nearly ten years ago, and I have not seen a thistle there since. Of course, for some time nothing grew on that patch.

JAMES STEVENSON examined.

147. *The Chairman.*] What are you?—I am a farmer holding 600 acres of private leasehold on Otekaike. I am a tenant of Mr. Campbell, and have been there for a little over ten years.

148. What is your view as to tenure?—I prefer the leasehold, although I have a purchasing clause in my lease which is for twenty-one years. I can pay off the whole or a part, but not less than 10s. per acre, at any time.

149. Do you think that is a satisfactory way of working the land?—Yes. I am paying 5 per cent. on the purchase-money.

150. Have you any particular point to bring forward?—No, except that I would like the Government to fence in the railway. There are about four miles of fencing to do, and until that is done I cannot subdivide and fence my place.

151. Have the Railway Department refused to put up the fence?—They say they do not do it, but if the Government took over the Otekaike run there might be a chance of their doing it, I think.

152. *Mr. Matheson.*] Do you know why the Government fence land in other places?—This line from Duntroon to Kurow was a private line, and that, I believe, has something to do with it.

153. *Mr. McCardle.*] You favour the 999-years lease?—Yes, for the reason that it enables persons to go on the land who would never have a freehold.

154. Do you think they should have the right of purchase after a certain length of time?—Yes, the same as I have with Campbell's.

155. *Mr. McLennan.*] Do you think Otekaike suitable for cutting up?—Yes, and it is desirable too.

156. Do you think the Government should take over the freehold and also the leasehold, and work them both together?—Yes. They talk about the leasehold being very bad country, but I have been over a great part of it, both back and front, and it is all good sheep country.

157. Is it hard to fence, say, in areas of about 10,000 acres?—No; there are leading ridges that could be followed. There would always be little bits that would be hard to fence. The cost would all depend on the price of material. Labour is about 2s. per chain. The fencing required would be standards, with a post here and there. There are a great many totara posts on it already.

158. If the Government took over the estate do you think they would get all the allotments let?—I do not think they would have any trouble at all if they were cut into proper-sized blocks.

159. What sized blocks do you think should be laid off?—7,000 to 8,000 acres. There are 15,000 acres in the Domett Block.

160. What sized blocks could the freehold be cut into?—From 100 to 400 or 500 acres.

161. How many families would it be able to support?—There are 20,000 acres of freehold, 1,700 acres of municipal reserve, 1,500 acres of hospital reserve, and, I think, 1,200 acres of educational reserve.

162. Would not these reserves interfere with the cutting-up of the freehold?—I do not think so.

163. Do you know of any of the Otekaike country being surface-sown?—I do not think surface-sowing does much good.

164. *Mr. Johnston.*] Who do these reserves belong to?—The Oamaru municipality, the Oamaru Hospital, and I do not know what body owns the educational reserve.

165. Are these reserves good land?—Yes, and there is plenty of gold on them too.

166. What is your rental?—I pay £127 10s. per year. It runs out about 4s. 3d. an acre.

167. Are the Maerewhenua settlers doing well?—I think so. There is not much grumbling, and they are always putting up fresh buildings and getting new furniture.

168. Do you know anything about the Land Board or the Advances to Settlers Department?—No.

MICHAEL GILLIGAN examined.

169. *The Chairman.*] What are you?—I am a farmer farming 140 acres in the Maerewhenua Settlement, and I pay 8s. 3d. rent. I have been on the settlement about three years, having bought two parties out. I would like to see the lease-in-perpetuity system extended. I do not wish to have the freehold.

170. *Mr. McLennan.*] Do you think the Land Board should have greater discretionary power?—Yes. Some of the land could be cropped more than the conditions allow, and the Land Board should have power to give that permission.

171. *Mr. Anstey.*] Did you pay much for the section you took up?—Yes, and it has paid me very well. I do not understand why others should growl.

172. Do you know whether any other sections have changed hands at a premium?—Yes, and all have made money.

173. *Mr. Forbes.*] When a man has placed sufficient improvements on his land, and there is no chance of his abusing the land, do you not think the cropping regulations should be done away

with?—No. There are a lot of people who have to be kept in order, otherwise they would crop too much.

174. *Mr. Johnston.*] With what you paid for goodwill, what would the rent be brought up to?—About 11s.

175. You are perfectly satisfied?—Yes.

176. Are you milking?—Yes.

177. What is your average per cow?—I think, about £7 per year.

178. How many gallons do they give a day?—I think, an average of four gallons.

179. Have you any Californian thistle?—Not that I know of.

180. Have you seen salt used successfully on Californian thistle?—Yes, very successfully. The land treated is useless, of course, for four or five years.

CORNELIUS MANNIS examined.

181. *The Chairman.*] What are you?—I am a farmer farming 83 acres in the Maerewhenua Settlement. My rent averages 7s. 9d. per acre, and I am one of the original tenants. I am quite satisfied, and do not wish the freehold.

ROBERT MCNAIR examined.

182. *The Chairman.*] What are you?—I am a farmer, holding 94 acres of freehold on the Otekaike Estate, purchased from Campbell and Sons.

183. Have you any particular matter to bring before the Commission in regard to tenures?—I do not think a freeholder can compete at all against a leaseholder. About four years ago a hail-storm came along and knocked my crop out in about nine minutes. It crossed over here and did the same for the lease-in-perpetuity settlers. A valuer came along and they had compensation made to them, whilst I had to get a mortgage.

184. Do you think the State is a good landlord?—I think there is none better. They come to the relief of their tenants.

185. You have heard what has been said with regard to the Otekaike land, and as to there being about 20,000 acres of freehold which is fairly low-lying, and a large area of pastoral country belonging to the Government. Supposing the level land was bought by the Government, do you think a successful settlement of farmers could be established? Do you think the low country and the high country could be satisfactorily worked together cut into sections?—I question it. There are 4,000 or 5,000 acres above Domett that would not feed a goat.

186. But you think the estate could be divided successfully?—Yes.

187. *Mr. McCardle.*] What price would you want for your land?—£12.

188. *Mr. Johnston.*] Do you know anything about grassing the high country on Otekaike?—Some of it could be sown if you come down low enough.

189. Can you surface-sow it?—No, it is too dry. If Otekaike has a fault at all it is that it is too dry.

GEORGE EDWARDS WISE examined.

190. *The Chairman.*] What are you?—I am a farmer, farming 800 acres lease in perpetuity in the Maerewhenua Settlement. I pay 2s. per acre for some land and 5s. an acre for the rest. I am on the Waitaki, and it is all shingle flat. I am quite satisfied with my holding and with the tenure, and have not the slightest desire to obtain the freehold.

JAMES EVEREST TALLENTIRE examined.

191. *The Chairman.*] What are you?—I am a farmer, holding 90 acres in the Maerewhenua Settlement, and I pay 7s. 6d. an acre rent. I carry on mixed farming, and supply milk to the factory. I am quite satisfied with my holding, but I would like to see the Land Board get more discretion in the matter of cropping. When I took up my section it had the reputation of being one of the dirtiest sections on the estate. It is not much better now, I suppose, but if it were not for the restrictions in regard to cropping I think I could clean it better. It would be a distinct advantage to take green feed off it rather than to leave it in grass for three years.

192. *Mr. McCardle.*] Do your crops grow heavier each year?—I have had one good crop since I have been there, but it cost too much to get it. One year I was cleaning the land, and the next year everything was lost through hailstones.

193. Do you not think that where there is more cropping there is more weeds?—That is not my experience. No doubt if you crop year after year you will impoverish the land, but if you green-feed instead of grassing you will get the rubbish out of the land.

194. *Mr. Anstey.*] Have you asked the Land Board to vary the conditions?—I do not believe in running to the Land Board for every little thing. I have had permission from the Ranger with regard to this particular paddock, but it is going away from the conditions of the lease.

195. There is not much to complain of in that?—No, but I am under an obligation to them in getting permission.

196. Do you think the restrictions should be wiped away?—For a certain time a man should be under restrictions, but after five or seven years, when a man has shown that he is a *bond fide* settler, he should be allowed to use his land as he likes.

OAMARU, SATURDAY, 1ST APRIL, 1905.

JOSEPH COWIE NICHOLS examined.

1. *The Chairman.*] What are you?—I am a sheep-farmer, and have 25,000 acres of freehold and leasehold combined—5,700 acres of freehold and the balance, 19,800 acres, leasehold. The leasehold is a pastoral lease, and the run is situated on the Kakanui Ranges. I have held

the leasehold for twenty years. The rent is £135 a year. The average number of sheep is about twelve thousand on the total holding of 25,000 acres. My run land runs up to from about 1,500 ft. to about 3,400 ft. The freehold runs from 400 ft. to 1,600 ft., and just fronts the leasehold land. I desire to make the following statement to the Commission: I wrote the Otago Land Board on the 3rd July, 1899, regarding the worn-out condition of Runs 209 and 217B, the leases of which were expiring. The following members of the Land Board visited the runs: Mr. Maitland, Mr. Clark, Mr. McKerrow, Mr. Hay, and Mr. Kirkpatrick. I had been experimenting with the grass-seed sowing at rabbiting time since pollard-poisoning started in 1895, and found it a success. The Board deputed Mr. Kirkpatrick and Mr. Atkinson to report on the runs at my request, as I wished to place on record their then state; and as Sir John McKenzie said he intended to bring in legislation to give valuation for grass-seed sowing, I wished to be able to go on at once and take advantage of any protection offered. The report was as follows:—

“19th September, 1899.

“Acting on instructions from the Land Board, we, the undersigned, beg to report having visited Runs 209 and 217B, the property of Mr. J. C. Nichols, with a view of reporting on the condition of the country for the purpose of surface-sowing. We made a thorough inspection of the whole of the country, and found that, owing to dry seasons and overstocking in late years, the natural grasses have nearly all disappeared, leaving the ground bare and practically valueless for grazing. We also saw some country which had been surface-sown, and it certainly looked very well, the grasses having taken a good hold of the ground. We are of opinion that the grass will do well in the country we visited if sown at once, as the ground is open after the late frosts. We also inspected a large quantity of grass-seeds which Mr. Nichols proposes sowing, and, judging from the appearance of the various seeds which we saw, Mr. Nichols is evidently sparing no expense in giving the experiment a thorough trial.

“HUGH H. KIRKPATRICK.  
“E. ATKINSON.”

When discussing the matter with the members of the Land Board who visited the runs, they told me they would endeavour to have the run offered for twenty-one years, but it was only offered for fourteen years. I pushed on with the grass-sowing at once, and sowed in 1889 6,300 acres at a cost of £1,124. The grass-seed sown was 1,066 sacks, each containing and costing as follows: 20 lb. cocksfoot at 3d., 5s; 20 lb. fescue at 3½d., 6s. 3d.; 35 lb. rye and Italian, 2s.: total, 75 lb., 13s. 3d. This area sown was my ewe country. Sir John McKenzie told me that he intended having legislation passed to cover a valuation for grass-seed sowing, and on the good faith of this I sowed 802 bags costing 10s. each; this took fourteen men fifteen weeks to sow, the total cost being £943, and covered about 5,000 acres at the back of the runs. In 1901 I sowed a further area of about 3,000 acres at a cost of £496. There were sown about 14,300 acres at a cost of £2,563, and for this improvement I have no valuation. As the country is now in fine order through subdividing and grass-sowing, I considered that some compensation should be allowed. What was in 1899 practically barren country is now a valuable asset to the State. Seeing that there was no protection to my improvements I stopped doing any more. The remaining 3,500 acres is my warmest country, but I am afraid to sow it as it would only invite competition at the end of my lease. Should protection be given I am anxious to further subdivide and complete the sowing. My division fences on the runs are of more value than I am at present entitled to receive at the end of my lease. I think it is desirable that pastoralists should be encouraged by valuation for improvements, and long leases given for any country not required for close settlement, for then they will nurse the country, keep down rabbits, and the State will benefit by more taxation; more labour will be employed, and generally the State must benefit, for what is the benefit if the country is eaten out and not profitably employed. Through this improvement a curious state of affairs is arrived at. The Crown levies income-tax on lands held from the Crown. When worked with freehold the method of arriving at the income is determined by the carrying-capacity of the two tenures. In my case, where the carrying-capacity is equal, I objected to this method, as I do not lamb on Crown lands, and therefore there is not a just equality. It was arranged to use the capital values as a basis. Now, through my improvement the capital value of the leaseholds is going up and the proportion is not the same, therefore I have to pay a higher ratio of income-tax through my having improved the runs, and at the same time the Government do not recognise this improvement as anything you should receive compensation for. I tried hard not to have the capital value of the run increased on me, but to have the capital value determined on the rent, and when my improvements were recognised and guaranteed, then I was willing for the Crown to use them as a lever to get more taxation: Run 209, at £50, twenty-one years from 1st March, 1900, 5,200 acres; run 217B, £85, fourteen years from 1st March, 1899, 13,600 acres.

2. Has the carrying-capacity of your run been very much increased since you took it up?—I am running a different class of sheep now. They were merinos before, now they are halfbreeds. I am carrying less now, but they are being carried better.

3. You get more wool now?—No, I think I got a heavier clip from the merinos than from the halfbreeds.

4. Then, what is the advantage?—I can get better money for the store lambs. It is a very much more profitable thing now than it was before, because the markets made all the difference.

5. *Mr. McCutchan.*] In speaking of sowing the 14,300 acres you said the cost was £2,563, which runs out about 3s. 6d. an acre?—Yes.

6. That seems very cheap?—That is the amount it actually cost.

7. You say it was a success generally?—Yes. There are a few places it did not take, but all round it is a very great success.

8. Did you sow above the snow-line?—I have no permanent snow-line now.

9. The capital value of pastoral leases is arrived at according to the rent you pay. The runs are capitalised at 6 per cent. on your rent, which is the capital value for local taxation purposes?

—The Government have also another valuation which they return as the capital value of the run, but I think that is only done for their own purpose, and I do not know how it is arrived at. I spent a considerable sum of money in improving the run, and the Department added that to the capital value, and I was taxed on it. If they would allow the improvements I would be quite willing to accept that, but until they recognise the improvements in some way it seems unfair that they should use that as a lever to get more income-tax from my pastoral land.

10. *Mr. Hall*] You find halfbreds more productive than merinos?—Yes, very much more.

11. Is your country very high or moderately high?—Only moderately high.

12. *Mr. McLennan*.] Would you proceed with your sowing if you were sure of getting a better tenure?—I am anxious to do so. It is the warmest and best of my country that I have not sown, and I am afraid to do so.

13. What area do you think you would be able to sow?—3,500 to 4,500 acres.

14. What extension of your lease would be necessary in order to give you encouragement to go on sowing and improving the property?—Probably an extension of twenty-one years would cover it.

15. Would twenty-one years be ample?—I should prefer more.

16. You would be satisfied with twenty-one years?—I do not think twenty-one years would recoup me, but if it were added to the present lease I would agree to it at once.

17. *Mr. Paul*.] Do you know any large holdings in this district that could be subdivided for closer settlement?—There are none immediately near me. The only one might be an estate that I understand is divided amongst seven members of the family, or it will be divided, and when that is done very little will be left for close settlement.

18. You have given a good deal of attention to surface-sowing of grass?—Yes.

19. Have you ever known of an instance of dirty seed—the “seconds” or “thirds” being sown on the land?—Yes, I used it myself.

20. I suppose you think it is very inadvisable to do that now?—No, I think it was advisable. You could not afford to sow such seed on mountain country as you would sow in paddocks, because the cost would be quite prohibitive.

21. That means that all sorts of weeds are spread?—I have not noticed any on my country. There is any amount of sorrel and fog, but I have never seen Californian thistle.

22. Then, you approve of sowing dirty seed on these runs?—Yes; I think the result justifies it.

23. You do not think it would be better to sow a smaller area of clean seed than a larger area of inferior seed?—I think you get a better result for your money with cheap seed.

24. Then, you do not approve of Government supervision in respect to this matter?—I think if long leases were given the runholders would do their best, and I think they would use good, sound seed. I certainly would have done so myself if I had had perfect security.

25. Sufficient security would be value for improvements at the end of the lease?—Yes.

26. As a practical man, do you see any difficulty in valuing grass in connection with sowing?—Yes, great difficulty. A man may spend £1,000 and not get £100 result, and a man may spend £100 and get £1,000 result. I think my country is suitable because of the result, but a great deal of country is not suitable.

27. Do you think a fair valuation could be arrived at—fair to the tenant and fair to the State?—Yes, I think so, by arbitration.

28. *Mr. Matheson*.] Do I understand you to say that you would be prepared to continue surface-sowing if you had an extension of your lease to twenty-one years?—Yes.

29. *Mr. Anstey*.] In what form would you want an extension—at the present rental or arbitration as to the rental?—At the present rental.

30. Supposing you had a perpetual renewal at a rental fixed by arbitration, would not that be satisfactory?—Yes, if something were recognised of the money I have spent at the present time.

31. If you got continual right of renewal it would be on the unimproved value?—Yes, I would be quite satisfied.

32. Is any of that land suitable for cutting up?—There is 4,000 acres in one corner that would make a nice little grazing-run by itself, but it would spoil the high land behind it.

33. Could it not be cut up into two runs so as to give a fair proportion of high and low country to each run?—I think it would spoil the run if the 4,000 acres were taken out of it.

34. It would not be wise, you think, to give the freehold of any land suitable for subdivision?—No, certainly not.

35. Do you think there would be any harm of the runholders being given the right to cultivate provided they grassed it down immediately afterwards?—I think it would be wise if that right were given.

36. You think the right of cultivation might be unlimited, provided the land was immediately grassed down afterwards?—I think so.

37. *Mr. McCardle*.] Do you not think it would be running a great risk of introducing noxious weeds in using dressings?—It has not been so. There is no ragwort on my run. There is Californian thistle on one place in the bush.

38. We have heard a good deal of evidence, and you are the first witness who has admitted having sown rubbish. All the others have spoken strongly against sowing “seconds” and “thirds”?—I sowed ryegrass.

39. Have you any idea where the seed was grown?—I bought it from Dalgety and Co., in Dunedin. I saw it there, and thought it was good enough to buy.

40. *Mr. Matheson*.] Do you consider there is a distinct difference between the rubbish from the cleaning-machine and the “seconds”?—I do not think there is a great deal of difference. Of course, there is a great deal of rubbish comes from the machines.

41. It is really a question of discretion in buying your samples?—Yes.

42. *Mr. Paul.*] Did you sow any of your freehold land?—Only 640 acres.

43. Did you use the same seed?—Yes, similar seed.

44. Could the Moeraki Estate be subdivided for close settlement?—I think so.

45. *Mr. Forbes.*] Your country being dry there is not much danger of noxious weeds spreading?—I am afraid the Californian thistle will spread, because there is a Government bush near it which has a patch on it now. I have about twenty patches on the freehold, but I keep it cut down and salted, and in some places I have been able to exterminate it.

46. You do not think that it is spreading to the leasehold?—I am certain it is not.

47. You do not think that in sowing that seed you could have spread the Californian thistle there?—No, because I started sowing in 1889.

48. *Mr. Anstey.*] You say there is no ragwort there?—No.

49. Do you think it will not grow because it is too dry for it?—I do not know.

50. *Mr. McLennan.*] What means did you take to try and exterminate the Californian thistle?—Cutting and salting it.

W. K. GOODSON examined.

51. *The Chairman.*] What are you?—I am a farmer, and farm 46 acres in the Awamoa Estate. It is freehold. I have been there three years. I engage in dairying and grow crops, chiefly root-crops. I keep fifteen milking-cows. I would like to say something in reference to the Californian thistle. I have just read the evidence given in other places before the Commission, and some witnesses say that the freeholders can keep their land cleaner than the leaseholders, but I find that the land of the freeholders in this district is almost smothered with thistle. Having studied many ways of destroying the thistle, I have found that every method suggested is pretty well a failure, and I think it would be better if the Government offered £10,000 or £20,000 instead of £500 to any one who will discover a method of destroying and getting rid of the weed. I consider that the present award is of very little use. Although I am a freeholder I am a firm believer in the lease in perpetuity. I think it would be better if the whole of the land in the colony belonged to the colony. If I could get a lease-in-perpetuity section where I wanted it I would sell my freehold to-morrow and take up a lease-in-perpetuity section. As far as borrowing is concerned, it is all very well to say that the freeholder can borrow. I have not had to borrow much, but when I bought my freehold it took away all my capital to pay a third of the amount down as was demanded, and that left me short of money for stocking my farm. I had to buy two cows, and I had to pay 8 per cent. I gave a note of hand for three months, and at the end of that time I found I had not the money to pay it back, although I could have got it. I got it renewed for the next three months, and it cost me in the end 28 per cent. per annum. If I had been a lease-in-perpetuity settler I would have had my money to stock my farm, and would not have had to borrow. I think that if I had taken up a lease in perpetuity section I would have been worth ten times what I am to-day.

52. *Mr. Forbes.*] Did you buy the freehold right out?—No, it is to be paid at the end of seven years.

53. Do you think you would have got very much better terms if you had taken up a Government lease and not sunk all your money in the land?—I think I would have been very much better off to-day.

54. You think that the men who are holding lease-in-perpetuity sections are in a better position than the freeholder?—I think they are. I think they have had a great amount given them from the State.

55. *Mr. Johnston.*] What was the price of your freehold?—One block was £25 an acre, and the other £18 an acre.

56. You have Californian thistle?—Three small patches.

57. Have you ever tried salt?—Yes. Where you can put the salt on the main root it destroys the root and the plant, but if you do not kill the main root the plant survives. It would sometimes cost more than the land is worth to use salt to destroy the thistle.

58. Are you satisfied with the living you are making out of this piece of land?—Yes. I have had hard work, but I am now clear of debt, and am perfectly satisfied. Still, I would like to have more ground.

59. *Mr. Matheson.*] Suppose a man had a suitable piece of ground and made a good living under the lease in perpetuity, and he had been able to accumulate some savings, do you think it would be wise for the State to let him pay off some of the capital and thus reduce the rent?—No, I do not think it would be advisable for the State, but it might be for the man.

60. *Mr. Anstey.*] You mentioned having been charged 28 per cent. for some money: is that a customary charge?—I inquired, and the reply was that it was not altogether customary, but it was legal. I understand that 8 per cent. is the legal charge, but they charged me 5 per cent. as commission.

61. They charged you commission for making an advance?—The 5-per-cent. commission was for renewing the note. That particular agent charged me the percentage I have mentioned, but I cannot say what other agents would do.

WILLIAM RUSSELL examined.

62. *The Chairman.*] What are you?—I am a farmer, and have 72 acres on the Ardgowan Estate. It is a lease-in-perpetuity section. I have been there for about ten years. My rent is 8s. 9d. an acre. I engage in dairying principally. I have no grievance in regard to tenure. I am a strong believer in the freehold or the option of making the freehold, simply because it gives a man more encouragement to make good improvements.

63. But you have it for 999 years?—Yes, but I think the option of the freehold is better; it creates energy in a person and a feeling of being a good loyal subject, and that he has something to work for and fight for under the freehold system.



64. Supposing you were enabled to get the freehold, would you be willing to pay the enhanced price on revaluation in order to get the freehold?—That would depend on circumstances. I consider that I was myself the means of improving the value of my land.

65. *Mr. McCardle.*] You recognise that the Land for Settlements Act has placed you and other settlers in a good position?—I acknowledge that it has been a great benefit to the country.

66. You do not think the State loses anything in parting with the freehold?—I do not think so.

67. Do you think that the advances-to-settlers system is a good system?—Yes, if well administered.

68. *Mr. McCutchan.*] Are you satisfied with the constitution of the Land Boards?—I have no grievance against the Land Board, but I think the Land Boards ought to be elected by the community at large.

69. Might not there be a danger to the tenants, inasmuch as the people of the towns might get preponderance of influence on the Boards?—I consider that they should be elective, but I am not prepared to say much on that subject.

70. Are you satisfied with the loading of the Ardgowan sections?—If the work of roading had been done by contractors it could in many cases have been done for half the money. There are a good many roads through Ardgowan that are useless.

71. The work was done by outside labour?—Yes, principally by the unemployed; and it was slowly done. As I have said, it could have been done for half the cost.

72. Do you think the tenants should be called upon to pay interest for the whole term of their lease?—No; and I also think that rebate should be given in the case of Ardgowan, the same as in other settlements.

73. In twenty-six years, at 5 per cent., the principal and interest for loading would be extinguished. You think, then, it would be fair to the State if that were done?—Yes. In regard to rebate, I may say that we got it for about two years, and then it was discontinued.

74. *Mr. Hall.*] You believe in the freehold?—Yes; and, generally speaking, the tenants of Ardgowan believe in the option of freehold.

75. In the case of the option of the freehold being given, do you think there should be revaluation or a fresh ballot?—Would it not be a cowardly Government to take advantage of a poor tenant. I am a believer in progress. The lease in perpetuity was good for the country, but the option of the freehold is still better.

76. Those who were defeated at the ballot might say they had a right to a chance in the ballot under the same favourable conditions?—If they paid compensation for improvements they could ballot away.

77. *Mr. Forbes.*] If the option of the freehold were given, is there not some danger of one man or a few men buying up some of the other sections?—There should be a safeguard as regards the freehold. The Government could retain control of the land and let the tenant pay up to three-fourths of the value.

78. You think it would be right for the Government to retain some hold over the land?—Yes, so as to prevent the reaggregation of estates.

79. *Mr. Paul.*] You said that under the lease in perpetuity the tenants could not improve their holdings?—I said they had not the same interest in doing so.

80. Do they improve their holdings?—To a certain extent.

81. I have been going through the estates, and it seems to me the lease-in-perpetuity holders have been improving their sections to a very great extent by erecting good residences, fencing, and so forth: what else could they do?—They could not carry on farming without making a certain amount of improvements, but, still, if they had the option of the freehold there would be more encouragement to make permanent improvements.

82. Are these improvements permanent?—Some of them are and some are not.

83. Which are not?—I am not prepared to say which farms have permanent improvements, but going along I see some of the improvements are very poor structures.

84. You do not know of any poor structures on freehold land?—Any amount of them, but a freeholder can do as he likes.

85. Then, it seems to be better in the public interest that the land should be held on lease in perpetuity?—I consider it is better for the tenant and better for the country that a successful tenant under the lease in perpetuity should have the option of paying a little off his capital value in good times. Then, if bad times came, he would not be so troubled to meet his liabilities. I think that any level-headed man ought to agree in the same policy.

86. You have bettered your position under the lease in perpetuity?—I do not know whether I bettered it much. I had a bit of money when I went in, and I do not know if I have any more yet.

87. Have any settlers on Ardgowan left since it was opened?—Any quantity of them.

88. Did they get anything for their goodwill?—They got something.

89. Much?—Some of them got a reasonable value for their improvements.

90. Did they get anything over and above their improvements?—Yes, even above their improvements; but you must bear in mind that this Tairi and Peninsula Milk-supply Company were the principal means of raising the value of both private and lease-in-perpetuity lands in this district.

91. Then, I suppose you are pretty well satisfied it would pay you better to have the option of the freehold?—I do not know whether it would pay me or not. I cannot tell you what is to come.

92. You look upon it as more valuable?—I look upon it as more valuable if I want to borrow a few pounds. I could borrow then with less difficulty than I can under the lease in perpetuity.



93. What are you prepared to pay the State for that something they are giving you which is better than what you have?—Matters would have to be considered when that question arose.

94. If full valuation is allowed you for improvements are you willing to go into competition for your land?—Any day I can get full compensation for my improvements they can have the land.

95. You are prepared to go to auction for it?—If you give me the option.

96. *Mr. Anstey.*] Are there any cropping or other restrictions in your lease unfavourable to you?—No. I have nothing to complain about. The greater part of my section would grow no crop at all when I took it up. It was full of twitch.

97. *Mr. Hall.*] Do I understand you to say that the tenure would be satisfactory to you if you had the privilege of paying off part of the capital value?—Yes. I think it would be a wise economy.

98. *Mr. McCutchan.*] You said if you got full compensation for your improvements you would be content to allow your place to go to auction?—Yes, any day.

99. What about the £2 per acre increased value which you say the Taieri and Peninsula Company gave to the land?—It belongs to me. The land has improved because we settlers paid the Taieri and Peninsula Company out of our own pockets.

100. I merely wanted to clear up your statement that you only wanted compensation for actual improvements on the place, and this value was given to your land by a condition of things outside your ring-fence?—Certainly, but it should belong to the tenant because he paid for it.

101. You pay the loading out of your own pocket: do you think you should get compensation for that amongst your improvements?—I am not prepared to give evidence upon that point, but there ought to be something done as regards loading.

102. It goes in the capital value of the land?—Yes, what I have paid on it.

#### EDWARD PARGITER BURBURY examined.

103. *The Chairman.*] You are manager of the Loan and Mercantile Agency Company?—Yes, I have held that position twenty-six years in Oamaru.

104. What is it you wish to bring before the Commission?—I do not wish to bring anything before the Commission, but I am quite willing to answer any questions they may ask me.

105. Do you think the present constitution of the Land Boards is satisfactory?—Personally, not altogether. I think the settlers should be represented. In fact, I think it might be a wise plan if the Board was constituted, say, by one member nominated by the Government, one nominated by the settlers, and one, say, by the County Councils to represent the taxpayers of the district. For instance, in a large town like this where there are many taxpayers but comparatively few country residents, I think they might fairly have a voice in the conduct of the Board.

106. Would it not be a very expensive thing to hold a ballot to elect a member to the Land Board?—I do not think it would be expensive when you consider the enormous amount of money invested in land by the Government, and under these circumstances we should not be parsimonious. Of course, I have not gone into this matter carefully, and I have answered the question on the spur of the moment.

107. You think the Board should be partly nominated and partly elected?—I do.

108. What is your opinion of the freehold as compared to the leasehold in its various forms?—I have thought that matter over considerably. In the first place, I cannot conceive it possible that any person who had the option of making a leasehold property a freehold property would not like to do so. I want it to be clearly understood that I say "option." I do not think it should be compulsory for him to convert his leasehold into a freehold, but he should have the option of doing so. Assuming that he has the option, then comes the question as to what should be his rights under that option. I think probably it might be wise that no man should have that option until he had been, say, a resident on and farming his section for a number of years—say, ten years—during which time he would have been able to arrive at the conclusion as to whether it was to his advantage or otherwise to convert that leasehold into a freehold. He would then probably also have come to a conclusion as to what was the intrinsic value of that property. Now, I maintain that the value of land is exactly like anything else, it depends on what you can make out of it, and I think a settler who has been on a farm ten years will be well able to judge as to the value of the land. That would be the first basis upon which I would say that he should have the right to make his leasehold a freehold. I then think that his farm should be valued on almost identical lines as the Harbour Board leases and borough leases are valued. That is to say, two valuers should be appointed, one by the tenant and one by the landlord—*i.e.*, the Government—and these two should appoint an umpire. I should absolutely object to a man who wished to convert his leasehold into a freehold mortgaging it in order to purchase the freehold. That may sound very strange coming from me, the manager of a mortgage company, but I wish you to understand that I am here giving my personal opinions only. I do not think a tenant should be allowed to mortgage his place in order to buy the freehold, but I think he should be allowed to pay off, by degrees the capital value arrived at by the method I have suggested. I think if he has any savings from crops or any earnings from the farm he should be allowed to pay that amount off, provided, of course, it was not less at any time than, say, 10 per cent. of the capital. I do not think he should be allowed to pay off any trifling sum of, say, £10 or £20 at a time. I think that would give a man the absolute interest in his property which I think everybody has a desire for. Of course, I would like to see some regulations laid down which would prevent the aggregation of large estates. Although I think the large estates have served their purpose, I think it would be a pity in the interests of the country if large estates were again to become common. But I do not anticipate that for a single moment. That is how I would look at the position if I were a leaseholder. Now, looking at it from the Government's, or I prefer to say the taxpayer's, point of

view—because the Government are simply managers for the taxpayers—I say it would be good business for them because you will give the leaseholder an absolute interest in the property he is occupying, and he will use that property to the very greatest advantage as a matter of course. I have travelled about a little in my time, at Home, in Europe, and Australia, and so on, and everywhere human nature seems to be the same—every one likes to possess what he has for himself if he can possibly do so.

109. You just said it is not likely there will be any aggregation of large estates in the future in the colony?—Yes; it all depends on the land and the locality. I know, of course, that a farm of 100 acres may be considered a good-sized property in one district and a very poor property in another district. I speak generally, having regard to the nature of the land and locality and climate, when I say I do not think we will ever see small estates again amalgamated into large estates, because I do not think they could be made to pay.

110. Do you think it would be as well in the interests of the country to limit the amount of money any man could invest in purchasing land in order to check the aggregation of estates—I mean, to check it on a valuation basis and not on an acreage basis?—I said I should certainly object to any large estates again being formed in the country, because, of course, a man might come along to whom money was absolutely no object, and he might desire to turn half a dozen farms into a shooting park, or something of that sort, although I do not think we may expect that in New Zealand in our or our children's time.

111. *Mr. McCardle.*] Believing in the principle that prevention is better than cure, would it not be well to make such safeguard by legislation to prevent anything of the kind?—That is exactly what I mean to say.

112. You believe it is desirable to give the small holders under lease in perpetuity every encouragement to be thrifty, and you think one of the great inducements to be thrifty would be to pay a certain amount of the capital value of their land back to the State?—I do.

113. You said also it is desirable in the best interests of settlement that all classes of settlers should be fairly satisfied with the tenures that they hold and the circumstances under which they are working?—That goes without saying.

114. Of course, you recognise that whether a man is a leaseholder or a freeholder he is still occupying what is really the public estate, because whether a man is paying rent or direct taxation to the Government for the use of his land he is still contributing to the State?—Yes; but if you will excuse my saying so, I think that is a little far-fetched. I am one of those who think that the land-tax is unfair. I think it is a class tax. I say there could be no fairer taxation in the world than the property-tax and the income-tax, and I say that every man and woman in the country who owns anything should pay according to the amount they own. I would allow no exemption. I claim that anybody who owns anything derives a benefit according to the stake he has in the country, and that therefore nothing could be fairer than taxation on property and income.

115. Conceding the idea that the land-tax is to continue, do you not think it is fair to exempt the very small landowner in view of the fact that he will be paying through the Customs?—I would absolutely exempt nobody for the reason I have stated—namely, I think we all reap a comparative benefit from the payment of taxes.

116. Would it not really mean that a man on a small estate would be paying out of his labour?—Yes; he might be paying out of labour, or annuity, or anything you like. I say he derives a comparative benefit from the good conduct of the country, and from what we have in the way of railways, roads, telegraphs, schools, and so forth.

117. *Mr. McCutchan.*] Do you not think it is wise in the interest of the State to assist the poorer classes of the community as far as possible: your principle of taxation is to tax a man in proportion to what he owns?—Yes.

118. But a wise system of taxation, surely, sees to it that the under-classes of the community get every opportunity to improve their position?—My feeling is that every man should pay his proportion. It might be 3d. or £300 per annum, but still he pays his proportion.

119. Then, of course, you are averse to the Customs taxation?—I should certainly like to see this a free country if it were at all possible.

120. The evil is this: in making no exemption in favour of the poor man any system of taxation would be very inequitable, because a man with £10,000 a year and ten in his family would pay no more through the Customs than a man with £100 a year and also ten of a family?—I think he does, and I say he should pay in proportion to whatever he owns. If he has £10,000 a year he pays in proportion, if he has £1,000 a year he pays in proportion, and if he has £100 or £50 a year he pays in proportion.

121. Would you make no exemption in favour of the poor man?—Absolutely none. I think a great deal of claptrap is indulged in in regard to the poor man. I think no man need be poor if he liked to work. As a rule the honest working-man is quite willing to pay his share of the taxation of the country the same as any other man.

122. That is very true, but still the fact remains that the taxation of the country is bearing very unevenly on the poorer classes of the country, and your proposal tends to make it worse by giving no exemption?—I am only expressing my own views. I think there is too much grandmotherly business about the thing altogether.

123. From your knowledge, do you not know that the chief difficulty in a man improving his position in life is in getting the first £200 or £300 together?—I know men who started in this district quite as youths and with absolutely nothing, and gained their position, which is very good and sound to-day, by sheer pluck, hard work, and common-sense.

124. I admit it, but they have done so against difficulties which are unfair?—But some people will never make a success in life no matter how you assist them.

125. Have you had any experience of the Advances to Settlers Office?—None.

126. *Mr. Hall.*] You advocate giving the option of purchase to tenants under the lease in perpetuity?—I do, absolutely.

127. Do you mean that to apply only to ordinary Crown lands or to improved estates purchased by the Government?—To both—to every Crown tenant.

128. Would you make it retrospective, to apply to existing leases?—Certainly.

129. *Mr. McLennan.*] You remember the years 1890–94: was Oamaru prosperous then?—Those were the years of drought, and they were very bad years indeed.

130. I suppose Oamaru and district are pretty prosperous now?—Yes; I should say they are more prosperous than they have ever been in my time.

131. What do you attribute that prosperity to?—First of all, to the extraordinary good seasons and prices for all produce and stock—whether they are selling above their intrinsic value or not I cannot say. The prices now are very much higher, probably, than they were in the years you speak of. I can remember seasons when prime milling wheat was 2s. 2d. and 2s. 5d. per bushel; oats, 9d. per bushel; barley, in proportion; potatoes, 10s. and 12s. per ton; wool, 3d. to 3½d. per pound; draught horses, some of the finest I have ever seen in this district, from £20 to £25 apiece; good dairy cows, from £2 to £2 10s.; I have seen ewes sold at 14s. one season and absolutely given away the next season—sold at 6d. per head to boil down. Now, if you compare these with the present prices, is it to be wondered at that a district like this, perhaps one of the finest agricultural districts in the world, is prosperous at the present time.

132. Is there anything else to which you could attribute it?—The district is more prosperous by the settlement on the land.

133. Do you not think, after the land has been cut up and settled, that the tenants are asking too much at the present time in asking for the option of the freehold?—I do not know that they are asking for the option of the freehold, but if they are they certainly are not asking too much. I have absolutely no doubt whatever in my own mind that if I was a tenant I should like the option.

134. If the tenants had had to buy the freehold by auction when the estates were cut up, how many of the present tenants do you think would be on the land to-day?—If you ask me that question I might answer it by asking another: How many of these people now occupying leasehold sections, if they had had three bad years instead of three good ones, would be there to-day?

135. But how many of the Crown tenants at the present time on these estates would be there if they had had to buy the freehold?—I doubt very much if any of them would be. I doubt if any were in a position to buy the freehold.

136. Do you think these properties would have been cut up and sold had it not been for the Land for Settlements Act?—That is a question I hardly feel able to answer. It all depends on the surrounding circumstances. I feel pretty sure that Taipo Estate would have been sold, on account of the death of the owner and the division of the property amongst his children. I think Awamoa would have been sold on account of the death of Mr. Holmes. These are merely guesses—I do not know.

137. In your opinion, are there any other large estates in this district which could be cut up and settled to advantage?—Undoubtedly. There is Corriedale for one, and Otekaike for another, and Moeraki.

138. Do you think that Otekaike could be prosperously settled by cutting up the Crown lands independently of the freehold?—I am not sufficiently acquainted with the Crown lands to say so.

139. Do you think it would pay the Government to buy the freehold so as to cut the leasehold up into large areas and settle it?—I should suppose that the Government, in buying the Otekaike freehold, would cut it up in conjunction with their own leasehold country. Certainly it would pay them to do so.

140. In your opinion, what is the value of Corriedale all over?—I think, holding the position I do, that is hardly a question I should be asked to answer.

141. Do you think it would be suitable for settlement provided it was cut into fair-sized farms of from 300 to 500 acres?—I have no doubt whatever about it so long as the Government buy at a fair price. It lies right in the centre of Windsor Park, and there is settlement all round it.

142. Do you think it would be for the benefit of the district as a whole if these three estates were settled?—I do not think there can be any doubt about it.

143. *Mr. Forbes.*] Is it not a fact that throughout New Zealand land will gradually rise in value?—I suppose we all anticipate that it will through natural causes.

144. As a business-man, do you not think that the Government should look at this matter from a business point of view? Why should the Government part with this land that is rising in value?—Looking at it from a broad point of view, I cannot conceive any country more prosperous than a country settled by freeholders—by people farming and occupying their own land. I say that the value of land is a mere bagatelle to the country as a whole compared to what the people produce and what they do with the land.

145. Do you know of any country where the land belongs to the State?—I have been in France and Belgium, where there are many small freeholders. I was a mere lad at the time I lived in those countries; but my recollection is that what we called the peasants, who owned their own land, were very prosperous people; while in other countries where they did not own their own lands the peasants were just the very opposite. For instance, take Ireland or Russia, where the working farmers are merely tenants, they are not prosperous, and they are a discontented class in comparison with those who do own the land.

146. That is private tenantry you are referring to?—Yes; but I do not think there is any difference really, when you come to boil it down, whether the Government or an individual own the land that is leased to the settlers. In fact, I think it is quite possible, and I have seen instances, where the private landlord has been more considerate than the Government.

147. You think it is for the benefit of the tenant and the benefit of the country that a settler should be working with the hope of some day making the land his own? Would you extend that same privilege to men leasing private lands?—I certainly would not, because that would be interfering with the liberty of the subject, which we have no right whatever to do. Let the private landlords and their tenants make their own arrangement the same as the Government and their tenants.

148. You think a different law should apply as regards the private landlord?—I consider absolutely that the taxpayers of the country, as landlords, should give their tenants the option of making their leaseholds into freeholds if they wish to do so.

149. But you would not extend that same privilege to lessees holding private lands?—I would not be in favour of saying we should pass a law to compel every landlord in this country to give his tenants the right to acquire the freehold if they wished it.

150. At the same time, you think it would be better that the tenants should have that right?—I think that must be perfectly obvious.

151. It has been said there is a great deal of sentiment about a man owning his section: do you think there is a good deal of business instinct about that yearning as well?—I do not think there is any doubt about it. You must look at it from every point of view. Take a woman hiring a piano. I cannot conceive that she would not rather buy that piano if she could instead of hiring it.

152. *Mr. Johnston.*] Do you know any large runs being held by dummies, or of any dummyism?—I cannot say that I do.

153. What do you think of the Land for Settlements Act?—Looking at it broadly, I think it is one of the finest things ever instituted. It is magnificent, and, so long as you provide the right land and the right settlers, I cannot possibly conceive anything better. I would arrive at the best settlers by the process of the survival of the fittest, and the best land by buying what is offering at its fair value.

154. Do you believe in the examination of applicants by the Land Board?—No; I think it is an absolute farce.

155. Do you think the Land Board are capable of judging the men who come before them?—I know for an absolute fact that men have committed the most horrible perjury before the Land Board in regard to their positions, and I do not see how the Land Board could find them out.

156. What is the value of land now as compared with the value when the Government purchased these estates?—The value of land in the Oamaru district is fully 25 per cent. higher than what was then supposed to be the value of land. As I said, the value of land is what you can make out of it. You have to take a series of years and the average. I do not know that a single property was bought at what you might call its fair intrinsic value. Of course, I consider the Government took advantage of circumstances which they should not have taken advantage of, and which they never would have taken advantage of as individuals. For instance, some people here were in such straits that they had absolutely to accept whatever the Government chose to offer them for their properties. I happen to know two or three cases. I do not think it was the duty of the Government to take advantage of these unfortunate circumstances.

157. Do you not think the Government gave them as much as private individuals would?—It is easy now when everything is going so splendidly to talk like that, but in those days, as you know yourself, things were very bad, and it was very difficult to get anybody to buy anything. Those were extremely bad times, and I say it was wrong for the Government to purchase land at less than their own officers valued it at. I say that the Government of the people should never do a thing that a private individual would not do, and no honest man would take advantage of his neighbour's misfortunes.

158. There are plenty of business-men who would do it. We often hear it said that So-and-so is a smart business-man and a clever man, but what is the difference between him and a rogue?—Very often very little.

159. Is the land generally about here and on the Government estates cultivated to the best advantage?—I should say that is a very big question. Of course, there are all sorts of restrictions as to cropping and cultivation which I think in many cases should not exist. Farms vary—one piece of country should be cropped and handled in one way, and another variety of land should be handled in another way. I think a practical farmer on the site should say how that land should be cultivated.

160. Are the farmers, to your knowledge, getting the most out of their country?—Taking them as a whole, I should say Yes.

161. Would you give the Land Board more discretionary power in regard to the cultivation of the land?—If the members of the Land Board will forgive me for saying so, I do not think they should have as much power as they have now. I think the Rangers should be thoroughly practical men, and I think they should come into personal touch with the tenants and their holdings. If they could not arrange matters pleasantly and amicably I think there should be a sort of a Board of Appeal, consisting of, say, a leading farmer known to be a thorough expert in the district, a leading business-man in the town, and a member of the County Council to decide the matter, and the land should be cultivated in the terms of their award. I think there is too much red tape at present.

162. Do any of the tenants ever complain to you about the Rangers harassing them and putting them to any trouble?—I have had complaints that they are harassed—I think, sometimes rightly and sometimes wrongly. That is why I say the Ranger should be a thoroughly practical man, and he should discuss the matter with the farmer from a practical and business point of view. I think also you ought to have a first-class man for the North Island and one for the South Island. They should be very well paid and above suspicion, and they should supervise the settlements in

each Island, and should have the power of veto in regard to the arrangements made by the Rangers and the Appeal Board.

163. You would advocate the appointment of a superintendent for each Island, to have full control of the Crown tenants' rotation of crops and the proper care and condition of the land?—Yes. I should have an officer the same as the large companies have—he is called the superintendent of properties. I assume that the North Island is not farmed similarly to the South Island, and therefore I suggest two officers. It should be their duty to visit these settlements and talk matters over with the Rangers and the farmers, and generally to see that things went on swimmingly and according to law. They should be independent men. I should appoint them if necessary for life on good behaviour.

164. Do you know anything of the ballot system?—My idea is that the ballot system is good in a way, but I think anybody and everybody should go to the ballot. I would not exclude anybody.

165. Would you have a straight-out ballot?—Yes; and then, of course, the successful applicant has to conform with the rules and regulations upon which the land has been let.

166. We will assume the case of a merchant in the town who is prohibited from taking it up?—He is not prohibited from taking it up, but he must reside on it.

167. Assuming you wanted to take up some land for your children, do you not think it would be advisable to extend the privileges of non-residence?—That is exactly the point over which I clashed with the Land Board. I wanted to take my old homestead for my son, who was not of age, and I had to apply for it myself. Well, I had to reside there, which meant that I would have to throw up my appointment with the company, and as I could not afford to do that I had to abandon the intention I had formed on my son's behalf. I claimed I should be allowed to take up the homestead for my son, and they should allow him to reside there under my control.

168. You would alter these restrictions?—In certain ways certainly, but I am looking at it from a personal point of view. There may be very good arguments why the present rule should continue. I felt it was a very grave hardship, and I think so still.

169. Could you tell us what the price of the ground was in the old cropping days?—My recollection is that in the old days the land was taken up by the croppers in tussock. In some cases they paid a certain rent, and in some they did not pay any rent at all. The land was broken up, and the squatter found the grass-seed, and it was laid down with the crop. Later on the croppers used to take the land for cropping, and they paid rent according to the quality of the land and its proximity to the railway or market. The large landowner had to regrass the land, and what might have appeared a very high rental did not mean a high rental to the squatter for that reason.

170. But in the case of men who had to pay from £1 to £2 10s. per acre?—I have known £3 per acre paid as rent for potato land, and the cropper to make £30 per acre. I do not think anybody ever paid £3 for wheat land.

171. What was the then value of the land for which £1 was paid as rent?—I cannot tell you from memory. I suppose you are leading up to the point that many of these men paid exorbitant rents; but I do not think the surrounding circumstances are taken into consideration. Many of the proprietors did not make as much out of it as people think they did, and I know in many cases where the croppers had bad seasons the rents were remitted entirely.

172. Is the value of the land higher now than it was then?—Yes, by one-half.

173. Do you know the pastoral country about here?—Yes.

174. What conditions would you recommend to improve the carrying-capacity of the land?—Longer leases and surface-sowing. I have had large personal experience of surface-sowing, even on the high hills. Excellent results can be obtained if the tussock is burnt and good seed sown at the proper season. I would have good seed only, mind you, and not rubbish such as was often sown in the past. I would endeavour to assist the occupiers by supplying them with seed at wholesale price or by railing it free to the nearest station. I would give long leases to encourage surface-sowing. My method was to burn the tussock in very early spring, and immediately afterwards the seed was sown broadcast. As a rule, we used to choose the damp spots and gullies in which to sow it. It was very successful, and increased the carrying-capacity of the country very largely.

175. What is your opinion in connection with the noxious weeds in this district?—We have got no ragwort, but I think the Canadian thistle is going to take possession of some of the lands unless it is tackled in a serious manner. There is a lot of gorse and broom growing in the river-beds and on the waste lands, and I think they will become very dangerous also. I do not think the Government can be too stringent in regard to noxious weeds. Many methods have been tried to destroy Canadian thistle, and quite a number of people have been trying to earn the Government bonus by experimenting on totara, but we cannot tell with what success so far. I do not think there has been any absolute success yet.

176. Is the matter being attended to now by the County Council?—I do not think so. I do not think anybody realises what a serious thing it is.

177. Have you ever known the screenings from seed-cleaning machines to be sown in the high country?—Yes; my company have received orders for screenings for surface-sowing on the high country. They contain all the weeds under the sun, and they all grow.

178. In your opinion, would any bad results come from the feeding of stock on the refuse of these machines?—It must be detrimental to the land.

179. Do you know if any Crown settlers have sold their holdings?—Any number of them.

180. To advantage?—To very great advantage to themselves. The goodwill has varied from £1 to £5 per acre—I think, exclusive of improvements.

181. Have the small grazing-runs been a success?—Yes, latterly.

182. *Mr. Paul.*] In the case of the purchased estates do you not think your proposal might result in the good sections being bought and the bad ones left on the State?—Not if it was carried out on something like the lines I have suggested. Naturally the best sections would be bought first, because more money could be made out of them.

183. Is there not a chance of the tenants getting out of the bad sections by surrendering?—That is a matter for the landlord to decide whether they shall be permitted to surrender.

184. Is it not possible that a majority of the settlers on one estate might surrender, and in the case of another estate a majority might secure the best sections?—I do not suppose there is any estate in this district in regard to which the tenants would not be willing to acquire the freehold if they could.

185. You think that if the option was given in regard to these estates the land would ultimately be made freehold?—Yes.

186. You said a man could leave a freehold to his children: can he not leave lease-in-perpetuity property?—I think there is some difficulty in regard to it, but I am not sure. I think a man would naturally rather leave a freehold to his children than a leasehold, but that might be purely sentimental.

187. You express yourself against the land-tax?—Yes, because I think it is a class tax.

188. Would the land-tax be a class tax if it was levied without exemption?—I should hardly like to say Yes or No to that question without more thought.

189. Would you give the option of freehold to the lessees of Corporation and education and Harbour Board leases?—I know that point has been raised, but I cannot see why there should be any difference. There may be reasons why the tenant of a Harbour Board or Borough Council should not have the same right as the Crown tenant, and I should not care to give a direct answer to your question without going into the matter very fully.

190. At present, to be logical, you think that all tenants should have the option of the freehold?—Yes; on the spur of the moment that would be my answer.

191. *Mr. Matheson.*] Is your reason for that because you believe that under the freehold the State would prosper more, and that trustees could invest money they receive in State security, and so retain their income?—Yes, I certainly think the Government would benefit; but I think the money obtained from these lands should be absolutely ear-marked in some way or other to buy more estates for cutting up.

192. At present, in this and other provinces, there is a dual administration of Crown lands by the Land Board and the Education Commissioners: do you think that is economical or wise, or would it be better that one Board should administer the whole of the lands?—I have not given the matter sufficient consideration to express an opinion worth having.

193. Do you consider the chief and only purpose of the land-for-settlements policy was the settlement of the land?—That was the idea.

194. If the settlers who have been put on the land and have prospered are given the right to acquire the freehold should the State try to make a profit out of them? Why should the State not sell the land at what it cost—at the original upset price?—I do not think it would be fair to the taxpayers as a whole. In many cases the Government have purchased the estates at extremely low prices, and I think if a man who wants to make his place freehold is not prepared to pay its fair intrinsic value it is not proper to let him have it.

195. Why should not a settler who has done all this work on the land, and has run the risk of his investment proving profitable, be the one to benefit by the sin of the State?—I do not think it is altogether what the settler has done that has enhanced the value of his property.

196. *Mr. Anstey.*] You say the land-for-settlements policy has been a magnificent success?—Yes.

197. Seeing that it has been such a magnificent success, do you think it is wise to introduce a factor which may spoil this magnificent success?—I do not think it will spoil it.

198. Would it not be wise to leave this magnificent success alone?—I do not think so; I think tenants should have the option.

199. *Mr. McCardle.*] We have seen a large area of seed country cut where noxious weeds abounded: do you not think that any man growing seed for the public market should have a clean certificate before he is allowed to sell that seed?—That is a big question. I think perhaps there might be some absolute rule that he should have his seed dressed before it is sold, but I should hardly like to go so far as to say a man should not be allowed to cut seed with noxious weeds in it.

200. Do you think it is possible to eradicate all weeds from seed no matter how it is dressed?—Yes; I think there is machinery in this country now that will thoroughly clean any seed put through it.

WILLIAM DUNCAN ROSS McCURDIE examined.

201. *The Chairman.*] What are you?—I am District Road Engineer in Otago. I have been in that position for about four years, and before that was in the Survey Department since 1880.

202. It is under your direction, I believe, that the "thirds" under the various tenures are expended?—No, we have nothing to do with that.

203. You see to the expending of the moneys voted by the Government?—Yes, all over the province.

204. We have been hearing a good deal about the roading of the settlements. Have you anything to do with the expenditure of the loading-money?—Yes, we mostly expend it.

205. You mostly do it on specification?—Yes, we make out a specification and generally do the work by co-operative labour.

206. Is that a *quasi* contract?—Yes, it is a small contract. The work is done on the engineer's price.

207. Have you been spending large sums in this way during the past financial year under the co-operative system?—It has been mostly in small sums, but in the aggregate it has been a fairly large amount.

208. Could you tell us how much has been spent?—I would not like to say. It has been so scattered all over the place.

209. There has been a good deal of dissatisfaction expressed about the expenditure of moneys on roads. The settlers seem to think that the amount of money spent in some cases is out of proportion to the amount of work done. Do you think that if the local bodies, the County Councils, had had the expenditure of the money more would have been done for the money?—I dare say there would, because if you call for tenders you have the advantage of the man who is hard-up and those who make a mistake in putting in too low a price for the work. Our estimate is a safe one for the worker, so that the man will be able to pay his storekeeper.

210. A statement has been made that in one case the work could have been done for one-half of the cost if horses and scoops had been used in place of hand labour?—Since I have been in charge I have never put any obstacle in the way of using machines. At Greenfield, now, we are using all the appliances we can to make the money go as far as possible.

211. *Mr. McCardle.*] Do you allow the co-operative workmen to choose their own mates?—Yes.

212. Do you know if that is the case in connection with railway-works?—I have nothing at all to do with railway-works.

213. Is it not a fact that the price of a contract has to be regulated so that a man does not earn more than a certain amount of money?—We seek to regulate them so that an average man will make an average wage: in some cases men cannot average 4s. a day, and in others they can average say, 8s.

214. It is said that there is not sufficient competition in the various works to bring out the best that is in a workman?—I do not know about that.

215. If a party of men have a small contract which will last a month, and they have hopes that they will get another contract the following month, they will not work too hard and earn too much for fear that the contract will be cut down?—I always fix the price before I know who is to do the work.

216. Do you think it matters to the State what a man earns so long as value is got for the expenditure?—I think a man should get whatever he earns after the price is fixed; but I do not think the price should be so fixed that a man can only earn 15s. a week.

217. *Mr. McCutchan.*] You are in charge of the total expenditure of Government grants on roads?—Yes.

218. Do you do part of the work by contract?—Sometimes, but we do it by preference. We are not supposed to call for free tenders without special authority.

219. Have you noticed any contrast in the cheapness of the work under the two systems?—It has not been done very often, but I cannot say that I have.

220. Has the loading been adequate?—Not to metal and form the roads.

221. It was not supposed that the roads were to be metalled?—That is so. We have done very little metalling in the roading of private blocks, but when Mr. Holmes settled Awamoa the County Council made him gravel and do everything.

222. It is understood by the settlers when they take up land in these blocks that the loading is adequate to provide the roads?—Yes.

223. Has it in all cases been adequate to complete the roads?—No.

224. In those cases has it been due to the fact that the amount of the loading was insufficient, or to the fact that the co-operative system is inefficient?—To the fact that there was not sufficient money provided in the first instance.

225. Has the loading been supplemented by Government funds on these blocks?—Yes.

226. Was that due to the fact that the loading was insufficient in the first instance?—Yes.

227. Has the co-operative work been satisfactory to you?—Yes.

228. Do you think it as good a system of doing work as the small-contract system?—The engineer gets the work done at his own price, and has charge of the work right through. I think it is just as satisfactory.

229. Do you supply the men with the quantities?—Yes, and every information they want.

230. A tabulated statement of quantities, and so on?—I would not like to say we do in every case, but on the contract the price for every item is written.

231. Has the work, generally speaking, been given to outside labour or to the settlers in the block?—We try to employ local men as far as possible.

232. Have the settlers generally been anxious to do the work in connection with the expenditure of the loading?—Down at Barnego they have made inquiries, but they have not shown any frantic desire to take the work.

233. Was the Barnego loading spent under your supervision?—No, under that of the Chief Surveyor.

234. Some of the settlers there expressed the opinion that the work had been very expensively done. One said he would be prepared to do the work for half the cost?—They often tell you that after the work is done.

235. Do you think there was any justification for that statement?—Why did he not come forward and make an offer.

236. You fix the scale of payment according to the wages ruling in the district?—Yes.

237. It is for an eight-hours day?—Yes.

238. If a batch of young men work for twelve hours a day, and make 12s. instead of 8s., what means have you of checking them?—If there is a lot of work to be done we have a ganger in charge of the men.

239. There would not be a ganger in charge of one gang of men?—No.

240. If they were working in a widely settled district there would be no check?—No.



241. Do you try and equalise the earnings at, say, 8s. a day?—I have no instruction to that effect.

242. Would the fact of men working long hours, and making consequently higher pay than would have otherwise been the case, have any effect on the price those men would get for their next work?—I do not think it would.

243. Can men work as long as they choose?—There is a sort of principle that eight hours is supposed to be a day, and they are not supposed to work twelve or sixteen hours.

244. Is that an instruction?—I have had no particular instruction.

245. Do you do any work by means of day-work?—Yes.

246. Do you find it satisfactory?—Yes, quite.

247. What is your rate of pay for day-work?—From 6s. to 8s., according to the men.

248. How do you judge the capabilities of the men, by their appearance?—Yes.

249. Has your experience of the co-operative system shown any weakness in the administration?—No, I think it works all right.

250. You think it is perfect?—I could not suggest any improvement.

251. You made reference to the County Councils, and said that they got the advantage of the men who took the work too low; but is it not the case that all County Councils insist on the engineer supplying them with estimates of the cost of the works before tenders are accepted?—Yes.

252. Is not that with the object of allowing them to refuse an unreasonably low tender?—Yes, I suppose so.

253. *Mr. Hall.*] Do you group the men in the contracts?—No; I let them choose their own men.

254. I suppose the men get together according to ability pretty well? Strong and weak men could not work very well together?—They like to get men of their own calibre, and they arrange themselves.

255. If these strong men earn more than a reasonable, or what is called a reasonable, wage, does that cause the price for that kind of work to be cut down?—The principle is that the average man will make an average wage. Of course, extra-good men will make a good wage.

256. Is that allowed?—Yes, in our district that is so.

257. You think the work does not cost much more than if it were done by public tender?—It may cost a little more for the reason I have given.

258. *Mr. Matheson.*] Supposing four men of equal ability took in a fifth who was not up to their standard, and it was agreed that this fifth man was to take 10 per cent. less for his work, would the Department object to that?—No, I would not object. They could arrange it amongst themselves.

259. The local bodies have been constituted for the purpose of making and maintaining roads in certain districts. Do you think it wise to set up another piece of machinery to do similar work in the same districts?—I think that is a matter of politics.

260. *Mr. Austey.*] Do you know of any local bodies who have refused to expend Government grants under the co-operative system on the ground that it was not economic?—No objections have come to me to that effect.

261. We had evidence several times that the loading on settlements was wasted. Assuming that that is correct, is it fair that those settlers should be loaded with an addition to their rents for money which has been wasted?—No one should be charged on the waste; but, of course, I do not know that there has been any waste.

262. Where waste is proved the amount should be ascertained and written off?—I suppose so.

263. Can you tell us whether there is any truth in the statement that too much loading has been put on the estates for the amount of work done?—I could not say.

264. Does the same remark apply to Maerewhenua?—I do not know anything about that; it was done before my time.

265. Is money being more economically spent under the co-operative system than it was previously?—I do not know that.

266. Have the changes, such as optional grouping, been beneficial?—I think the optional grouping was a beneficial change.

267. Has all the loading that was placed on Barnego been spent?—Yes; but there is still £170 standing over for expending on river-bank protection.

268. The settlers there told us an untruth, then, when they said that half of the loading had not been spent?—The loading has all been spent.

269. Has all the loading on Windsor Park been spent?—Yes, and more.

270. In laying off public roads is there any check on the grades that are taken?—They are not done by my department. The Chief Surveyor does that.

271. Do you ever call attention to routes that have been injudiciously chosen, such as going over a hill when it would have been easier and shorter to have gone past it?—You could not expect me to criticize my Chief Surveyor.

272. *The Chairman.*] The Survey Department lays off these roads. They have a limit of grade, have they not?—They have a limit of grade: 1 in 15 for main roads, and 1 in 10 for occupation lines.

273. Do you find that they adhere to that?—Yes, very closely.

274. Have you had any occasion to deviate any of the lines the Survey Department have laid off in recent years?—Nothing to speak of.

275. As a general thing, the laying-out of the roads by the Survey Department is satisfactory?—Yes.



ROBERT ROBINSON examined.

276. *The Chairman.*] What are you?—I am a farmer holding 90 acres of freehold on Awamoa. I am in favour of the leasehold in preference to the freehold, but I think the terms of the Crown tenants should be improved by their being allowed to pay off so-much of the purchase-money until, say, only 2s. an acre for first-class land, 1s. an acre for second-class land, and 6d. or 3d. for third-class land was left. If the freehold is allowed to be purchased right out I do not see how you are going to prevent a man mortgaging. You would not be able to keep the landlord out.

277. *Mr. McCardle.*] Would you get rid of your freehold and take up a leasehold to-morrow if you could?—Yes, but it is very hard to get a piece of land. I would not have been on a freehold if I thought I had any chance in a ballot.

278. You think that the lease-in-perpetuity land is let to the tenant well within its value?—Yes.

279. And that is a large inducement to a person to take it up?—Yes.

280. *Mr. Hall.*] Do you think that after a man has paid off one-third of the value of his land all restrictions should be removed, and he should be allowed to farm his land as he likes without any control?—I think one-third is too little. I would have him pay off two-thirds before the restrictions are removed.

281. Is it easy for the Crown tenant to sell the goodwill of his section?—Yes.

282. If the Crown tenant had a money interest in the section would it not be much harder for him to dispose of the section?—It would be much easier for him, and he would get a better price.

283. Would it not make it unwieldy?—No; it would make the country free.

284. How?—Because we could pay off the English money-lenders.

285. Supposing I rented a farm from you for a period of years, and after a few years I came to you and said I wanted to purchase the farm at the capital value, would you give it to me?—I do not know whether I would.

HENRY BELOE CRAWFORD examined.

286. *The Chairman.*] What are you?—I am a barrister and solicitor practising in Oamaru, and have been so doing since 1886. I have had a great deal of experience with dealings under the Land for Settlements Act, and there are one or two points that I would like to mention. To my certain knowledge the ballot distribution system has worked out in many cases to the great hardship of applicants. I know in many instances men who would make as good settlers as any who are now holding land have gone pretty well all over the colony trying to get land at the different ballots. They have passed the examinations and been told by the Land Board that they are just the sort of settlers they want to see on the land. I think that some scheme could be devised whereby those applicants who have passed the examination and have been disappointed in one ballot or two ballots should in future ballots have priority over first applicants. I have worked out a scheme, and, if desired, I will write it out and lay it before the Commission. Then, there is hardship in respect to the restriction in dealings. The Canterbury Board started the plan of dictating to the tenants as to how much they were to accept in the way of premium. The Otago Board shortly afterwards followed on the same lines, to a certain extent, by refusing to pass transfers for land-for-settlement sections which had been sold—one by auction and some privately—because they thought the amount payable by the purchaser was in excess of the premium value. It seems to me that is to some extent an interference with the subject and the right every man has to sell what he produces by his labour, and it tends very strongly to foster the feeling which has been raised against the lease-in-perpetuity system, and to my own knowledge it is one of the strongest incentives to people to object to the control of the Land Boards. In one instance I was personally engaged to complete a transaction in connection with a section on the Windsor Park Estate. It was sold by a firm of auctioneers, and the firm's representative came to me with one of the parties to the transaction to carry the transfer into effect. I sent the papers forward, and subsequently was informed that the transaction was stuck up by the Board. Both the seller and the buyer went before the Board and were examined. In the meantime the Ranger was asked to report on the case, and he ascertained that the amount mentioned by me in the application was not actually the amount passing between the parties. He reported that to the Board, and I presume that was the reason why the parties were summoned to give evidence. I was not personally informed after the inquiry why the transfer was refused, but have since learned that the sum filled up in the application to transfer was that at which the goodwill was sold, the balance being for crops, &c., the subject of a separate transaction. That meant a very serious loss to both parties, and the two young men came back with a certain stigma on their characters for untruthfulness. I knew the men had not the slightest intention of being untruthful, and I know that it has possibly prejudiced the Board against me for having sent forward such an application. In respect to this restraint on alienation, I know that in Canterbury there has been a certain amount of rigging and cooking of accounts with the view to throwing dust in the eyes of the Board as to the actual amount paid between the parties, and it is a bad state of affairs when it leads to that. As to the mortgaging of sections, the Board made a condition in Canterbury that it would not pass a mortgage over 6 per cent. I sent up applications, and they were refused because they were over 6 per cent. This led to one man being forced to part with his section at less price than he otherwise could have got. There is another thing to which I would like to call the attention of the Commission. At present trustees cannot lend upon leasehold security. A very simple amendment to the law could be passed allowing trustees to lend trust funds on leasehold security to the extent of half of the actual value of the tenant's interest in the lease, to be ascertained in the same way as the value of the freehold is now ascertained. I have had the investment of many thousand pounds' worth of trust funds, and I know that in several instances trustees were willing to lend upon leasehold securities because they would get a better rate of interest than on freehold securities, but I had to advise my clients that the law would not permit that to be done. All leasehold borrowers

pay at least 1 per cent. more than if they had the freehold, and it often goes up to 2½ per cent. In my opinion, that is a strong argument in favour of granting the freehold eventually to leasehold tenants when they have sufficiently complied with the terms of their lease. I do not think there is the slightest danger of the aggregation of freehold estates. I would like to say a few words about the co-operative system on the roads. I was a settler on the Ardgowan Estate, and from what I have seen I am satisfied that the co-operative system of road-making is a wasteful farce, and I could give instances to prove it.

287. Then, you think the fact of these men getting loans from mortgage companies is a guarantee that the applicants are reputable men?—No; but I know of one case in which it did an injury to the applicant to have been refused, for it would have been a great advantage to have been able to get stock and sheep.

288. *Mr. McCardle*] You said a simple amendment to the law would enable trust moneys to be lent on leasehold property?—Yes, a simple amendment to the Trustees Act, enabling trustees, in the case of leases of not less than twenty-one years, to invest to the extent of half of the value of the tenant's interest in the improvements on his leasehold section.

289. Do you think that would be an advantage to the leaseholder?—I think he would get the money cheaper by 2 per cent.

290. Do you not think the case would be equally met by the Advances to Settlers Department?—Yes; but my experience of that Department has been so depressing as to prevent me advising any man having anything to do with applying to it.

291. I suppose you are aware that if a man applies to the Board and is refused it tends to stop his getting an advance elsewhere?—Yes, that is so; but the delays disgust people and prevent them applying, and then there is a small amount offered by the Board in comparison to that applied for.

292. It is your opinion that there is much room for an improvement in the administration of the Advances to Settlers Board?—Yes.

293. *Mr. McCutchan.*] Have settlers come to you for loans—that is, settlers who have been refused by the Department?—Yes.

294. And have you been able to negotiate loans for them?—Frequently.

295. There is a scale of legal charges in connection with the Advances to Settlers Department?—Yes.

296. Is it the custom for private firms in this district to charge procuration fees?—It is not so universal now as it was. The procuration fee is dying a sort of natural death.

297. Are reputable firms looking upon it as an unfair charge?—I, personally, have not received procuration fees for some time. At one time it was quite ordinary.

298. Is it the fact that the Advances to Settlers Department does not charge procuration fees?—I know that the Department has helped very much in that respect, also to lower the rate of interest, and has assisted settlers generally; but the Department can be better worked than it is.

299. Have you noticed any material difference between the charges made by the Advances to Settlers Department and the usual charges made by private firms lending money?—In simple cases the Advances to Settlers Department charges less, and in other cases there is no great difference. On the other hand, although the Department professes to have a scale of legal charges, there is nearly always something in the way of extras that causes the charges to be as much as if the applicant had got the loan privately.

300. Can you say, in reference to the Advances to Settlers Department, that there have been any unusual delays?—I have seen repeated instances where people have got sick of waiting for the Department.

301. Was that due to the volume of business done by the Department?—I cannot say.

302. Can you say when an application is made for money that the Department's valuer is sent out promptly?—I say there is a difficulty in getting the Department's valuator at all. I know a case of a property here where a man was refused a loan of £60, and he immediately borrowed £160 from a private lender, and shortly afterwards he repaid the amount.

303. Have you had any extended experience of the co-operative work system?—Yes; I have done a little road-making, and I have seen instances of work done under the co-operative system which could have been done at one-third the cost.

304. *Mr. Hall.*] Do you think the law should be altered so that trust funds could be lent on leasehold property?—Yes; to the extent of one-half, not two-thirds as in the case of the freehold.

305. Would that be by way of a second mortgage?—No; no trust funds can be lent on second mortgage. It would take the place of the Government mortgage.

306. *Mr. Johnston.*] You said the majority of the Crown tenants want the freehold?—Yes. The great majority when they first took up the land on the early settlements expected that they would be able to get the freehold eventually.

307. How many Crown tenants are there about this district?—Roughly speaking, I should say more than a thousand in the immediate neighbourhood. I know their feeling through having moved amongst them a good deal, and I have done a great deal of business for them.

308. Would you be surprised to know that only two witnesses have come forward who wanted the freehold—that is, Crown tenants who have given evidence during the last two or three days?—I know that the Tokarahi people have pledged themselves to the leasehold pretty unanimously, but, at the same time, I think they stand alone in that respect.

309. What about the Windsor Park No. 1 and No. 2 and Elderslie settlers?—Those are more recent settlements. I am speaking of the earlier settlements—Ardgowan and Maerewhenua.

310. If they were anxious to obtain the freehold surely they would have come forward?—I think I may be regarded as the mouthpiece of a great many of the settlers. Many hardly knew what the issue was. I am sure the majority would vote that they should have an option to purchase.

311. Have they sold any of this land?—A great many sections have passed out of the hands of the original settlers.

312. Have you heard what they have made out of them?—In many instances they got a very fair premium in selling out.

313. What would they get, exclusive of the improvements they put on?—According to the value of the land. I think it is quite safe to say it would average from 25 per cent. to one-third, but it is hard to distinguish as to how much was in repayment of the improvements and how much was for pure goodwill.

314. Were there many transfers?—I think from a quarter to a third of the original settlers have transferred.

315. Do you consider the settlements a success?—There is not a settlement in this district that is not a success.

316. There would have been 250 settlers less in one district if it had not been for the lease in perpetuity?—One cannot say that, for many of the owners were considering the cutting-up of their estates.

317. I suppose you speak feelingly as a solicitor?—I do not know that I have any personal axe to grind. I have been a settler, and have lived amongst them and know their feelings.

318. *Mr. Matheson.*] The Crown lands in the provincial district are administered by two bodies—the Land Board and the Education Reserves Commissioners. Do you think it would be better for one body to administer all the Crown lands in the provincial district?—From what I have seen of the administration of the School Commissioners, it leads me to think those reserves have been very fairly administered. Providing the tenures of the education reserves are maintained, it would certainly be an advantage if there was one body solely responsible for the control of public lands.

319. *Mr. Anstey.*] You said the vast majority of the Crown tenants wish to obtain the freehold, and you include the Waikakahi?—I said I believe there is a majority—generally; but I know the settlers at Waikakahi are fairly evenly divided.

320. Would you rather leave Waikakahi out?—Yes, if you ask me to answer the question in detail.

321. Do you know of any one who has transferred his section at a loss—at less than the value of his improvements?—I did myself. I took a section for residential purposes and sold out at a loss, as it interfered with my business in town. I know of no other instance.

322. Do you know of any one who abandoned his section?—There was one at Tokarahi.

323. Did he leave any improvements behind him?—A few. That is an exceptional case.

324. Supposing a witness were to say that he knew of settlers at Maerewhenua and Waikakahi who were abandoning their sections—many of them—would that be the truth?—I should say he was exaggerating.

325. You said that the Department had vetoed all the advances above 6 per cent. Was it the Land Board or the Minister that vetoed them?—I am inclined to think the Land Board, on the recommendation of the Minister.

326. What was the rate of the advances which were refused?—7 per cent. in several cases. It was that rate in those the Canterbury Board refused.

327. Have you ever tried any at 6½ per cent.?—No; I have never made any applications at 6½ per cent. which have been refused, but I have been refused at 7.

328. Was the reason given that the interest was too high?—Yes.

329. Do you think it would be advisable to allow tenants unlimited liberty to mortgage their holdings at any rates the lender demanded?—I think it is an interference with the rights of property to dictate in the matter at all.

330. A witness said to-day, with respect to procuration fees, he paid equal to a rate of 28 per cent. per annum. Do you know whether that is the custom in this district?—It is absolutely absurd to say that anything of the kind is the custom. If it did happen he must have been in the hands of a shark. The ordinary rate of commission charged by commercial firms is about 2½ per cent., and interest about 8 per cent.; but it is only the stock and grain agents and public loan companies that charge commissions as a rule.

331. Is there anything in the nature of commission on renewal?—No; it is possible there may have been a commission on the business and a commission on the sale of produce, but as a general rule the advances are not supposed to extend to more than cover the season in which the crop may be produced or the stock grown. It is not the custom to charge commission on making advance and another commission on renewal.

332. But it is the custom to charge commission on making the loan?—Yes.

333. You have been asked, with regard to the Advances to Settlers Office, why they refused loans. Do you not think the reason is because they have not got the money?—Yes.

334. Do you think that £2,000,000 or £3,000,000 would be enough to supply the needs of every one?—I am not able to reply definitely to that, but £2,000,000 or £3,000,000 is a large sum of money.

DAVID BARRON further examined.

335. *Mr. McCutchan.*] When a section is not taken up after forfeiture at a rental based on the original rental and valuing of the improvements, is it the custom to reduce the improvements and not reduce the original rental? Do you not think it would be fairer to the tenant and in the interests of the State if a proportionate reduction were made in the rental and in the improvements. It seems unfair to make the reduction fall entirely upon the tenant's improvements?—The position I take is this: A section is forfeited and surrendered, and the assumption is it is on account of the high rent being charged. We get the Ranger to make a new valuation, and, as a rule, that valuation is based upon the rent which a tenant can then pay. We will say,

in a bush section, where the rent has been 15s., the Ranger has found that the land is not good. The bush has been cut down, and the tenant and land are both in a very unsatisfactory state. The rent is probably reduced to 5s., 6s., or 7s., or practically the limit. That is on account of the loading, and we therefore cannot bring it any lower.

336. That is under "The Land Act, 1892"?—We have no power to bring the rent down under the Land for Settlements Act.

337. Do you not think it advisable that the law should be altered in that direction?—There is only the exceptional case of Pomahaka where it would be necessary. It would require an amendment of the Land Act to give Ministerial power to reduce estates where it was found that perhaps too much had been paid for them or the tenants were unable to pay the requisite rent. It would not be a power I would like to see given to the Land Boards, although, at the same time, I would like to see a certain amount of discretionary power given. I feel, however, that a great amount of pressure would be brought to bear by tenants and others, and it would be very difficult to resist it. Speaking as a member of the Land Board, I would not care to have too much discretionary power.

338. But, subject to the approval of the Minister, would it not be safe?—I would not like to say as to that.

339. With reference to the rates of interest charged, we have evidence that the Canterbury Land Board refused a mortgage because the rate of interest was in excess of 6 per cent. Can you say whether Ministerial instruction had been given saying that the rate of interest shall not exceed 8 per cent.?—I think it was 8 per cent.

340. Generally over the colony?—Yes; it was a circular instruction.

341. *Mr. McLennan.*] How was it that the settlers on Ardgowan received no rebate this year?—For practically the same reason as I gave in reference to Windsor. I think the estate was bought when land was very low in value, and leased at a much less price than could now be obtained for it, therefore we thought the tenants were not entitled to the rebate that the tenants were who were paying full value for their land.

342. *Mr. Anstey.*] Did I understand you to say that the members of the Land Board should represent the various districts and the various interests?—Yes.

343. In order to represent these interests, do you not think it is necessary to have a larger Board?—If you are going to represent all interests probably it might be advisable to have a larger Board. So far as the Otago Board is concerned, the difficulty is that the meetings have been weekly, and to have brought down a larger number than four would have involved great expense and inconvenience to the members.

344. You know there has been a great deal of trouble in regard to want of compensation for improvements on the high country of the interior: do you think if these runs are cut up as much as they will bear cutting up there will be any harm to the State in selling the freehold of these runs?—The mining difficulty would almost necessitate the runs being kept for pastoral purposes. Under the pastoral-lease system the miner has free right of entry to do as he thinks fit.

345. In districts where there is no mining is there any objection to selling the freehold?—It seems to me that the country has not come to that stage yet, because, in addition to the closer subdivision that we think necessary now, it might by-and-by be deemed advisable to still further reduce the areas. It would be wiser for the State to keep them in the meantime.

346. In regard to the 10-per-cent. rebate, do you not think it is a most unwise option to place almost solely in the hands of the Commissioner and Receiver of Land Revenue? Probably the Receiver of Land Revenue knows nothing at all about the facts of the matter, and the responsibility is practically thrown on the shoulders of the Commissioner?—If you think that is a question I should answer I will say I am very sorry the Legislature cast the duty on the Receiver and myself; and I think it would be better, if such discretionary power is to be allowed, that it should be given to a larger body, say, the Land Board.

347. It is unwise to place the power in the hands of the Commissioner?—I do not say it is unwise. I said it would be well to spread it over a wider area.

348. With regard to mining, do you know where any large quantity of good land is being spoilt by mining, and, if so, would it be wise to place any restrictions on it generally throughout the Otago district?—No doubt a very considerable extent of good land has been spoilt by mining, but mining has reached the stage now when any further restrictions placed on it would strangle it altogether.

349. Do you think it would be wise to compel the people who are spoiling good land to return it to something approaching its natural state?—So far as Otago is concerned, that does not apply to any extent. While I was in Southland I saw one valley—the Waikaka—being destroyed by mining. I thought it was a huge pity, and I think legislation should be brought to bear to stop the destruction of good land.

350. You think it would be wise to impose some restrictions in the case of good land if possible?—Yes.

351. I think you advocate that the Board should have power to accept surrender on lease-in-perpetuity lands, and reduce the rent and allow the tenants to go on again without competition?—Yes, on Crown lands.

352. Do you think it would be wise to place anything like unlimited power in the hands of the Board: would it not throw the Board open to charges of favouritism and undue influence?—Yes. Certainly I would not agree to too much discretionary power being given to the Board.

353. Do you not think it would be unwise to place the Board in that position?—We have practically that power now. We make certain recommendations, and the Minister invariably accepts them.

354. You say the ballot should be first man first choice?—Yes, subject to grouping for financial purposes.

355. Would there not be a difficulty in regard to that? Supposing ten sections were balloted for and there were twenty applicants, the first three or four would probably get the sections they required: would you then insist on the next man taking the next section, or would you allow him to drop out, the finest sections having gone?—If the ballot gives him a section he does not like he could drop out altogether.

356. Might that not mean that nobody would be left in for the last few sections?—I dare say; but it would be almost impossible to force a man to take a section he does not require. I think the difficulty could be got over.

357. Can you tell, when private mortgages on leaseholds are vetoed, whether they are vetoed by the Board or by the Minister?—The Minister has the power of veto.

358. I understood you to say that the maximum rate of interest allowed is 8 per cent.?—Yes, so far as my memory serves me.

359. Would a loan at 7 per cent. necessarily be vetoed?—No.

360. Would it be vetoed at 8 per cent.?—Yes.

361. Would it be vetoed at  $7\frac{1}{2}$  per cent.?—No.

362. *Mr. Johnston.*] It has been said that undue political influence has been brought to bear on the Land Board: is that a fact?—No.

363. Are you of opinion that the lease in perpetuity is giving entire satisfaction in your district?—Yes, it is fairly satisfactory. I would not like to say it has given entire satisfaction.

364. Have the lease-in-perpetuity settlements been a success?—Yes, with the exception of Pomahaka.

365. Has the Land for Settlements Act been of advantage to your district?—Decidedly.

366. Has the land taken proved successful?—Yes. Of course, there are one or two small settlements which cannot be called a great success.

367. Would you classify the land in Otago as first, second, and third class for Otago, or would you classify it for the whole of the South Island?—It might be advisable to divide it into more than one class in Otago.

368. Where would you get the first-class land?—Say, the Taieri and North Otago lands. Perhaps the best of Maniototo and similar land could be classed as second.

369. Would it be advisable to have that classification right over the South Island or for Otago only?—So far as my experience goes, it might be applicable to the whole of the South Island. I am not very well acquainted with the North.

370. Would you approve of people in the towns taking up land on condition it was for their or their children's future use, with conditions to suit to prevent dummyism?—Yes; I believe it would be a very good plan to induce people to leave the towns and go on the land. I think some conditions might be framed to enable that to be done.

371. Would relaxing the present residential conditions tend to dummyism?—Yes, I think it would. All sorts of reasons are offered now for relaxing the residential conditions, and we have great difficulty in preventing evasion. We do our best to require strict compliance with the residence conditions.

372. Are the residential conditions too severe?—I do not think so.

373. Do three-fourths of the large runholders live on their runs?—Not personally. They are represented by managers in a great many cases.

374. If the Crown tenant has to reside on his property, is there any reason why the runholder should not? Would it be of advantage to the State if he had to reside on the run?—I do not think it matters very much, because, so far as the colony is concerned, the manager who is placed in charge expends as much as the resident lessee would.

375. Why are the pastoral runs not put up to auction at a reduced rental if surrendered, instead of being lumped together and being let?—In some cases, I presume, we could not get any one to take them up under small-grazing-run conditions, and they were let under pastoral conditions.

376. Why do you not reduce the rent before you put them under pastoral conditions?—Because we cannot reduce the rent of small grazing-runs below the limit of  $2\frac{1}{2}$  per cent. of the capital value.

377. Who assesses the capital value?—It is assessed from time to time.

378. Is the examination of applicants a farce, and has there been any deception practised by them?—I hold the examinations are not a farce by any means. We are very careful to examine and weed out doubtful applicants. In some cases we are misled by false statements, but we accept men as a whole to be honest until we prove them otherwise.

379. Generally speaking, the examination is successful?—Yes.

380. Would there be any objection to allowing the owner of a small Crown section to apply for a larger area on condition that he sold the small section at a given date later on?—It would be somewhat difficult to do that, because a man might agree to sell his small section and after he had secured the other he might simply defy the Board.

381. In your opinion, would it be advisable to allow a man to hold the two sections, provided he did not go beyond the limit allowed by law?—If the sections are not sufficient to constitute a living area, then I think the Board should have discretionary power to allow him to enter into the ballot for another section.

382. You think the difficulty would be overcome if the Board had discretionary power?—Yes.

383. In regard to Pomahaka, do you think the areas should be increased or the rents reduced, or do you wish to express an opinion about it at all?—I think both would be advantageous. There might be a difficulty, because a certain number are placed in such a position that they could not increase their area, and unless all agreed to surrender in order to allow the sections to be regrouped there would be very great difficulty in fixing matters.

384. I mean, should they be allowed to increase their areas where practicable?—I think that might be done.

385. Would it be possible and convenient for the Land Board to hold some of the meetings at some centre outside Dunedin in order to meet the settlers?—I do not think it is necessary in the case of Otago, because Dunedin being the centre to which every one comes the majority are quite able to come to town to transact the necessary business, and, perhaps, to enjoy a holiday. So far the meetings in Dunedin have not been found a great inconvenience to the settlers.

386. Would you explain the position of the Tokarahi Association to the Land Board?—As Mr. Hughes put it, this association was formed for the purpose of transacting business connected with the district, and when they approached the Land Board in the capacity of an agent we could not possibly recognise them. We pointed out that the settler alone was responsible to the Board, and that it was to him and not to any association we looked for the rent. I set out my reasons in my reply to their letter, and these are going to be sent to you.

387. When the runs have been cut into smaller areas has the aggregate rent decreased, as stated by Mr. Roberts in regard to Patearoa?—In a number of cases there has been very little difference. As a matter of fact, in this case the rents are £50 less than the original rental, but that may be accounted for by the fact that Mr. Roberts was compelled to buy three or four of the sections at a very high rental on account of the difficulty of getting into the river. There were many other applicants for them, and that resulted in the total rent coming to a little more than what is now received for the subdivisions.

388. As a rule, are the rentals the same or greater?—Much about the same.

389. Mr. Bell laid stress on the improvements in the way of buildings, &c., made by the large runholders as a reason for not cutting up large runs: is the stress he laid on that matter justified in the case of the runs you have taken over?—To a limited extent only. If it were allowed altogether it would give the runholder pre-emption probably over the best block in the run. I would rather give valuation for improvements.

390. Do you think that notice of the extension of time of purchase should be sent out specially to the perpetual-lease tenants?—I think it might be advisable yet to send out circular instruction in connection with it.

391. Have the petitions to the Land Board requesting the cutting-up of runs been granted, as a rule?—In some cases. The members of the Land Board, as a rule, inspect the run, and after careful consideration they subdivide or otherwise, as they think fit.

392. Are these petitions bogus or genuine?—I should not like to say.

393. Do you approve of the freehold being given of the Otago big runs?—No.

394. What are your views on the planting of Central Otago?—I think it would have a most beneficial effect on Central Otago.

395. Could it be carried on to advantage?—Yes, I think so.

396. Have you formed any opinion in regard to a system of irrigation for Central Otago?—As a matter of fact, the rivers or creeks available for the best lands are already secured by the miners, and it is quite impossible, unless a very extensive scheme of irrigation was started, to carry that into effect now. No doubt, when mining becomes of less value, these water-races will be used with great effect on the dry lands of Central Otago.

397. How many forfeitures have taken place over the last five years?—I will send you a return of them.

398. How many transfers have taken place under the Land for Settlements Act, and what premiums have been paid over and above the capital value?—I will supply that also.

399. How many tenants are in arrears, and what are the amounts?—I will supply the information. I may say the arrears a month or two ago only amounted to some £2,000-odd, the lowest amount in arrears we have ever had.

400. Are there any homestead settlements here?—One, but it has been practically bought out. It was a success.

401. Do you advocate them?—No.

402. Generally speaking, has the value of Crown leaseholds increased or decreased?—Pastoral leaseholds have not increased; if anything, they have decreased, on account of rabbits, noxious weeds, and burning. I think there has been more loss through burning than any other cause. It was an unfortunate habit of shepherds when mustering to burn various parts of the hills as signals, with the result that during the months of January, February, and March the tussock was burnt out, and never came away again. The fires very often travelled for miles.

403. Has the advances-to-settlers system given satisfaction so far as the Land Board are concerned?—I think so.

404. Do many unreasonable requests for transfers come before you?—A few. I may say that the case referred to by Mr. Crawford, and as put by him, does not represent the actual facts. Of course, it was only to-day, when he told the Commission that he was the principal in the matter, that I could associate Mr. Crawford directly with it. The case was this: The applicant put in a statement, as required, to the effect that the bonus consideration was £268. We found, on looking up the Ranger's previous report, that the value of the improvements at the time amounted approximately to, say, £100. The statement was then made that probably the improvements had increased between the date of the Ranger's report and the date of the application. We therefore thought it wise to ask the Ranger to go up again and inspect the improvements. He went up accordingly, and on his return he advised the Board that the improvements had increased to a limited extent—they were worth about £150 or £180—but, in the course of his inquiry, he found that the statement in regard to the bonus consideration was false, and that, instead of being £268, the consideration was actually £600. That was done with the intention of misleading the Board so that the transfer could be dealt with. Another statement made by the applicant was to the effect that he required the recommendation of the Board to the transfer on account of "an unfor-

tunate circumstance happening." These are the words used in the Act. His brother had been drowned in the Waitaki River, and his father required him to go home and look after his farm at Waikakahi. He said his father was in delicate health. We found that his brother had been drowned, but, as a matter of fact, his father was over in Victoria buying horses. That was the state of his health. Taking these false statements into consideration, and the fact that the goodwill was upwards of £400, the Board did not feel justified in allowing one of their future settlers to be handicapped to that extent. No settler is allowed to transfer until he has occupied his section five years, except on the recommendation of the Land Board. This man had only been in occupation between twelve and eighteen months, and during that time he had nearly fenced his land, and his improvements amounted to a very limited sum; and yet, in the short space of eighteen months, he was demanding a bonus of upwards of £400 on a 400-acre section. In our opinion the previous rent was a fair one, and we did not feel justified in handicapping a future tenant to the extent of upwards of £1 an acre. I am rather surprised that Mr. Crawford should have confessed to a request for a transfer of £268, as I presume he knew the consideration was £600.

405. As a rule, are the men who get the sections genuine settlers or speculators?—Nineteen out of twenty are genuine settlers.

406. Then, there is no dummyism?—Very little.

407. Who fixed the sites for the homestead settlements in Southland?—They were selected many years ago. One selector is now dead, and the other is out of the service.

408. Who selects them now, the Land Board or the surveyors?—There is no such thing nowadays. The improved-farm settlements are a thing of the past.

409. *Mr. Matheson.*] Would it be reasonable, where the residential conditions are relaxed, that an increased rent should be paid?—We only relax in very urgent cases, and in that case I do not think it would be wise to increase the rent. I would like to repeat and emphasize some remarks I made at the Land Conference on a matter that has been brought before you a great many times. This is what I said,—

"A system of tenure which he would like to see made applicable to both ordinary Crown lands and land for settlement was a modified form of deferred payment up to a specified sum or proportion. The suggested form would not be a hard-and-fast annual amount, but only such a sum as the settler could afford in excess of his annual rental. In a good year he might be able to pay from 10 to 20 per cent. of the capital value; in other years, through bad seasons or other circumstances, he might be unable to pay any rent, and thereby lose the bulk of his previous payments towards capital. The result of good years might enable him to pay up to a given limit of, say, 75 per cent., the Government to retain an interest in the land so as to exercise a control in the transfer, &c. This incentive towards what would be practically as good as freehold would give the vested interest so much desired by many. Many under the deferred-payment system or under these modified conditions would work, save, and pinch themselves for the purpose of acquiring a property over which the ever-recurring burden of a half-yearly rent would not press so hardly as at present, and with these suggested improved terms of payment there would not be the pressure of a heavy mortgage. This is a system he had heard discussed by a good many people, and he thought if modified to some extent it would meet the wants of the settlers, both as regards Land for Settlements land and Crown lands. He understood the members of the Conference were given a free hand to make suggestions which they thought would tend to improve the working of the land laws, and he hoped this would be accepted as a suggestion not only from himself, but from a good many of the settlers in the district."

I have had this brought home very strongly in connection with some districts in North Otago. When I came to the district a good many of the settlers were in arrears as a result of the severe seasons in 1890 to 1895. A good many of the settlers were quite unable to pay their rent. Of course, we did what we could to get the rent in, but in a great many cases extended time had to be given in which to pay the rent. I will mention the case of one settler, who was two years and a half, or five payments, in arrear. We served him with repeated notices in the usual way, and the result was, after allowing him over two years, he was able to pay up his two and a half years' arrears in addition to his current rent. I think he is only a half-year in arrears now. That shows that if he had been in a good position when he started, he would have been able to pay off two years' rent towards the capital value of the land, and ultimately, with a succession of good seasons, he might be able to reduce the capital value to 25 per cent. of the whole. Then, if a bad season were to come he would be in a position to pay his rent, or get credit for it from amount previously paid. I think the Crown should retain 25 per cent. The tenant would then have a partial freehold.

410. If you will allow one generation to pay off 75 per cent. of the value, would you not allow the next generation to pay off the remaining 25 per cent.?—I think it is wise that the Crown should retain some hold over the land purchased by the Crown under the Land for Settlements Act. In regard to general Crown lands, I am in favour of the ordinary optional system.

411. There is a good deal of dissatisfaction on the part of the Crown tenants under the Act of 1892 with regard to the Land Board's interference. They say that the Board should have no control as to the amount of consideration that is paid in the way of goodwill, the tenant's interest in the holding generally being paramount and the State's interest small. Would you be in favour of the tenant being allowed to get as much consideration as he could for his property?—In ordinary cases the Land Board practically passes them all.

412. Has the Board refused any?—I do not remember any case in particular, unless it was found that the object was to get a dummy in.

413. Are you of opinion that all such transfers should go through without the Land Board considering the amount that is given for the purchase of the place?—I do not think it matters so much in the case of Crown lands as in the case of land-for-settlement lands.



414. Do you think it matters at all?—If the Crown is to retain any control at all we should see that we get a good tenant, and not either a dummy or a man unable to carry out the conditions of his lease.

415. Under the present conditions is not dummyism impossible?—No.

416. Is it not during the years that residence is compulsory?—As far as the residential conditions are concerned, it is almost impossible. It requires a good deal of work looking them up sometimes. A man may ascertain that the Ranger is going into a certain district and occupy for a time, and leave immediately after the Ranger has gone away.

ALBERT JOSEPH GRAVE examined.

417. *The Chairman.*] What are you?—I am a solicitor practising at Oamaru. There are two matters in connection with the Land Act which cause a great deal of inconvenience, and I would like to bring them before you. The first grievance on the part of tenants is with regard to the month's time that has to elapse after the consent of the Board had been given to a transfer before it can be registered. The result is that it is often a matter of seven weeks or two months before the tenant selling gets his purchase-money. The other point is with reference to the restrictions on testamentary disposition. We find, as a matter of practice, many cases of tenants not being able to make their wills dealing with their sections in anything like the form they would like to. These are two matters that require consideration in the interests of the great body of Crown tenants.

WAIMATE, MONDAY, 3RD APRIL, 1905.

JAMES COSKERIE examined.

1. *The Chairman.*] What are you?—I am a farmer in the Waikakahi Settlement, where I have 200 acres lease in perpetuity, for which I pay 8s. 6d. an acre. I went there five years ago. The land is purely agricultural, and I engage in dairying and mixed farming. There is a creamery within half a mile of my place. I am perfectly satisfied with the holding and the tenure.

2. Are you satisfied with the present constitution of the Land Board?—Yes; but there are one or two matters in connection with the Board which are not quite right. My rent was due, in order to secure the rebate, on the 31st January. On the 30th January I drew the money out of the bank, and at 11 o'clock that morning paid it into the post-office, thinking, of course, that it would be in the Receiver's hands on the following day. However, I got notice that the rent had not been paid in time to entitle me to the rebate. I took no notice of it, and afterwards got a demand from the Commissioner. I replied, stating what I had done, and saying that I understood the money would be in the Receiver's hands on the proper date. I was told that, unfortunately, the Receiver had not got the money until the 1st of the month.

3. Have you any desire for the freehold?—I went through the freehold tenure. In 1867 I took up 6,000 acres of freehold. I was a nominal freeholder, and was in the hands of the Philistines all the time, and after twenty-five years was crushed out. The leasehold is the holding for me, and I advise every one to go in for it and stick to it.

4. Is there any aggregation of estates going on in Canterbury?—Certainly, there is, every day. Two estates were sold the other day—Lagmore and Mr. W. B. Woods's Swyncombe Estate near Kaikoura, and the subdivisions were bought mostly by adjacent proprietors.

5. What is your experience of the ballot?—I went in under the single ballot and had no difficulty, but there have been great difficulties in connection with the grouping system. That is a most ridiculous thing. Under it some of my neighbours were actually forced into taking sections which they found it would not do for them to go on to, and they had great difficulty in saving their deposits.

6. *Mr. McCardle.*] Have you had any experience of the Advances to Settlers Department?—I have had a little experience. It has done good in cheapening money, but it has certainly done nothing to help the poor man.

7. You think there is room for improvement?—Yes.

8. Would you favour an amendment of the Act in the direction of increasing the limit?—Yes, I would favour advancing to the full value of a man's improvements.

9. Would it not be better to advance to two-thirds of the man's interest in the holding?—It might be; but I do not think there is the slightest fear about, say, Waikakahi. The people there were all making substantial improvements, and there is no fear of any loss being incurred.

10. Are there people still wanting land under lease in perpetuity in the district?—Yes.

11. Are there any large estates in the neighbourhood which you think could be cut up profitably?—I would not like to give an opinion on that.

12. Could you suggest any amendment suitable to the requirements of the settlers in the matter of the ballot?—I think the single ballot is very unsatisfactory.

13. Have you any comment to make on the matter of loading?—There has been nothing to object to in my experience.

14. Is land rising in value?—Yes.

15. Would you favour restrictions in the holdings of freeholders?—Certainly.

16. *Mr. Forbes.*] You are a very strong believer in the leasehold?—Very strong indeed.

17. Do you find any difficulty in the cropping restrictions?—That is all humbug; there are no cropping restrictions.

18. *Mr. Paul.*] Has any instance come under your notice of the Ranger harassing settlers?—No.



19. *Mr. Matheson.*] Is there much of the Waikakahi land that would stand three white crops?—Yes.

20. Do you ever take out three running?—Round about me they do, and do no harm to the land.

21. Were they not afraid they might break their lease by doing that?—They ran the risk of that, but it is stopped now.

22. *Mr. McLennan.*] Do you remember a meeting held last year to advocate the option of the freehold?—I believe there was such a meeting.

23. Were you at the meeting?—No.

24. Do you know if the meeting was in favour of freehold or leasehold?—Leasehold.

25. Who called the meeting?—I would not be sure, but a man named Corrigan was in the matter.

26. I suppose he was not in favour of the lease in perpetuity?—I never entered into the matter with him.

27. Are your neighbours pretty well satisfied?—As far as I know, they are.

28. *Mr. Hall.*] Did the Department not accept payment in the local post-office as prompt payment for rent due on the 31st?—No.

29. Do you think the date of payment to the post-office should be accepted as the date on which it is made?—Yes.

30. *The Chairman.*] Did you get a receipt from the post-office?—Yes.

— ALEXANDER WATT examined.

31. *The Chairman.*] What are you?—I have been farming up till recently in the Redcliff district, where I had 600 acres of freehold pastoral land. I sold that and bought the goodwill of a Government lease in perpetuity of 50 acres at Hannington. With the rebate for prompt payment the rent is 10s. 1d. per acre. I have just recently gone into the property, but I go in with every confidence. I gave something considerable for the goodwill of the lease.

32. What use do you make of the land?—Dairying and cropping.

33. Are you satisfied with the present constitution of the Land Boards?—Yes.

34. Have you any desire for the freehold?—Personally, I have none; but I think, from a public point of view, both should run alongside of each other.

35. You, of course, do not know whether there are any restrictions that are troublesome?—Not from personal experience; but, from a public point of view, I believe some modifications are necessary. A great deal of the heavy land, good land especially, is becoming overrun with noxious weeds, and, of course, it requires thorough cultivation to keep these weeds under.

36. You think the present cropping regulations are not sufficient to do that?—It might happen that it is a damp year when a farmer wants to eradicate weeds, and he cannot, and so loses a year. In that case some consideration should be given him.

37. Have you had any experience of the ballot system?—No; but, so far as I have studied the thing, I think the single ballot is the best.

38. Have you any experience of the Advances to Settlers Office?—No personal experience, but I have known leaseholders who have asked for advances and who were refused, and I believe it was to their advantage ultimately. I think that a person who gets a leasehold should have sufficient capital to start on his own account, otherwise he is simply an adventurer and speculator—a man of straw who has nothing to lose.

39. Within your knowledge, is there any aggregation of estates going on?—Successful farmers may be buying a little bit around their outskirts. I do not know of it going on to any great extent.

40. *Mr. McCardle.*] When you spoke of leaseholders, with regard to the advances to settlers, and said that a leaseholder should be able to start his farm without assistance, you were not, I presume, referring to men who took up bush land and had to expend £4 or £5 an acre in bringing their land into a workable condition?—I think if money is advanced on leasehold it should be advanced very carefully. When a man has to pay both rent and interest it is very apt to swamp him.

41. A bush leaseholder pays 6d. per acre to your 10s. per acre. You do not think that if these settlers are industrious and require money that they should get it from the Advances to Settlers Office?—If they are wanting money the Advances to Settlers Office is the best to get it from.

42. *Mr. Paul.*] Am I right in gathering from your remarks that the Government, in your opinion, should not grant freeholds at all, that they should only settle land under the leasehold tenure, and leave to private enterprise the providing for those who want the freehold?—Yes.

43. *Mr. Matheson.*] Do you think that after twenty prosperous years leaseholders will be anxious to get the freehold?—I dare say they would, but I do not think it would be a good policy to grant it to them.

44. Do you think it wise on the part of the Board to examine a man as to his means and ability?—Yes.

45. *Mr. McLennan.*] Do you think the applicants should be examined more as to their ability than as to capital? Do you think it is more desirable for a man going on the land to have experience than to have capital only?—I dare say that is quite true.

46. You do not think a man with experience is more worthy of consideration than a man with capital only?—Yes.

47. A man with no money can only take up a leasehold, whereas a man with capital can afford to take up a freehold?—Yes. I would further like to say that I think the loading for the roading of estates purchased for settlement should be distributed over the whole community and be put solely on to the settlers.

## MAURICE LEONARD examined.

48. *The Chairman.*] What are you?—I am a Crown tenant at Waitaki, where I have 100 acres on lease in perpetuity, on which I pay 9d. per acre and 3s. 6d. per acre. It is shingly land. I carry on mixed farming, and have twenty-seven cows milking. I have also 147 acres of freehold alongside the leasehold, and 105 acres of freehold twenty miles distant. I have been farming all my life. I would like the State to hold all the land. If the leaseholders acquire the freehold of their sections the land will get into the hands of the land agents, and they will be in a worse position.

49. *Mr. Anstey.*] You would be prepared to hand over your own freehold to the Crown?—Yes.

50. You prefer leasing to owning it?—Yes, I do.

51. You know there is objection to the cropping restrictions?—Yes; but those who object to the cropping restrictions want to sell after they have worked out their farms. I think the cropping restrictions are not at all inconvenient.

## WILLIAM NISH examined.

52. *The Chairman.*] What are you?—I am a Crown tenant on Waikakahi, where I hold 421 acres under lease in perpetuity, for which I pay 6s. per acre. I have been there from the start of the settlement—about six years. My land is classed as a second-class farm in the schedule I do a little cropping to renew the grass. I am well satisfied with the holding, and have no desire for the freehold at present.

53. Do you think the constitution of the Land Boards satisfactory?—Yes; but I think perhaps the settlers ought to have a say in electing one member, at all events, to the Board.

54. *Mr. Forbes.*] Do you think the cropping restrictions are necessary?—It is only but right that the Government should have some restrictions in their leases, the same as any private landlord. I am perfectly satisfied with the cropping restrictions because of the nature of my holding. It is hilly country, and I only want to get it in good grass.

55. *Mr. Johnston.*] What stock do you carry?—At present I have 270 ewes and about the same number of wethers. That is only for the time being. On the average I carry about a sheep and a half per acre all the year round.

56. Have you any Californian thistle on your land?—I have one small patch which I have been trying to get under for three years, and I have not got rid of it yet.

57. Has your land gone up in value since the settlement commenced?—I have not tried to sell it, but, according to the prices settlers round about are getting, I would perhaps get a little over and above the value of my improvements if I were to sell.

58. Do you know whether settlers are selling to advantage?—I cannot say, but am of opinion they are.

59. Do you approve of the ballot system?—I had been in for twenty-one sections before I got my present one, and I would rather have the single ballot.

60. In how many different ballots were you?—Six.

61. You think the straight ballot best?—Yes.

62. *Mr. Anstey.*] With regard to cropping restrictions, you said your cropping restrictions were all right?—Yes.

63. Do you think cropping restrictions should be the same in the case of higher priced land?—I think there should be a little more latitude in the case of higher priced land. The Ranger who visits the district should be given a little more latitude.

64. Have you ever found it necessary to take more than the crops at present allowed?—No.

65. Do you find the Rangers ever bother you in regard to keeping down weeds, &c.?—No.

66. *Mr. McCutchan.*] In your case the land-for-settlements policy has been a success?—Yes.

67. Are the settlers satisfied?—Most of them are, but, of course, some of them have their little grievances.

68. *Mr. Matheson.*] Have you the highest bit of land on the settlement?—One of the highest, but I could plough three parts of it.

69. *Mr. McLennan.*] Do you not think it would be as well, instead of a representative of the Crown tenants being elected, that he should be nominated?—Yes, so long as the majority of the Crown tenants were agreeable. I think the Crown tenants ought to have a say in the election of one member of the Land Board.

70. Would you be satisfied with a nominated representative?—Yes, so long as he was a Crown tenant and knew their interest.

71. Would you be in favour of giving more discretionary power to the Land Board?—Yes; I think the Ranger should be given more power. Great delays occur owing to all applications having to go to the Land Board at Christchurch. Both the Board and the Ranger are under too much red tape.

72. *Mr. Anstey.*] Has the Land Board ever refused you any reasonable request as to cropping?—I have never asked them for any.

73. Do you know of any of your neighbours who have been refused any reasonable request as to cropping, or anything of that nature?—No; I think the Board deals very leniently with them.

## ALEXANDER MCLEAN examined.

74. *The Chairman.*] What are you?—I am a farmer, and have 1,200 acres freehold. My land is on the Waiau and the Waitaki. I front the River Waiau. The Government created certain reserves there fifteen or twenty years ago. The river has washed my land on the opposite

side, so that the river is now running on my ground. My land is on both sides of the river. The reserves are leased to other people. I would like to know whether I have not got a claim, seeing that the river is running on my freehold.

75. *The Chairman* said the claim made by the witness did not come properly within the scope of the Commission, and therefore he was sorry the Commission could not help him. It was a matter for the Board to decide, and the witness should consult his own solicitor.

THOMAS HAWKINS examined.

76. *The Chairman.*] What are you?—I am a settler at Maytown, and have 46 acres under lease in perpetuity, and pay 14s. 6d. per acre. I have been there three years. I find the tenure very unsatisfactory. I am dissatisfied with the cropping regulations. I have a very small area of land to crop. I would like the Land Board or the Ranger to have more discretion in respect to cropping. It takes time to work weeds out of the land. I have put grass in, and it has cost me 14s. 6d. an acre for seed alone.

77. Supposing there were no restrictions at all, how would you treat your land?—We do not want to spoil our land. We would work it up to put it into pasture. We would fallow it if we were permitted, but the Land Board would not allow me to fallow it and then take a crop.

78. *Mr. Forbes.*] Do you wish permission to grow another crop?—We want permission to fallow the land to grow another white crop.

79. Instead of there being a cast-iron rule, you would prefer that the Ranger should be allowed to exercise his own judgment?—I think that would be more satisfactory to the Land Board and the tenant.

80. Do you believe in the lease in perpetuity?—Yes; but in some cases the rent is rather on the high side, and I think it would be much better if the Government would allow us to pay off two-thirds of the value. The Government would still hold the land so that it could never get back into big holdings. That would reduce the amount of our rent and give us a chance to live. If a man has any surplus money I think he should be allowed to pay off some of the value of the land, and thus reduce his rent.

81. *Mr. Johnston.*] Are the settlers satisfied, generally speaking?—I speak as a delegate from the rest of the settlers.

82. How many settlers?—Eleven. We had a meeting, and we were all of the same opinion.

83. Did they tell you to say anything in regard to the Land Board?—No, only in regard to the cropping regulations; and the price of the land has been rather high.

84. How does it range?—About 14s. 6d. to 17s. 6d.

85. What is your yield of grain?—The first yield was 18 bushels of oats and the next was about 17 bushels of wheat, and this season it might go to 25 bushels.

86. *Mr. Anstey.*] If you had the right to take three crops would you be satisfied?—Certainly.

87. Did you ask the permission of the Land Board?—They have refused others. I asked for an alteration in the cropping regulations, and they refused.

88. You would like to have the right to pay off two-thirds of the capital. Would you desire to pay off the other third afterwards?—No; it should remain the property of the State.

89. *Mr. McCutchan.*] After paying your rent, &c., do you find that you have sufficient to live upon?—No.

90. Do you consider it is a hardship to be prevented from taking up another section under the Land for Settlements Act?—I would like to take up other sections if I could manage it.

91. Do you consider it a hardship to be compelled to live continuously on the land?—Yes, I think the residence conditions are a hardship. I could not make a living off the section, and I have to go out to work.

92. But you get home at night?—No, only on Saturday nights. If a man had a little larger section he could live on it altogether.

93. *Mr. Paul.*] How much of the land have you cultivated?—About 16 acres cropping, out of 46 acres, and last year I had 21 acres.

94. Have you cultivated the same land twice?—Some of it, and some I fallowed.

95. Have you cultivated any of it three times?—Yes; the Board gave me permission.

96. You have never had a request refused by the Board?—No.

97. *Mr. Matheson.*] Are your crops an average crop for the land near where you are?—I have average crops. They are not fine crops.

98. *Mr. McLennan.*] Do you fallow the lea in summer?—Yes.

99. You plough again about May?—Yes, and we put wheat in then.

100. Have you got any couch-grass?—Yes, any amount.

101. After your wheat is out what do you do with the ground?—I skim-plough it, and plough it again in May.

102. Do you crop and disc it then?—I do not think any one has cropped and worked his land more than I have. I subsequently put it in oats or wheat.

103. Do you not think it would be better to put in a green crop after you got the ground in good order?—How would a green crop pay?

104. Have you got cows?—Not at present.

105. You want three white crops?—Yes, but to fallow the land in between them.

106. And the next year you want to sow oats along with the grass after you get it clean?—Yes.

107. *Mr. Hall.*] Do you think the Government paid too much for the land?—Yes; I think some of the rents are too high.

108. *Mr. Johnston.*] If you knew the land well, why did you take it up when you thought it was too dear?—At first there were no regulations in regard to cropping. We thought we were going on the land to do as we liked with it as to cropping.

109. *Mr. Forbes.*] Have you put any improvements on the place?—Yes, more than any other settler there.

110. *Mr. Matheson.*] When this land was offered for selection, was it the result of a petition asking for the land to be cut up?—I could not say.

ALFRED BITCHENER examined.

111. *The Chairman.*] What are you?—I am a farmer, and have a freehold and a private leasehold. I farm 360 acres. The freehold is at the Hook and the leasehold adjacent to Waimate. There are complaints from Crown tenants regarding the conditions of lease and the cropping regulations. I was a leaseholder for ten years, and the cropping regulations did not suit me. In many instances they worked detrimentally. Sometimes I was allowed to have the land in fallow, and sometimes there were exceedingly bad seasons for working the fallow land. I did what I considered best for the land and for myself. If I had had more liberty I think I could have worked the land to a much greater advantage. For that reason I am very much in favour of the freehold. The freehold gives a man much greater liberty. At the same time, I believe in the leasehold and in the Government system of leasing land, with certain restrictions. I do not think a hard-and-fast rule with regard to working the land is to the interest of the State or the individual. I think a certain amount of discretion should be allowed, and that some one with practical knowledge should supervise the working of the leaseholds. I admit that the leasehold has been the means of putting many men on the land who would otherwise have been landless. While I believe in the freehold I think the area should be limited, and that one individual should not be allowed to monopolize the whole country-side.

112. *Mr. McCardle.*] You are aware that the Government has gone to very heavy expense in obtaining land for settlements?—Yes.

113. If the freehold were granted would you be prepared to give a premium to the Government for acquiring the freehold?—I think so, in certain circumstances; but one needs to be very guarded in making such a statement. As to Maytown, I would not be prepared to give anything because they have paid too much for the land.

114. Do you think it would be fair to have the leaseholders' interest valued?—Yes.

115. Do you think the Government is entitled to the whole of the unearned increment?—No.

116. *Mr. Anstey.*] What are your objections with respect to cropping restrictions in the case of lease-in-perpetuity land?—I object to any hard-and-fast rule as to cropping. I think when a dispute occurs a third party might be called in to decide.

117. You do not suggest that cropping regulations should be removed altogether?—No; I think that would be detrimental to the interests of the country.

118. *Mr. Paul.*] You said you were in favour of limiting the area of freehold held by any one man: how could you accomplish it?—I think the Government could formulate a scheme to do that.

119. But if the market is restricted would not that depreciate the value of the freehold?—While the present demand for land continues I do not think it would.

120. Have you studied the land-for-settlements policy?—Yes, to a certain extent.

121. Would you give the option of the freehold under the Land for Settlements Act?—Yes.

122. Do you think it would be wise for the Government to buy estates and sell portions of them?—Yes; the Government could purchase more land with the money they would thus receive.

123. You see no danger of the best bargains being snapped up and the worst land left in the hands of the State?—No; I do not think so.

124. *Mr. Matheson.*] Have you ever grown strawberries for market?—No.

125. What will an acre of good strawberries bring in if they are well looked after?—I could not say. At first they produced a good crop, but the crops are not so good now. I do not think the Maytown land is suitable for strawberry-growing.

126. *Mr. McLennan.*] Do you not think the demand for the option of the freehold should come from the Crown tenants themselves?—Yes.

127. It is very strange that some witnesses should advocate it and that the Crown tenants should not ask for it themselves?—I believe in the freehold, but I think the area should be limited.

128. *Mr. Hall.*] The Crown tenants themselves ought to know their own interests best?—I leave them to judge for themselves.

129. Is it not strange that they have not come forward and expressed a desire for the freehold?—It is a good thing they are satisfied.

130. *Mr. McCardle.*] If the Government or their officers wrongly valued certain estates is there not a danger that a similar mistake might occur under the freehold as under the leasehold with right of purchase?—I only know of one settlement where that is the case. I do not think that difficulty would arise at Waikakahi.

131. The question is that if those lands had been properly valued, and if the valuation had been properly carried out over the whole of the estate, there can be no good and bad bargains?—It might happen.

132. *Mr. Matheson.*] Do you think the State should wait until the Crown tenants make a howl for the purchase, or that they should be given the option or what they think is good for them?—I think it would be advisable for the Government to wait until they were asked.

ALFRED WALKER examined.

133. *The Chairman.*] What are you?—I am an architect and builder, and I also farm 110 acres of freehold. I am a member of the County Council. I have been in the district thirty years.

134. Is there anything you wish to bring before the Commission?—I have been deeply interested in the land question for the past thirty years. In 1885 I applied for freehold land, and I had great difficulty in obtaining it. I was refused by private owners, and when I applied for a piece

of Government river-bed land it was handed over to a gentleman in the district who was already holding 45,000 acres of freehold. I got Government assistance to fight the matter through the Supreme Court, and I obtained the opinion that I was more entitled to the land. I may say that at this particular time the whole district was landlocked. Two estates represented 100,000 acres of land, and it was impossible for a man with a little capital to secure land. This Council was besieged with applications from the unemployed. I may say that Waikakahi has proved one of the most successful settlements in the colony. There has been a considerable increase in the value of land in the district, and there is no question but that a number of settlers, particularly on Waikakahi, have benefited to a great extent by this increased value. The goodwill of one section on Waikakahi sold for £1,000, including improvements amounting to probably £200. The goodwill of another section of 460 acres, with improvements averaging from £150 to £200, sold for £1,900. The goodwill of a section of 40 acres at Kapua sold for £450. Another section of 40 acres at Hannaton sold for £450. Another section on Waikakahi, comprising 300 acres, sold at £800. Another section at Waikakahi of 260 acres sold for £900. This will show you that the increased value of the Government sections has been pretty substantial. The average increase is, approximately, £4 10s. per acre. There has been a large increase in the value of freehold property also. According to the county valuations we also find there is a substantial increase in both the capital and unimproved values in the district. The capital value of the county in 1896 was £2,255,791, and in 1903 it had risen to £3,044,915, an increase of £789,124. I had no way of obtaining statistics in reference to the unimproved value before 1901; but in 1901, when the system of rating on the unimproved value was adopted, it was £2,281,145, and in 1905 it had risen to £2,407,773, an increase in the taxable value of £126,628 in four years. So far as Waikakahi is concerned, there has been no increase in the value so far as local taxation purposes are concerned. The freeholders in some instances find that their land has increased double or treble in value in the past few years, but Waikakahi remains stationary, and, looking at the position from a ratepayer's point of view, I think it is an injustice that the Government settlers on Waikakahi should ask the freeholders of the district generally, as they practically do, to keep their roads in repair. Some four or five roads were provided for by the Government, but the gentlemen who laid out the estate were very careful to see that the existing roads were suitable for the requirements of the sections and the settlers, so that really very little roading was done or was required on the estate. In regard to the matter of tenure, I think the perpetual lease with revaluation every twenty-five years, but without the right of purchase, is the best form of tenure in the interests of the people of the colony. I think that to give the Crown tenants the option of the freehold at the original valuation would be simply robbing the taxpayers of a very large amount of money—anywhere from a half to three-quarters of a million if the value of Government lands has increased all over the colony in the same proportion as they have increased in this district. Further than that, had the settlements been a failure there is no doubt but that the general taxpayers of the colony would have been asked to put their hands into their pockets and come to the rescue of these people. They would have required a reduction in rent or some other concession. For instance, a settler at Hannaton and another at Norton applied for a reduction and got a substantial reduction. Frequently there have been losses of sheep on the pastoral country, and the tenants have been granted substantial reductions in rent on account of these losses. I fail to see why the tenants on Waikakahi should get the freehold and reap the whole benefit of this increase in value. So far as the cropping regulations are concerned, I consider they are too stringent. I have known Waikakahi for the last twenty-six years. Some of the farms are very dirty, and it is a moral impossibility in existing circumstances for a man to clean his ground. They are only allowed to take two white crops and one root-crop, and then they have to lay the land down in grass. I think the cropping regulations should be made easy, and that a better opportunity should be given to the settlers to clean their ground. I have had several paddocks overrun with ox-eye daisy. I have been six years endeavouring to clean one paddock, and I am not sure I have it clean yet. I am inclined to think that some alteration should be made in regard to the Noxious Weeds Act, so that the power of saying what shall be deemed noxious weeds should be left entirely in the hands of the Government. I have brought the matter of the ox-eye daisy under the notice of our own county. It has spread throughout the county, and it is only a matter of time when some of our best paddocks will be overrun with it. It is useless for me to attempt to clean my paddocks when my neighbours are allowing it to spread all over the district. It is only six years since the ox-eye daisy started at the north of the town, and it has since swept right down to the Junction. I think a great many of the councillors are large landowners, and though their lands in many instances are covered with weeds they do not intend to clean them, because they are under the impression it is quite possible they may sell at the present enhanced values of land, and leave the work for some one else. So far as our county is concerned, with reference to "thirds" and "fourths," we have found them ample to meet all requirements for roads and other public works. In some instances there has been an excess of money for that purpose. On pastoral lands the requirements for roading are not the same as on the smaller settlements. The Council get "thirds" from Hannaton and Norton, and that amount is quite sufficient; but in connection with the pastoral country there has been an accumulation of money, and at the present time we have £4,326 in hand of "thirds" and "fourths" from runs. I believe in the present year we will be able to spend a great portion of it. Another feature in regard to these "thirds" and "fourths" is this: we are compelled, as a rule, to spend them on the particular runs, or adjacent to them, from which the money has accrued. I may mention the case of a bridge over the Hakateramea, which has to be erected over a certain part of the river. From petitions sent to the Council, and from private information I have received, I believe it is not desirable in the interests of the general public that this bridge should be erected at this particular locality. If the bridge were erected some three or four miles lower down it would suit most of the parties concerned, and would be more in the interests of the general public. But for the very reason that the "thirds" and "fourths" have accumulated from two runs in this

district, we have to recommend that the money be spent in this particular locality. I think there should be an increase in the graduated land-tax. I do not think, in the interests of the colony, that the tax at present is sufficient upon the large estates. I am inclined to think that the small man with the large family has to pay considerable more in proportion than the large man with a large family, and I think the landless labourer pays most of all. The taxation received on land in 1893 was £297,181, and in 1904 it was £334,291, an increase of only £37,810, and this, taking into consideration the phenomenal increase in land-values generally. The taxation through the Customs in 1893 was £1,642,590, and in 1904 it was £2,601,325, an increase of £959,735. The Customs taxation practically increased 59 per cent., against a 13-per-cent. increase in the land-tax. I think there should be no further sale of Crown lands. It does seem to me to be absurd that the Government should buy the land at top prices, and considerably over the values assessed for taxation purposes, and then part with it and buy other lands from private owners. I think, also, it would have been very much better for this colony if no freehold land had ever been sold. I think, in that case, rents would have been extremely low, and taxation reduced to a minimum, and this country would have been one of the most prosperous and wealthy in the world. There has been general prosperity here, due in a very great measure to the Government's land-for-settlement policy, and also to the increased value of produce and stock. Every one has participated in this prosperity with the exception of the labourer, and his position is no better to-day than it was twenty years ago.

135. Regarding the premiums paid on the transfer of sections at Waikakahi, you have given figures in round numbers, and I presume you are simply giving us the gossip of the district?—No; some I had from the published reports, and others from private information received from the parties themselves. My figures are all based on facts.

136. *Mr. McCardle.*] As you have taken so much pains to collect the statistics you have given us, could you later on supply us with the exact figures in regard to the value of the improvements on these several sections?—Yes, I can do that.

137. Have you had any experience of the Advances to Settlers Act?—None whatever.

138. Did I understand you to say that you do not believe in the lease in perpetuity?—I do not wish to interfere with the existing leases, but I suggest that in future the Government should let no more land under the lease in perpetuity, which is practically better than a freehold. I think the land should be let under lease, with revaluation every twenty-five years, and no right of purchase. I would not change matters so far as existing tenants are concerned, because the people of the colony have made a compact with them, and we have a right to keep it.

139. *Mr. Anstey.*] You are averse to giving the present lease-in-perpetuity settlers any right to purchase?—Yes.

140. In the event of the lease-in-perpetuity settlers getting the right to the freehold, would you give it at the present value or at the original price?—Provided the majority of the people decide that the tenants should have the right to the freehold, I maintain that, in the interests of the general public, the Land Board should send a valuer to value a man's improvements, and they should allow him for the whole of his improvements, and then put the section up to auction and sell it to the highest bidder.

141. You gave us the case of a lease-in-perpetuity section of 40 acres at Kapua, which was recently disposed of for £450: can you give somewhere near the value of the improvements?—Approximately, there were about £210.

142. That means that the goodwill was worth £240, or £6 per acre?—It appears so, according to the price.

143. What were the improvements on the other 40 acres at Hannaton that you referred to?—I should say £200 would be a very fair valuation of the improvements on that farm.

144. I presume that the improvements bear a much larger ratio on a small place than on a larger one?—Most decidedly. A farm was sold for £1,900, and, if my memory serves me right, I do not think the improvements came to much over £200.

145. Can you tell me if in all instances the lease-in-perpetuity sections on Waikakahi have been sold at a premium?—Every one of them.

146. You are quite sure no settler has abandoned his section on Waikakahi?—No case has come to my knowledge of a section being sold without a premium.

147. We had sworn evidence at Gore in which a witness said, amongst other things, that the settlers at Waikakahi are abandoning their holdings: was that statement correct?—It was not correct.

148. Would you say it was a deliberate misstatement?—Most deliberate. It is only within a day or two that I was asked to come before the Commission, and if I had chosen to investigate this matter I could have brought very conclusive evidence before you in reference to sales of Waikakahi sections. A friend told me that he cleared £800 out of a pastoral section at Waikakahi.

149. In regard to noxious weeds being very plentiful, it has been stated over and over again that freeholders farm their land a great deal better than leaseholders: I want you to tell me whether the noxious weeds are very much worse on Waikakahi and the other leasehold farms here than on the freehold?—Taking the average acreage and farm throughout the district, I do not think they are any worse. I believe it is in the interests of the leaseholder to work his land on a better principle than the freeholder, because he is always compelled to pay his rent.

150. It has been said that the Rangers are apt to interfere with leaseholders in regard to noxious weeds: do you not think it would be a good thing if the Inspectors looked after the freeholders as well as the leaseholders?—I do, most decidedly.

151. Do you think a proper adjustment of the graduated land-tax will have the effect of reducing the size of estates without any other limitation?—I think so.

152. Do you think the present graduated land-tax is sufficient for the purpose?—I think it ought to be heavier.

153. *Mr. Johnston.*] You said you applied for some land once: at what time and through whom did you do so?—In 1885, and the Land Board at Christchurch. I may say at that time the Land Board was very rotten.

154. How old are the settlements at Hannaton and Norton?—I should say eighteen years old.

155. *Mr. McCutchan.*] I think you said you are an architect and also a freeholder?—Yes.

156. Therefore you can take an impartial view of this question, seeing that you have interests on both sides?—Yes.

157. I understood you to say that the capital value of Waimate in 1896 was £2,255,791, and in 1903 £3,044,915, an increase of £789,124?—Yes.

158. Did I infer from you that that increased value belonged to the colony generally?—My reason for giving the figures was to show the large increase in the land-values of the district, and to show, so far as Waikakahi Estate is concerned, for local taxation purposes the settlers are getting off scot-free, because they are only paying on the original valuations, while the freeholders around them are paying on the present valuations.

159. Has there been no assessment of Waikakahi since 1891?—Not for local taxation purposes.

160. You say the Council of which you are a member are levying rates on the same value since 1891?—Yes. We are bound by the Government valuations at which the sections were sold to the settlers.

161. Do you mean to tell me that there has been a revaluation of the land of the county, and that Waikakahi Settlement has been excluded from that revaluation for local rating purposes?—Most decidedly, I do.

162. You said that to give the lease-in-perpetuity holders the right to purchase at the original upset price would be robbing the colony of £750,000?—That is my opinion—that is to say, if land has increased in value throughout the colony in the same proportion as it has in this district.

163. Do you know what the tenants have spent on roads by means of loans and in rates since this three-quarters of a million accrued?—I do not know.

164. You say that increased value should belong to the colony generally?—It should belong to the colony, the same as the amount of money that every freeholder has spent in roads and rates.

165. The freeholder gets the increased value of his land accruing from the expenditure on roads, &c.?—So does the Waikakahi settler.

166. At present he does, but your argument is that if these sections are sold and the tenants are allowed to acquire the freehold, the colony would be robbed if they got this increased value?—Most decidedly, it would.

167. But a considerable portion of that increased value has been produced by the tenants' expenditure upon roads and rates: should not that belong to the settlers who have produced it by their expenditure rather than to the colony generally?—I do not think they are entitled to any more than any other ratepayer in the colony.

168. Are they not entitled to the increased value due to their own expenditure?—No, for the very reason that they enjoy the land at a low rental, and already the goodwill of the sections has increased in value. That is enough to pay the settlers for any amount they pay in taxation and for any amount put on them for roading.

169. They are supposed to get it, but you want to deprive them of it?—I have no wish to deprive them of it. I have no desire to alter the conditions so far as Waikakahi or any other district under lease in perpetuity is concerned.

170. You propose revaluation. We had evidence that wherever the operations of the Taieri and Peninsula Dairy Company were under way the value of the land supplying milk to that company has been increased £2 per acre, and the witness who made that statement said that the late Sir John McKenzie had made the same statement—namely, that the value had been increased by the tenants' expenditure, independent of the whole colony. Whenever the settlers provide money and thereby increase the value of their land, should they not be entitled to the benefits arising from that expenditure?—Certainly not, no more than their fair share of the increased valuation. I say the labourers are entitled to their share of the increased valuation or the unearned increment, but they do not get it, and I maintain that the farmers are only entitled to their portion of it.

171. You would not give to the farmer the whole of the increased value that comes from his own expenditure?—Not from public money.

172. But this money was provided by the settlers to establish this dairy industry?—Then, most decidedly, they are entitled to the increased value if they can clearly prove it is due to no other agency.

173. You would give them that value?—Most decidedly.

174. That would come out of three-quarters of a million, then?—Probably it would.

175. You are a member of the County Council?—Yes.

176. And you say that the Government should take charge of the noxious-weeds inspection?—Yes.

177. Have you tried to get ox-eye daisy included among the noxious weeds of this district?—Yes.

178. How did you succeed?—I was outvoted.

179. You say it is not fair that the "thirds" and "fourths" should be spent in the particular district from which they accrue, but should be taken away and spent where they would be of greater benefit for the district generally: what reason have you got for that statement?—For the



reason that it is money that comes out of the public estate, and where moneys come out of the public estate it is right that they should be spent in the interests of the district, and not in the interests of a particular few.

180. Do you not think that the money comes out of the pockets of the runholders? If you take up a run what are the conditions in regard to the rent?—That so-much of the rent is put by as “fourths,” which are handed over in this case to the County Council who spends the money.

181. From whom does that money come?—I think it comes from the leaseholder.

182. And the condition is that those “fourths” must be spent in giving access to the land from which they accrue, yet you say the money comes out of the public estate?—If the money can be spent collectively, instead of individually, for the benefit of the whole it would be much better.

183. *Mr. Paul.*] You are very decided that this subdivision is in the interests not only of the surrounding district, but of the colony generally?—Yes.

184. Are there any estates which could be further subdivided?—Not in this district, that I am aware of.

185. Have you formed any opinion on the constitution of the Land Boards?—I think they should be elected on the parliamentary franchise.

186. Supposing that in some cases there was a majority of the voters townspeople, do you think that the mere fact of their being a majority should elect a Land Board?—I do not know that there would be a majority in the towns. In this county I think the majority is the other way.

187. In the land district where there is a large centre of population do you not think that that might turn the scale?—That might occur.

188. Do you think that would be wise?—That would require a deal of thought.

189. Have you thought of that contingency?—I have not, and could not give a definite opinion on it.

190. You say that if the freehold is given the land should be put up to auction. Do you say that because the lease in perpetuity was a good bargain?—I would simply do that if the tenant advocated that he should break the present conditions of the lease. If he did that those are the terms I should fix for it.

191. When you advocated the perpetual lease it was with the option of purchase—one term of thirty years and a revaluation every twenty years?—I advocated always that there should be a revaluation, but no freehold. Freehold under no conditions.

192. Do you think an increase of the graduated tax would have any good effect on these large estates?—I do.

193. I suppose you think that at the present time the Government are being compelled to pay too much for them?—I do. In several instances the large holders are simply waiting for a rise, and if they were compelled to sell the land would be much cheaper than it is. Even private purchasers find it almost impossible to buy land, the price being too high.

194. A high price given by the Government means a high rent?—Yes, and also a high price for the private purchasers.

195. *Mr. Matheson.*] You said that the landless labourers pay more taxes than anybody else, is that because they eat or drink more than anybody else?—Not at all.

196. Seeing that the landholders pay rates, taxes, and Customs duties, how can the labourers pay more?—Because the landholder enjoys more privileges than the labourer. The labourer has only his labour out of which to make his living.

197. Do you think the pioneers who came out here in the early days would have come if it had not been for the chance of getting the freehold?—If those pioneers had been placed in the same position as I was in the Old Country they would have been glad to take up land at any reasonable price under the leasehold.

198. You say that if the land was taken up in the freehold they should pay the present value: do you recognise that that means that those who have come in after the settlement and paid a goodwill for their sections would be paying that amount over again to the State?—The fact that he had been stupid enough to pay a monstrous price is no reason why the State should give him the freehold.

199. *Mr. McLennan.*] You say that the district here is very prosperous?—Yes.

200. What do you attribute that to?—Principally to the land-value.

201. Do you not think the price of produce in the London market has a good deal to do with it?—Certainly, although for the last two or three years wheat has been at a very low price.

202. *Mr. McCardie.*] You said, in answer to a previous question, that the noxious-weed Inspector should visit the freeholders as well as the leaseholders. Do you mean to say that the Inspectors only penalise the leaseholder and not the freeholder?—I do not know that they penalise the leaseholder; the Second Schedule of the Act has not been brought into force.

203. They would have the right to if you brought the Act into force?—Yes; but the Council will not. I do not attribute any fault to the Ranger. I say it is desirable in the interest of both the freeholder and the leaseholder that their lands should be inspected, and that the matter should be left in the hands of the Government and not of the Council, because the Council declines to do its duty in the matter.

204. We had evidence in the southern portion of the district that if the Act were brought into operation it would ruin every man in the district?—I do not agree with that at all. You are not bound to adopt all the weeds in the schedule. I think a man should be compelled to clean his land of Californian thistle at any cost.

205. With regard to this rating, you say that ten years ago Waikakahi paid rates on £10 per acre, and that to-day the settlement pays rates still on £10 per acre, but the freehold now pays rates on £15 per acre?—That is quite correct.

206. Have your Council had any experience of co-operative works?—Yes.

207. How do they pan out as compared with other works?—The co-operative works done here were done many years ago, and were principally relief works. There have been only one or two instances since, and I think they have panned out satisfactorily.

208. Have the Government made any grants to your Council on the specific understanding that they were to be expended by means of co-operative labour?—Not that I am aware of.

209. *Mr. Forbes.*] This particular bridge that you were referring to in regard to the “thirds” and “fourths,” did you say that the tenants from whom the “thirds” and “fourths” accrued were agreeable that it should be erected at a place more convenient to them, some distance from where it was by law supposed to be erected?—No, that is not so. There are two who have sufficient accrued “thirds” to build the bridge, but there are others in the district who have accrued “thirds” and who are willing that the bridge should be erected lower down, and it would supply the district better.

210. Your county is rated on the unimproved value. If it was rated the same as formerly, on the capital value, the settlers at Waikakahi would have paid just the same proportion as the others?—Just the same.

WILLIAM HOBSON LUNDON examined.

211. *The Chairman.*] What are you?—I am a labourer, and may fairly claim to be that infallible authority, the oldest inhabitant. I come before you as the representative of an association that is being formed here, known as the Workmen’s Homes Association. In former years I have taken a very active interest in the land question, and spent considerable time and money in the passing of the Land Acquisition Bill, and I am somewhat disappointed with the results, especially with regard to the poor-provision made for the settlement of poor men. It started very well. The two settlements referred to by previous witnesses, one at Hannaton and one at Norton, were composed almost entirely of industrious hard-working men. Owing to bad seasons and low prices they were not a success at first, and there was great difficulty in getting the rent, and the Government were twitted with the fact that small settlement was going to be a failure, and a system was introduced that a small portion of capital was an essential condition for the applicant. Waikakahi was eminently suited for small settlement, but very few small allotments were laid out, and very few working-men got the opportunity of settling on Waikakahi; and it seems to me that throughout the country generally working-men are debarred from the benefits of land-settlement. It has been said that the Land Boards harass and trouble the tenants a great deal. From my own personal observation I think the Land Boards are too lenient. I know of one case in this district where a man held a section for a considerable number of years and never slept on it one night, and ultimately it was forfeited. That man had then nothing but abuse for the Land Board. Insisting on residence is the greatest safeguard we have against dummyism. A considerable amount of speculation is going on in regard to leases, and the leases on Waikakahi are selling like hot cakes. I know of at least one section on Waikakahi which is now in the hands of its third owner. I think that the aggregation of estates is still going on to some extent in this country. In this district the New Zealand and Australian Land Company have added to their Hakateramea Estate by the purchase of Hakateramea Downs.

212. Their policy is to clear out of New Zealand. In this case it may be that they have bought one piece in order to sell the other?—I hope that is so. The best thing for the colony would be for them to go away. One of the dangers that threaten New Zealand is the noxious weed, for the reason that there are such large areas of land which cannot be ploughed. It is only a question of a few years, when the land will not pay to clear. I know of blocks in this county which it would not pay any one to clear. In the south some witnesses expressed the opinion that the Government should supply grass-seed for nothing for grassing the high country. That would be almost useless over great areas of the mountain country in this part, for the reason that it would never grow. Then, again, I believe that if that course was adopted there might be a possibility of the grass-seed never reaching its intended destination. If adopted, I think the Government should see that the grass-seed is sown. With regard to the tenure, there was an understanding that the land would never be parted with by the Government, and this attempt now to force the Government to part with the freehold at the original valuation is one of the most absurd and unjust demands ever made in the colony. It would be a great blunder, for the reason that the area of really good land is limited, and it is reasonable to suppose that in the future further subdivision will take place, and that 640 acres of first-class land will be considered too large for one holding. I have had a little experience with regard to the advances to settlers, and it has not been altogether satisfactory. If all the applications were treated as mine was I think the Department would lend very little money. I had a property valued at £240, and applied for a loan of £100, and was refused. I did not think so much of the refusal as the method the Department adopted in arriving at the valuation. They sent me a long list of questions, some of which were difficult and some absurd. One question was, “How much has your land improved by surface-sowing?” I had no knowledge of the land before it was surface-sown, and therefore could not answer the question. After I had done all this, and notwithstanding the fact that they had the value of my place from the Government valuers, they sent down a valuer to make a valuation, and therefore the particulars required from me were unnecessary.

213. *Mr. McCardle.*] What area do you think should be allotted for a workman’s home?—5 to 10 acres.

214. Do you think the Government should give some extra assistance to such settlers as compared with the ordinary farmer?—I think it would be bad policy to deprive these men of assistance.

215. In view of the great rents obtained in the centres of population, do you not think it would be safe for the Government to buy land and build houses, and run no risk of loss?—I fail to see how there could be a loss.

216. *Mr. Forbes.*] Are you doing anything to secure a workmen's homes settlement?—Yes, that is what our association is formed for.

217. You think it would be desired by working-men?—Yes, I do; and it would be a great advantage to the colony generally.

218. *Mr. Anstey.*] Do you want a settlement close to Waimate?—Not Waimate particularly—throughout the county.

219. Do you want them close to the towns?—If there is easy access they need not be very close. The land should certainly be of good quality.

220. Is there any guarantee that these sections would be taken up if laid aside?—I believe they would be taken up very readily here.

221. *Mr. Paul.*] Is there any land suitable for this scheme about here?—Yes.

222. At a reasonable price?—The price is high at present, but there are advantages, such as good markets, for the produce of small holdings.

223. *Mr. Matheson.*] There were sixteen 50-acre sections in the Waikakahi Settlement: were they all taken up at the first sale?—I could not say.

MORVEN, TUESDAY, 4TH APRIL, 1905.

WILLIAM BEERE examined.

1. *The Chairman.*] What are you?—I am a farmer, and hold a section under lease in perpetuity. I hold 345 acres, and my rent is 6s. 9d. per acre. I have been here since 1899, when the estate was cut up.

2. Do you find your holding satisfactory?—In some ways it is, but not in others. The cropping regulations are the drawback. My land is hill country, and I cannot cut it up into various areas. Probably in ploughing up a hill I have to cut off a few acres more or less. I want a little more to come and go on. I have had no trouble with the Land Board. I think when a man gets his improvements on the matter of cropping should be left to his discretion. At present the cropping regulations are vexatious and unworkable. The tenant should either have an absolute free hand, or, at any rate, a freer hand than at present. The cropping regulations apply to the whole colony, and while they may suit some land they do not suit other lands. Although the Land Board has always met me fairly, still, I have heard others complain of the Board. I recognise there must be some regulation. You would require regulation for every paddock, and, of course, that is a thing that would kill the system entirely. The simplest way out of the difficulty would be, when a man has made his improvements, to give him almost a free hand in the working of his farm. I think the Land Board would be a competent body to deal with these matters, but I also think the Land District of Canterbury is too large in extent for one Board to administer. There should be a Land Board in South Canterbury. The tenants in South Canterbury are becoming very numerous. If there was a Board for South Canterbury a man could go personally to the Board in a day, and he would come back more satisfied than by simply sending a letter. We have no complaints to make against the Rangers. I may point out that it takes three days to go to Christchurch and return to this place, and a farmer can ill spare that time. I am of opinion that the Crown tenants should be represented on the Land Board. The elective system would be too expensive. I am satisfied with the nominative system, and I think the Crown tenants should be represented by one member. I am satisfied with the leasehold tenure as long as the cropping regulations are amended as I suggest, otherwise I must ask for the freehold in order to get a free hand. The improvements required to be made on Waikakahi amounted to £19,373, and the improvements placed on the land amounted to £64,267—nearly four times the amount required. You will see at once that people who place £64,267 of improvements on the land are not going to overcrop; they are settlers, and not merely trotters—they intend to stop here. I am of opinion that the ballot system is the best yet introduced. I have had no experience of the grouping system, but I do not approve of it. If I want a section I would like to get that particular one, and would not care to have another section forced on me. As to the unearned increment, there is no unearned increment on these lands in the way it exists in the case of suburban and city land. Every bit of improvement put on the land around here has been done by the sweat of the brow of the settlers, and they are entitled to the full benefit of it. The survey charges of the State were very large, and interest has to be paid on those charges for 999 years. I do not think that should be the case. The survey charges should be kept as low as possible, and should be reasonable. The remarks made by one or two of the Commissioners of Crown Lands—not in Canterbury, but in other parts of the colony—have had some effect on the mind of leaseholders. One Commissioner of Crown Lands said that “they did not intend to transfer land that was sold at a high value.” Another Commissioner of Crown Lands warned speculators against taking up land in his district. We are not speculators, we are settlers; and we think that those Commissioners went outside their duties in making such remarks. These injudicious remarks made people feel that their lease-in-perpetuity tenure is not as secure as they would like it. Transfers should be freely granted, provided the person taking up the land is a suitable person. Under such conditions the transfers should be as freely granted as the transfer of freehold.

3. Have there been any cases of transfers in Waikakahi?—Yes, there has been some, owing to deaths. I do not know of any actual case that has been refused.

4. You are chairman of the Settlers Association?—Yes.

5. *Mr. Anstey.*] Do I understand you to advocate the removal of cropping conditions altogether?—We are dealing with a very difficult subject. I would give a man when he gets his improvements a very much freer hand, and, if I could, I would give him a free hand altogether if he has come to stay.

6. How are you to distinguish between the man who is going to farm his land properly and the man who would abuse it by overcropping?—You will find bad eggs in every basket.

7. It is necessary to have some restrictions?—Yes, that is so; but I think there should be a little more elasticity in dealing with property.

8. Is there any of the land at Waikakahi that you could take four crops from?—Yes, plenty of it. Some of the land near the beach you could take six crops from, and it would do it good.

9. You mean to say that the third and fourth crops would probably yield better than the first and second crops?—Yes, decidedly; the land is that strong that all the time a man is working for straw instead of working for grain.

10. You have made no reasonable request that has been refused by the Land Board?—None.

11. Do you know of any one else?—I cannot speak for others.

12. With respect to local rating, upon what valuation are you paying local rates?—We are under the unimproved value.

13. Freeholders say that their rate was raised at the last valuation, and that the lease-in-perpetuity land was not raised?—My rateable value is the same now as when I took up the land; but when we came here the rateable value was much above the freeholders round about us.

14. It has been stated over and over again that the leaseholder does not farm his land as well as the freeholder, nor put up as substantial buildings: what is your experience in the case of Waikakahi?—My experience is that the leaseholder is quite equal to the freeholder, and even a little above him, in his method of farming and in the buildings he puts on the land. The leaseholder keeps as many horses as the freeholder. I do not think the question of title affects him a bit in respect to his farming.

15. I understand there are a number of settlers who have sold out their interests: have they sold out at a premium?—I do not know what they got. A man would be very foolish to sell out if he did not get a premium.

16. You think there would be no necessity for him to do so?—Certain circumstances might arise, such as family troubles or ill health, which might induce a settler to desire to change to another district.

17. Do you know of any settler who has had to give up his holding and who has not been able to carry on?—I do not know of any; but, owing to the cropping restrictions, I think that one settler will give evidence before the Commission and show that he cannot make a living under the present conditions.

18. Some days ago a witness stated that the settlers of Maerewhenua and Waikakahi were abandoning their holdings: is that true?—I think they would want to be driven out.

19. Then, that statement was not correct?—No.

20. Have you had any experience in connection with the Advances to Settlers Office?—A little, and it was fairly satisfactory.

21. *Mr. Johnston.*] The majority of the settlers are satisfied with their conditions?—I think they would be if the cropping regulations were altered.

22. *Mr. Forbes.*] It has been stated that the Crown tenants are afraid that the lease in perpetuity will be subject to revaluation—that the Government will break the contract: does that fear exist in Waikakahi?—There is a fear, and that, together with the penalties attached to breaches of the cropping regulations which provide for the forfeiture of the lease, has caused a feeling of insecurity amongst some of the settlers.

23. Do you not think if the Government needed to raise revenue a much simpler method would be to give another screw to the land-tax rather than break the contract entered into with the tenants? Do you think any Government would be strong enough to break the contract?—The first day they do so would be the day of their death.

24. Having the machinery of the land-tax to raise revenue, do you not think it more reasonable that they should do so in that way?—Decidedly. My own opinion is this: that if the Government takes my lease to-morrow I will make a "rise."

25. You consider that if the lease is varied or broken the settlers would be entitled to compensation?—Decidedly, and that for the whole length of the term of the lease. I do not know that any Government will undertake that; it will be a big contract. Personally, I do not feel the uncertainty, but I know other men that do. They wish to feel secure in their present tenure. If the people can feel that their lease will not be broken, that the tenure is good, and that the cropping regulations will be altered to suit the land I do not think the cry for the freehold will be heard.

26. *Mr. Paul.*] When you said you would make a "rise" did you mean that you would get compensation?—I should expect to get compensation.

27. Did you ever hear of any proposal to make revaluation retrospective?—No; but once a system of revaluation is introduced we do not know how soon it may be altered and made retrospective.

28. Have settlers sold their sections at Waikakahi?—Some have parted with their leases.

29. We had evidence the other day that sections had been transferred, and that the goodwill amounted to a considerable sum?—Yes; but the settlers have had very great hardships at various times. You must take that into account.

30. What I want to find out is whether any settler after getting full valuation for improvements has received an additional sum as goodwill?—Yes; I should think they had, but I could not say to what extent.

31. Do you not think that that is uncommonly like unearned increment?—No; there is no unearned increment in this farm land.

32. What would you call that?—That is the result of the sweat of the man's brow, and he is entitled to that result.

33. You said he was allowed full valuation for improvements. While he occupied the land he brought a living out of it, and when he sold out he got a considerable sum above improvements?

—Why would you sit on a man who goes on to a Government section while you allow the freeholder to go off scot-free? There are a lot of improvements on land that are never seen.

34. If you were selling your section to-morrow would you ask for something over and above your improvements as goodwill?—As a business-man, I would ask for all I could get. I think a man could be free to transfer his section, but I think the incoming tenant should be a suitable settler.

35. Do you not think a very large sum in the shape of goodwill would ultimately cripple settlement?—Every man in buying and selling must be able to do his own business.

36. One witness said that he paid a large sum for goodwill, and he looked on it as being so-much out of pocket, and he would be out of pocket until he got the freehold?—That man took the risk.

37. You do not think the lease should be varied to suit him?—Not one particular man.

38. *Mr. Matheson.*] If you have some more prosperous years do you say the State would be wise to let a man pay off some of the capital value out of his savings and so reduce his rent?—If there is to be any alteration in the tenure that would be the alteration I would be in favour of—the man reducing his rent, but the Government keeping sufficient hold over the land.

39. Do you think the State would be the loser if it got the money back that it originally spent on the land?—If the land was cut up into small holdings the State would be the gainer, and if the Government always kept its hold on the land it would prevent the aggregation of estates.

40. Do you not think the very fact of this closer settlement and the improvements put on the land would prevent the land going back into big estates?—I think what has been done is security against the aggregation of very large estates. I do not think any one could buy up Waikakahi and use it as a run.

41. *Mr. McCardle.*] With respect to the unearned increment, what would have been the value of this land had there been no close settlement?—The rise in the price of sheep would have affected the price of the land, but it would not have been so much as it is now.

42. Is it not a fact that the increase on property in the towns is due to settlement in the country?—Yes. When Mr. McLean owned this station he knew what his expenses would be, but every shilling that the settlers have made during the last six years has been expended on improvements, and the money has gone into circulation again.

43. You think the collective operations of the farmers have raised the land to its present value?—Yes.

44. And, then, there is the scarcity of land for similar settlements?—Yes.

45. You are of opinion that if the Government could find large estates it would be wise to purchase them and bring about more close settlement?—Yes, wherever possible.

46. Your only desire for change in respect of the present tenure is in order that more liberty may be given to the settlers?—Yes. I would like to mention this: When Mr. McLean had the run he had about fifty-six thousand sheep on it. This year and last season there were in the settlement 8,433 acres of grass, 2,601 acres of grain and root crops, 42,000 sheep, 2,352 cattle, and 950 horses. There are now 626 souls resident in the settlement, and possibly when Mr. McLean had it the number of people on the land did not exceed fifty.

47. *Mr. McLennan.*] Are you a member of the Farmers' Union?—Yes, I was; but the branch that existed here is dead now.

48. Has the Farmers' Union had a great deal to do with the agitation for the freehold?—It may have, but not in this locality.

49. What would you suggest in regard to cropping regulations? Would you be in favour of giving the Land Board more discretionary power?—They will have to get discretionary power.

50. Would you be in favour of the tenants on the Waikakahi electing two competent settlers along with the Ranger, the three to form a Board to consider applications with respect to properties?—I think your suggestion would be far better than the present arrangement; but if the settlers were given a free hand after making the necessary improvements your suggestion would be unnecessary.

51. Do you not think my suggestion would be workable?—Yes; it would be better than the present system.

52. *Mr. McCutchan.*] In regard to roading, would you be in favour of the interest charge ceasing after twenty-six years, because by that time the principal and interest is wiped out?—Yes.

53. Do you think a man holding a section under the Land for Settlements Act should have the right, when in a position to do so, to acquire a neighbour's place up to a certain limit?—Yes, in some cases, because one man might have a very large family. For instance, 100 acres might be sufficient for a young man just married, but as his family increased he would require a larger area.

54. Would you fix a restriction as to the area?—Yes; but I would make it fairly large.

55. *Mr. Johnston.*] Where are the members of the Land Board drawn from at the present time?—I think they are fairly distributed all over the provincial district. I would like to see the Land Board sit at Timaru or Waimate or some other convenient place once a quarter. I think that would fairly well meet the case. I would like to suggest also that all imported straw—especially that used for packing goods of various kinds—should be burnt, in order to prevent the introduction of destructive insects and weeds.

56. Have you any Californian thistle?—No; but I have heard of it being about. I think that all grass-seed coming from a district where there are noxious weeds should only be sold on a certificate from the Government officers—for instance, grass-seed might be imported from a district in Southland, where there is much ragwort and Californian thistle. I think something should be done to prevent the introduction of noxious weeds to a district that is at present free from them.

## ARTHUR WILLIAM BARNETT examined.

57. *The Chairman.*] What are you?—I am a farmer, and hold 243 acres in Waikakahi, and my rent is 13s. 6d. an acre. I think the conditions of lease are unsuitable, principally owing to the cropping conditions. According to the regulations I am allowed to take two straw-crops and one green crop. The farm must remain in grass, but in order to keep a rotation I must work one-sixth of the farm every year. That would be 40 acres of root-crop, and 40 acres of root-crop in a farm the size of mine is ridiculous; it would be more than I could use. The present regulations force one into a wrong sort of farming. I would suggest that where a man has put on sufficient improvements he should be allowed to farm as he likes one-half of his section, provided he does not put in more than two wheat-crops. Half the farm would remain in grass, one-third would be in wheat, and the balance in turnips or barley, or what he liked. According to that system he could not possibly crop more than one-third of his farm every year, and he could not possibly injure the farm under those conditions. If the Government could not see their way to grant that amount of liberty they might halve the amount of root-crop and make it one-twelfth instead of one-sixth, so that the man could put in one-sixth of the farm in oats. I think that might meet most cases; at any rate, I would be satisfied. It is infinitely better to grow a small area of roots and keep it clean than to grow a larger area and not attend to it so well.

58. *Mr. Anstey.*] Have you applied for a modification of your cropping restrictions?—Yes, I applied to be allowed to put in a portion of the root area in oats, but the Board said that they could not see their way to grant the concession.

59. If the condition of lease were altered so that half the land should always remain in grass, and not more than one-third remain in wheat in any one year, would that be suitable for the level land on the Waikakahi Estate?—I believe most of the settlers would be satisfied with that.

60. *Mr. Johnston.*] Are you one of the original settlers?—Yes.

61. You knew the conditions of the lease?—Yes.

62. Were you satisfied then?—Yes.

63. Is it since you have had experience in working the land that you think the conditions should be altered?—As a practical farmer, I have found that the conditions are not suitable for the land I hold. When I took up the land I thought I might be able to work it under the conditions, but I have since found that I cannot do so.

64. You do not want any alteration in the tenure?—I think most people take far more interest in freehold land than in leasehold land, and I would put far more improvements on my section if it were freehold. But I have not agitated for the freehold.

65. *Mr. Paul.*] Do you approve of the present nominative system of Land Boards?—Yes.

66. *Mr. Matheson.*] Do you think it would be an improvement to increase the number of members of Land Boards in order that you might have some representative?—No; but if we could not get the restrictions altered, it might be advisable to have another member on the Land Board.

67. *Mr. McCardle.*] You find the restrictions work against the interests of the settler?—Yes.

68. Do you not think it would be well if some competent person, experienced as to the quality of land, were appointed by the Government with power to grant concessions to the settler?—Yes, provided the conditions were such that no man could injure his farm. I think it would be better to leave it to himself. I would like to mention a point in respect to the unearned increment. I could not make use of my farm at first because part of it had to remain three years in grass; it would only carry a sheep to the acre in old pasture, it has taken some six years to arrive at a rotation; by the time I have got the farm in rotation it will cost me from £2 10s. to £3 per acre. Then, there are facilities such as creameries and saleyards. These have been put up by the settlers themselves, and the outside community does not reap the advantage of that. I maintain that there is no unearned increment on this land.

69. *The Chairman.*] You think the losses balance the profits pretty well for the series of years?—Yes.

## JOHN TAYLOR HAY examined.

70. *The Chairman.*] What are you?—I am a farmer, and my wife holds a section at Waikakahi. The area of the section is 237½ acres, and the rent is 12s. 6d. an acre. We have held the section for six years. I have 18 acres of my own at Uritane. It is freehold land. There is some insecurity in regard to the present tenure. If you break the regulations you are liable to forfeiture. I knew the regulations when I applied for the section, but I never anticipated the Board would carry them out to the letter. My wife and I have applied for sections, and she was successful in drawing one. I was in a very good billet for some six or nine months before I came here. I sent a man down to test the land and to put up a whare. It was very difficult to get a carpenter to build a house, but my eldest boy and myself lived on the section, and I took a house in Waimate for my family. I do not blame the Land Board for the difficulty in regard to residence. Because my wife was not residing on the land she received notice that unless there was residence the section would be forfeited. There was no dummyism in that case. I think a wife and husband should be treated as one in respect to residence in such cases. As soon as the house was put up on the section my wife came and resided on the land. I do not blame the Board; I blame the system. Last year and the year before I cropped 32 acres of barley. I received an intimation from the Land Board that if I did not fulfil the conditions laid down I might have my section forfeited. This was my only offence. I had fallowed the land out of grass, and the next year I put half in barley and half in oats. The second year I put it in wheat, and the third year in barley. The land had been in grass twelve years previous to me taking it up, and if land which is worth 12s. 6d. rent will not stand that I know nothing about farming. I never anticipated being called up for a small breach like that.

71. You think the cropping conditions are not workable for the proper cultivation of the farm?—No. I think after one has put improvements on the section he should have a free hand

in regard to three crops. I do not say there should be unlimited power. The land should be classified. At present, land for which 3s. or 4s. is paid and land for which £1 is paid are all under the same conditions.

72. You have heard what the previous witnesses said: do you indorse their remarks?—I quite indorse what Mr. Beere said about cropping, but I do not altogether agree with Mr. Barnett.

73. *Mr. Anstey.*] Did you ask the permission of the Land Board to take the third crop off?—I did not.

74. Have you ever asked any permission to exceed the cropping conditions?—Yes, I asked for it this year. I reckon a farmer should look ahead of him, and I asked permission to put a third crop in 40 acres which I had fallowed in grass. The Land Board replied that they could not grant permission for that year. They did not exactly refuse my request, but I understood they had not power to grant any concession ahead.

75. Suppose you had asked permission in the first instance to take a third crop, do you think your request would have been granted?—The reason I did not ask was that I heard that some of my neighbours had asked and had been refused, and I thought I would be in a better position if I put in the crop without asking.

76. What you want is a modification of the cropping clause of your lease, so that it will not be necessary for you to have to ask the permission of the Board?—Yes; I think I should be allowed to take three successive grain crops, and then rest the ground in grass.

77. Do you think that at least half the land should be in crop and the other half in grass?—I think Mr. Barnett restricted himself too much to wheat. I should say half in grass and the balance in whatever the settler liked to put in. I think when a man pays his rent and puts improvements on the ground, he ought to be in a position to judge how to farm it.

78. Do you want to do away with the cropping restrictions as soon as you have put certain improvements on the section?—There should be a certain limit, according to the quality of the land.

79. What do you suggest in the case of your land?—If I got three grain crops in succession I would be quite satisfied. The land at the beach would stand more.

80. How much cropping could you do on land ranging from 19s. to £1?—I think Mr. Beere was right when he said five or six crops. I would improve the crops.

81. Do you think there would be some little difficulty in framing regulations?—Yes.

82. And, finally, you would have to fall back and give some little relaxing authority to the Land Board?—I really do not think the Land Board should be put in that position. It should be allowed by the Act. At present it is within the discretion of the Land Board, and, as Mr. Beere said, the Board covers too wide an area.

83. Do you think there should be a sitting of the Land Board in Timaru, or a separate Land Board?—I think there might be a separate Land Board for South Canterbury.

84. Would that meet your requirements much better than the sittings in Christchurch?—It would not make much difference so far as I am concerned, but it would make them more accessible to other people. But, if the conditions were altered as I suggest, one Land Board would do for New Zealand so far as I am concerned.

85. Have you had any experience of the Advances to Settlers Department?—Yes, from the very start of the Department, and in regard to both freehold and leasehold properties. I have never had any difficulty in getting what I wanted, and I always got it without delay.

86. *Mr. Johnston.*] You knew the conditions under which this land was to be worked when you took it up?—Yes.

87. Were you satisfied with them then?—I was satisfied that they were merely a safeguard against a tenant abusing the land. I never anticipated that an attempt would be made to carry them out.

88. Suppose you leased your own land under these conditions, would you expect your tenant to carry them out?—I would always expect that there should be a give-and-take policy.

89. Have any sections been sold on the block?—I believe so.

90. Have they been sold to advantage?—I do not know. I should think they have been.

91. Is your land worth more than when you took it up, exclusive of improvements?—I do not think it is worth very much more. I think that any unearned increment belongs to the people who go and settle on the land and improve it.

92. *Mr. Forbes.*] With the exception of the cropping conditions, you are satisfied that the lease in perpetuity is right enough: you do not think the Government are likely to break the lease made between themselves and the settlers, and introduce revaluation?—The Government can do what they like with freeholders and leaseholders. In fact, I think the leaseholder is more secure than the freeholder in that respect, particularly if he is holding large blocks of land. I do not suppose small blocks would be interfered with.

93. You do not think there is any special reason to feel insecure about your lease: it has been pointed out in some parts of the country that the reason the freehold is desired by the Crown tenants is that they feel these leases may be broken and a revaluation clause put into them?—I do not feel any insecurity so long as I can adhere to the lease and carry it out. If the lease has to be broken it will be myself who will break it, because I cannot farm successfully under my present conditions.

94. You think the cropping conditions are the worst penalty you have to work against here?—Yes.

95. *Mr. Paul.*] You said the Land Board threatened to forfeit your section: have you ever heard of one being forfeited by the Land Board?—I have read of cases, but I have never met with them. In my own case there is a feeling of insecurity, and this feeling has retarded me from putting on improvements I would otherwise have done.



96. Has the Land Board declared any section on Waikakahi forfeited?—Not that I know of.

97. Do you not think that any relaxation for dispensing with the residence conditions would lead to dummyism?—I believe in the residence conditions, but I think in my own case the Board should take into consideration my residence on the section. My wife was the lessee, and I was living on the section.

98. *Mr. Matheson.*] If a new Land Board was constituted it would be a considerable expense for the sake of the settlers' convenience: do you think it would be reasonable they should pay anything towards that expense?—If they altered the cropping conditions I do not think a new Board is necessary, but if the Board has discretionary power it is necessary they should see the land for themselves. The Ranger can only report as to his opinions.

99. *Mr. McCardle.*] When you took up this land the Government had had very little experience in regard to cropping?—I believe the Hon. John McKenzie had had considerable experience.

100. But he was only one member of the House, and he had to submit to the different opinions when bringing in his cropping regulations: is it not a reasonable thing that if an amendment is in the interests of the settlers, and is not against the interests of the country, that that amendment should be made in the cropping regulations?—I think it would be in the interests of the settlers and the country to have amendments to give the settlers a free hand. It would mean more produce and increased traffic on the railways.

101. And, being an experienced farmer, you considered in applying for the land the State would treat you in a reasonable and common-sense way in regard to the cropping regulations?—That is what I anticipated.

JOHN BRUCE examined.

102. *The Chairman.*] What are you?—I am a farmer on Waikakahi, and I have been there six years. I hold 121 acres, for which I pay 18s. an acre. I go in for cropping and sheep.

103. Have you found the same difficulty in regard to the cropping regulations as the previous witnesses have stated?—Yes; they are unworkable.

104. Have you anything to suggest that is new?—No. I agree with what Mr. Hay has said that five or six crops could be taken off the heavy land with advantage.

105. Is there any other point you would like to express an opinion upon?—No.

106. *Mr. Anstey.*] What modification would you suggest in the cropping restrictions?—I think if a man pays his rent in advance and puts improvements on his section, he should be allowed to work his land at it suits him.

107. You would do away with cropping restrictions altogether?—Yes.

108. Is there not a danger that some tenants would overcrop their land?—I do not think so.

109. Would you have no restrictions as to grassing down?—No.

110. What would prevent you taking three or four crops in succession and leaving the land in stubble?—If a man puts on improvements and pays his rent in advance, that is quite sufficient.

111. Have you ever exceeded what you were allowed by the cropping conditions of your lease?—Yes.

112. Did you ask the Board's permission?—Yes, in some cases. They always granted me what I asked.

113. I presume you never ask for anything unreasonable?—No.

114. You are not satisfied with the permission given from time to time: you want your lease amended?—Yes; I would like to crop the section as it suits me.

115. *Mr. Johnston.*] Do you know anything about the constitution of Land Boards?—I think the Crown tenants should be represented on them.

116. Would you advocate holding a meeting in Timaru, or do you think the meetings are sufficient where they are?—If the cropping conditions are altered the meetings would be just as convenient at Christchurch.

117. You are satisfied with your tenure?—Yes.

118. *Mr. Matheson.*] Would you be satisfied if the cropping conditions were altered to suit the land: say, two white crops to be allowed on 10s. land, and between 10s. and 15s. three crops, and between 15s. and £1 four crops? Do you think that would be a simple and reasonable way of dealing with the matter?—It would be a great deal better than the present arrangement, and it would satisfy me.

ALEXANDER FORSYTH examined.

119. *The Chairman.*] What are you?—I am a farmer on Waikakahi, and I have been there six years. I hold 110 acres, for which I pay 18s.

120. I suppose you say "Ditto" to the evidence of the previous witnesses in regard to the cropping conditions?—Yes; I indorse what has been said.

121. Have you any new light to throw upon the subject?—I think if a man keeps half of his section in grass he should be allowed to take three grain crops off the other half.

122. *Mr. Anstey.*] Except for the cropping restrictions, you are otherwise pretty well satisfied with your tenure and rent?—Yes.

123. Have you had any experience of the Advances to Settlers Office?—No. I know people who applied for a certain sum, and a man came round and valued their improvements at about £300, and, although a loan of £100 only was asked for, the Board granted them only £50.

124. Was any reason given why they did not advance £100?—No reason whatever.

125. What would you suggest as a modification of the cropping restrictions? Do you agree with the suggestion made by Mr. Matheson that the cropping should vary according to the price of the land?—Yes, that would be quite satisfactory.

126. *Mr. Johnston.*] Have you any Californian thistle?—No.

127. *Mr. Forbes.*] Has any settler had his section forfeited for breaking the conditions?—Not that I know of.

128. Do you think the Land Board have been very reasonable in the past?—I think so.

129. *Mr. Paul.*] Have you ever asked the Land Board for anything and had your request refused?—No.

130. *Mr. Matheson.*] Can you say if the settler who only got £50 had any of his rent overdue?—It was not overdue.

131. Have you any objection to tell us the name, so that we can make further inquiry?—It was my mother.

132. Did the valuer put £300 on the improvements?—About that. I cannot say exactly.

133. *Mr. McCardle.*] In your opinion, does an offer such as that in any way meet the requirements of the settlers?—No.

134. Do you think that some modification should be made in the existing law so as to meet the requirements of the settlers?—I do not understand anything about it. I have had no experience myself.

MICHAEL HENSTRIDGE examined.

135. *The Chairman.*] What are you?—I am a farmer at Glenavy. I hold 421 acres, and I pay 4s. 6d. rent. I have been there since the settlement started.

136. Are you satisfied with your lease-in-perpetuity tenure?—Not exactly. I did not anticipate that these cropping regulations would be enforced. My section was all in rape when I took it up. My section is very poor land, and no one offered for it but myself. When I took up the land I had to buy expensive teams and implements, and now the land is all down in grass. The Land Board will not allow me to take a third crop off any of it. Am I to have it all in crop for two years and all in turnips another year, and then all in grass? What am I to do?

137. Were you a farmer before you took up this land?—I was a farmer's man in England for about ten years, but, practically speaking, I was a railway contractor's man.

138. I wanted to know if you had had any farming experience, and knew what you were doing when you entered into this arrangement?—You can take it from me that I have had experience enough. I never anticipated that these cropping restrictions would be mentioned so long as I put on improvements and went on in a reasonable way. There was never a word said about these cropping conditions when I took the land up.

139. Have you ever gone to the Land Board in regard to your cropping conditions?—No. I wrote to them once about the Waimate County Council's water-races, and they bluffed me off. The less I have to do with the Government and their officers the better it suits me.

140. *Mr. Forbes.*] You took up the land in rape: what did your conditions compel you to do?—I had to put half of it in crop and leave the other half idle, because I could not afford the teams and plant to put the whole of it under crop and carry out the other improvements as well. I do not see why these conditions should be mentioned to a settler so long as he otherwise carries out the conditions of his lease. If a settler resides on his section and improves it that should be good enough for the Government, and he should be allowed to crop as he reasonably thinks fit.

141. *Mr. Paul.*] Your land is poor?—Yes, it is more stones than land.

142. Do you think that land would stand the three or four crops you want?—Undoubtedly it would not. A man would not be fool enough to go and crop where he could not get anything.

143. You do not want the Land Board to allow that?—Why should the Land Board interfere. Why should the Land Board pay officers to look after comparatively nothing. The man who is on the land can be left to find out what is necessary for the land.

144. *Mr. Hall.*] Is your land fit land to bear three crops?—Some of it is fairly good, and some is only good for grazing.

JOSEPH CORCORAN examined.

145. *The Chairman.*] What are you?—I am a farmer, and I farm 198 acres at Waikakahi, which is held by my wife. It is on a yearly tenancy, the land being a plantation reserve, and the rent is 4s. per acre. I also hold ten acres of educational reserve, for which I pay 10s. per acre. On the 198 acres I have put up buildings which have cost me £200, and I have also subdivided the land into paddocks.

146. I am surprised at you putting up buildings on a yearly tenure?—Where else could I put them?

147. Is there any particular matter you would like to bring before the Commission?—Yes. I would like, in the first place, to say something about the rebate of rent for prompt payment. My neighbour, who has a lease in perpetuity, and who pays identically the same rent as I do, gets the rebate allowed to him, whilst it is refused to me. I think there is an injustice there, because, if the revenue comes out of the revenue from the Waikakahi Settlement, I am entitled to it as a tenant on the settlement, and if it comes out of the consolidated revenue of the country I am entitled as a colonist to the rebate if the others are entitled to it.

148. The rebate was not intended for temporary tenures such as yours, which is only a license?—That may be so, but if so the law then requires amending.

149. You think the rebate should apply to all Crown tenants?—Yes.

150. Is there any other point you would like to mention?—I think it would be very advisable if the Crown tenants were given the option of the freehold on a certain basis. I think they should have the right to pay off to, say, 15 per cent. of the capital value of their holdings, down to 2s. or 3s. per acre if first-class land and proportionately for second- and third-class land. It would be good for the tenant and better for the State. For the tenant it would act as an old-age pension, for when his family are around him he can easily pay the rent on the full value, but when they have left him for homes of their own the difference between the rent of 10s. per acre and 3s. per acre will enable him to pay for the labour which he will necessarily require to engage for the farm. It would act also for the State much better than the present system. At present the State is in the position of an absentee landlord, because they have to go to London for their money. At the

end of twenty years a man who is paying 10s. per acre will have paid £10. Of that the London money-lender will have got £7 and the State will have got £3. The tenant will be no better off as regards his land, the money-lender will have received £7 and still have a mortgage of £10 on the land, while the State will have received £3, which it has spent in administration. It is a great strain on the country for that to occur, and it could not occur if the State was not an absentee landlord. The position would be different if the money could be borrowed internally. In fact, the present lease-in-perpetuity system would then be perfect, but, as it is, the money having to be borrowed outside, it is a very bad business speculation.

157. Do you not think the very fact of the men being settled on the land has enabled the State to realise many times over by the price of the additional produce exported what you point out as a direct loss through having to go to the London market?—Yes; but having borrowed the money I think we should allow the tenants, where possible, to pay off a portion of the value of the land. I think it would be fair, too, that the tenants should be asked to pay 1 per cent.—that is, that for every £100 they were paying off they should pay £110. It would be a step in the right direction. A good deal has been said in the cities about giving the freehold, and one would think that those people imagined that when a person bought a section of land he might take it up and run away out of the country with it. It is immaterial whether a man pays rent or buys the freehold. If he does not work his land to the best advantage he is no good to the State, no matter what his tenure is. I think if a man has a chance of getting a freehold he will do better by the State. I do not think that the lease in perpetuity should be done away with, for I think it is one of the very best systems that could be introduced; but, at the same time, I think the right to acquire the freehold to a certain extent should be given. Practically, it is more in the interests of the State than of the tenant. Now, I would like to say a word about the unearned increment, so called. The increase here in the values of farms to-day is solely due to the energy of the settlers. In Allan McLean's time the land was simply turned over about once in ten years, and a crop of turnips put in, after which it was put in grain and grass. Since, however, the land has come into the hands of the tenants it has in most cases been worked to the best advantage, and to that is due the increased productiveness, and therefore value, of the land. Other contingencies that tend to give increased value to land are the moneys spent by the farmers in developing the industries of the district. Creameries have been established, yards have been erected at Studholme at a cost of £800, the Pareora Freezing-works would not have been there but for the farmers taking up shares, and only twelve months ago the farmers authorised the expenditure of £50,000 on the harbour at Oamaru. All that helps the district, and if you consider these matters you will see that there is no unearned increment. Another thing, if you go to a man's farm it is impossible to see all the work that has been done. I have spent, myself, £12 in draining 2 acres. That is more than the value of the land, but its value is there all the same. If a man at the end of seven or ten years gets a price for his goodwill he has earned that, either directly or indirectly. A property in Timaru the other day was sold at a price £3,400 more than that at which it was purchased five years ago. That was due to the work of the farmers who were instrumental in having the freezing-works erected. The Government would only be doing right by moving heaven and earth to assist the farmer to work his farm to advantage. Government cannot spend too much money on the farmer, because he is the life and soul of the country. I would also like to say, on the question of improvements, that the land never forgets a single ton of manure that is put on it.

152. What is your view with regard to the cropping restrictions?—As a general principle, it is quite right that there should be restrictions, but it must be admitted by any one who knows anything of the subject that the same conditions will not apply to all lands. I think a good plan would be that the settlers should appoint two gentlemen who know the land of their district to co-operate with the Crown Lands Ranger each year in making the cropping restrictions for those farms for which application to vary the restrictions has been made.

153. You think, then, that the Land Board should have discretionary power to alter the cropping regulations?—Yes; they should have a lot more discretion.

154. Do you think the present constitution of the Land Board is satisfactory?—Certainly. If the Government do not appoint the Land Board how can they carry out the land laws which they sanction? I would like to have my tenure altered not necessarily to 999 years, but to a longer term, because under the present lease I cannot work the land to its best advantage. I reckon the State loses by not giving a longer tenure.

155. *Mr. Anstey.*] Do they propose to plant this plantation reserve you have got?—It was set apart for a plantation. I have the right to crop 25 acres.

156. What more do you want?—I have spent a lot of money on the place.

157. You would like the lease in perpetuity?—Yes.

158. Have you been a lease-in-perpetuity tenant yourself?—Yes, at Horsley Downs.

159. Have you ever been a freeholder?—Yes.

160. How does the lease in perpetuity compare with the freehold for a man of moderate means?—Lease in perpetuity is the tenure for a man of moderate means. There is no question about that.

161. *Mr. Paul.*] You believe in the freehold?—Yes.

162. Why would you not allow tenants to acquire the freehold instead of a partial freehold?—Man is only mortal, and he is very greedy, and he will lay his fingers on anything he can get hold of.

163. You think there is no possibility of legislation being enacted to repress the greediness you refer to?—You cannot legislate for morality.

164. Is acquiring freehold a question of morality?—It is a question of greed, which is innately born in man.

165. Is that greed the yearning or sentiment that we hear as being inherent in the heart of every Britisher?—Sentiment is the nice term that they apply to it. They talk about land being

the birthright of the people, but the land of New Zealand is the birthright of the Maori, from whom we came and took it.

166. Is there any analogy between the New Zealand Government as a landlord and the absentee landlords of Ireland?—In a small way, and that only as regards interest going out of the country.

167. Is it better to be a tenant under the New Zealand Government than under an absentee landlord in Ireland?—Certainly.

168. *Mr. Johnston.*] Have you owned any land in Ireland?—No.

169. You do not speak from personal experience, then?—I lived eighteen years there.

170. How much land had you at Horsley Downs?—62 acres.

171. Is your neighbour's land as good as your 198 acres?—They are just the same quality.

172. Was there any understanding that you were paying 4s. without remission of rent on account of having a lesser rental?—No. When I made my first payment after the Rebate Act passed I deducted 10 per cent. remission, which I thought I was entitled to, but I was called upon to repay the amount.

173. *Mr. Matheson.*] Is there anything in your lease safeguarding to you compensation for improvements if the lease is not renewed?—I had a letter from the late Commissioner telling me that my successor would have to pay valuation for improvements.

174. *Mr. McCutchan.*] Was it not clearly pointed out when the Rebate Act was passed that the profit the Crown was making out of the land warranted the remission?—Yes.

175. And you think you have just claim to it?—Yes.

176. Have you had any clear explanation why you were not granted the rebate?—No. They simply wrote to me saying that no-rebate was given on such a tenure.

177. Where a transfer of a lease in perpetuity is applied for to the Land Board do you think that the Land Board should give attention only to the capability of the transferee, and that the amount of consideration which he is paying to the transferor should not be a question within the province of the Board to inquire into?—I do not see that the Land Board has anything to do with the price that is paid.

178. But they should have the right to inquire into the *bona fides* of the transferee?—Certainly.

179. With regard to this unearned increment, you have mentioned certain works and operations on the part of the farmer outside of his own land which you say have caused the increased value; but over and above these considerations may there not be a small margin? Is not that because of the individualising of the wealth of the colony, and that the portion called the unearned increment is nothing more than the tenants' share of the general uplifting of the colony?—Yes.

180. You consider he is entitled to it?—I consider that he is entitled to everything within his fence.

TIMARU, WEDNESDAY, 5TH APRIL, 1905.

BERNARD E. H. TRIPP examined.

1. *The Chairman.*] What are you?—I am a sheep-farmer, and appear for the executors of the late C. G. Tripp, Orari Gorge Station. I have been there for thirty-six years. I desire to read the following petition in respect to pastoral runs. There is another petition to come which I have not got. I did not have much time to send the petitions round, otherwise I might have got more signatures.

2. I suppose these are all pastoralists?—No; there are some farmers about Geraldine who said that they thought the terms of the lease of the runs should be altered, as much for their interest as for the interest of any one else. There is another matter I would like to draw attention to: on the 31st March, 1904, the only two accounts that showed a decrease in the revenue for the year were pastoral rents, £16,359, and deferred payment, about £3,000. The returns for the present financial year are not out yet, therefore I cannot give the figures. It seems to me that something must be wrong in connection with the pastoral rents when the rents are decreasing. A few of these blocks may have been taken for settlement purposes, but not many of them. I would also like to give the sheep returns of the hill country, between Rangitata and Waitaki, from 1895 to 1903—I thought it was not fair to take in the year 1903, when we had the severe snow-storm—the returns show a shortage on those runs of one hundred and ten thousand sheep on the hill country between the Rangitata and the Waitaki Rivers. I did not go further south because I was not quite sure of the country as to which was pastoral and which was not, but, I think, in respect to Otago, the returns would show that the shortage has been a great deal more. The main thing that we want is to be encouraged to improve our country, and get valuation for improvements. If we improve the land we do not mind paying more rent, as long as the country will carry more sheep, but at the present time the country will not carry more sheep. In reference to surface-sowing, I would like to say this: about fifteen years ago my father began surface-sowing the Crown land, chiefly with cocksfoot grass-seed. He spent about £500 in improving the Crown land. After my father's death I thought to myself, "I may get no benefit out of it," and so I knocked off those improvements in grassing, but I would be only too glad to show the members of the Commission if they are up there that the grass sowed by my father has taken wonderfully well. It would almost have paid us to have gone on with the sowing if we had a better tenure. We sowed up to an altitude of 3,300 ft. In some cases the cocksfoot is now a couple of feet high. In the back country the grass has rather gone back. The native feed has eaten out. There is no encouragement for surface-sowing. The back country will not carry so much stock as it used to do. As I have said, the native grass has been eaten out, and the only way to improve the country

is by surface-sowing English grasses, such as cocksfoot and Chewing's fescue. We burned in the spring, chiefly in September, and then surface-sowed. It would take too many men to surface-sow all the land at once. We do it just as we find it convenient, and we test how it takes in different parts of the run. Our country is a shade wet, and the grass has taken wonderfully well. In the case of very dry country it would not take so well. On the sides of creeks, in gullies, and on the shady sides of the hills it takes well. The wether country, which is high country, is decreasing in value every year, and I do not know what the Government will do when a lot of these leases run out. Sheep cannot be put on this high country at the present high price. The run I am specially referring to is at Orari Gorge, and the area of Government land is about 22,000 acres, and there are 22,000 acres of education reserves. Both are leasehold. The rainfall at the station shows an average of about 47 in., but that is the wettest part of the whole run. If you go five miles away it is much drier. That is in the hill country.

3. *Mr. Johnston.*] Are you speaking on behalf of any other runholders?—I have not been instructed to speak on their behalf. I am only speaking in reference to the position generally.

4. *The Chairman.*] What rent do you pay for the Crown land—the 22,000 acres?—£750 to the Government, and £700 to the Education Reserves Commissioners. There is one thing I want to point out. If the Government think the land is fit to cut up for settlement we do not want to block that, but if they take up the land we desire to have compensation for improvements. That is set forth in the petition. A lot of the country has been ruined by cutting off the ewe country and leaving the wether country, so that we cannot breed enough sheep to keep the flock going. There is the Bluecliffs Run. That is an example of that. There is only one other thing I would like to say. The blocks that were cut off were cut off before Sir John McKenzie and Mr. Duncan's terms of office. Those Ministers treated us as fairly as they possibly could. According to a paragraph in the newspapers the School Commissioners of Otago are going to give valuation for grass-seed. The paragraph in question says, "Valuation to be made on grass for two seasons prior to the expiry of the lease." I do not know exactly what that means.

5. *Mr. Paul.*] I think the word "sown" between "on" and "for two seasons" has been left out?—That may be so. Then Mr. Barron, Chairman of the School Commissioners, said it was contemplated giving the tenants the right of renewal. That is what we are asking for—namely, valuation, if we improve the country.

6. *Mr. Johnston.*] Did you say it was entirely cocksfoot that your father sowed?—Yes, I think so.

7. Up to what altitude?—3,200 ft. is about the highest.

8. Was the tussock burned before it was sown?—Yes, it was burnt in the spring, and then we sowed the grass on the top of it.

9. Has it given satisfaction?—Yes, it has taken wonderfully.

10. How long have you held this run?—My father took it up in 1856, and it has been held by the family ever since. My father was the first person to put sheep on that country.

11. Did you lose any sheep in the bad snow-storm?—We lost 8,800 sheep in 1895.

12. Did you get any consideration from the Land Board for it?—Yes, we got some consideration, and the lease was extended for seven years. The Education Commissioners reduced their rent £70 a year.

13. Is there any agricultural land on it?—Scarcely any. The freehold takes in all the low country.

14. How much freehold is there?—About 17,000 acres. That is the winter country.

15. Have you any Californian thistle?—Yes, on some of the paddocks on the freehold.

16. Is it increasing?—I keep it in check with salt.

17. Has that been a success?—Fairly successful. It is a great trouble, and I believe it will be a serious thing.

18. Do you approve of the present constitution of the Land Boards?—As long as they have more power to deal with the cases as we suggest in the petition. That is all we can ask.

19. *Mr. Paul.*] Amongst the signatures to the petition some are farmers in addition to the pastoralists?—Yes.

20. You said the shortage in certain years was 110,000 sheep. That is not altogether due to the deterioration of the pasture, is it? For instance, the high price of sheep at the present time has a little to do with it, has it not?—That has something to do with it. The country will not carry the stock that it used to carry.

21. Your father did some surface-sowing. How long ago is that?—About fifteen years ago, and it is improving every year and spreading over the land.

22. What was your loss of sheep in 1903 after the heavy snow-storm?—6,600 sheep, but in 1895 we got a concession from the Government.

23. Does the concession made by the Education Reserves Commissioners in the South apply up here?—I could not tell you. I hope it will, because they seem inclined to give a right of renewal. The school reserves authorities some time ago reduced our rent by £70, but they did not extend the lease.

24. Do you think it would be an improvement if the Land Board had charge of all these Crown lands?—That is rather a difficult question to answer, because the Education Reserves Commissioners have already agreed to give a concession in respect to grass-seed, and they are considering the question of the right of renewal. If they give those concessions then it would be better to be under the School Commissioners, unless the Land Board also grants it.

25. *Mr. Anstey.*] Will you explain the difference between the tenure under the Government and the tenure under the School Commissioners?—Under the School Commissioners the lease is for twenty-one years with no right of renewal, and valuation is given for improvements—for fencing, plantations, and huts. The Government give valuation for fences and huts, but it must not exceed three times the annual rent. I think the School Commissioners are exactly the same as the Government.

26. You have a quantity of freehold land on the low ground?—Yes.

27. Is there sufficient low country to work the high country properly without the freehold land?—No.

28. The high ground could scarcely be cut up into smaller areas unless the Government resumed the freehold of the low ground?—That is so.

29. If the freehold were resumed could it be cut up into smaller areas?—It might, but it would want a lot of looking into.

30. What you really want is security for your improvements?—Yes, to encourage us to improve our country by sowing grass-seed, putting in plantations for shelter, and putting up fences. If we were encouraged to do that we would not mind paying more rent if the country will carry more sheep.

31. If you got a right of renewal and valuation for improvements you would go on spending money on surface-sowing, and you would not mind if land was acquired for settlement, a piece being cut out?—Yes, if we got a right of renewal; but we would want to know what blocks were to be taken off.

32. If you got full compensation for improvements?—They could not take the low spurs and leave the high land. There is one block of 1,500 acres; if that had been taken the rest of the country would have been useless.

33. Have you any restrictions as to cropping or cultivation?—Yes. I do not think you are allowed to plough the leased land.

34. You are not allowed to cultivate a bit of land for winter feed?—I think that is so, but I think it would be a very good thing to encourage people to cultivate.

35. I suppose if you undertook to grass down after cropping it would be all the better for it?—Yes. I may state that I saved five or six thousand sheep on the freehold the winter before last, and if I had had a bit of hay on the leasehold I might have saved many more sheep.

36. *Mr. McCutchan.*] Can you make any practical suggestion as to the means of estimating the value of grassing—that seems to be a difficulty?—The only way, I think, would be that suggested in the petition to send in vouchers to the Land Board showing what the grass-seed cost.

39. Would the revaluation be inclusive or exclusive of improvements in the way of grassing?—It would include the improvements.

40. Then, you would be charging a rent on your own improvements. Supposing you got the lease fixed by arbitration, the point I wish to ask you is: would the rent be exclusive of the improvements put on by way of grassing?—Including them. We do not mind paying more rent if the land will carry more sheep. We do not mind paying rent on our own work if we can make money from it. I would be content to leave it to arbitration to settle the rent.

41. *Mr. Forbes.*] How would it do if you had a stipulation like this in the lease: in the event of your spending a certain amount of money in surface-sowing, you would be entitled to a renewal for twenty-one years so as to get the benefit of the regrassing?—That would be fair, and it would be a simpler way.

42. From the evidence given before the Commission in Otago, it appears that the tenants there want compensation for grassing cultivated land. I take it that the concession proposed to be granted by the School Commissioners referred to that class of land, and not to surface-sowing on high country. Would it not be a very difficult thing to arrive at valuation for surface-sowing on high country?—Yes. It would be a very hard thing to do. The way you suggest would be the simplest way of dealing with the difficulty. If we improved the land and expended money on grass-seed we should have the right of renewal.

43. *Mr. Matheson.*] Does the petition ask for a perpetual right of renewal?—It asks for a perpetual right of renewal if the Government does not think the land fit to cut up.

44. In that case, the improvements are to be secured by arbitration?—Yes.

45. And the rent is to be settled by arbitration?—Yes.

46. Do you think it is wise to have two bodies administering the Crown land in the same district—that is, the Land Boards and the School Commissioners?—I have not gone into that question and therefore cannot answer it.

47. *Mr. Hall.*] If you had a right of renewal would that meet the difficulty as to grassing?—If we had a right of renewal with valuation of improvements for grassing, that would encourage us to sow grass. We are willing to supply the grass-seed and sow it. If the Government wanted the land to cut up at the end of the lease they should pay us compensation for grassing.

48. You have a knowledge of the high country?—Yes, I know most of the country in Canterbury.

49. I understand you to say that grassing on the high country would be a success?—I think that grassing on most of the country would be a success; there are always gullies that could be sown.

50. What kind of grasses do you consider should be sown on these runs?—Cocksfoot and Cheving's fescue take very well, and I am told that crested dogstail is also a good grass.

51. Should the Government exercise supervision over the grass-seed that is sown so as to prevent the spread of noxious weeds?—It might be a good thing. We do not want Californian thistle or ragwort here.

52. *Mr. McLennan.*] You said the native grass has been eaten out?—Yes.

53. Did you ever try to improve it?—We spell some of our country for a good many months in the year and then sow swedes, and if there are any stock on it they eat it out.

54. Did you ever try fencing a couple of thousand acres and letting it have a spell for, say, twelve months?—No, I have never tried that. It would be very hard to fence the high country, and it would require a lot of fencing to be done.

55. Do you think if you got a longer lease you might try to get back the native grass?—Yes, if we had a better tenure it might be a very good thing to try that. I have seen annis-seed come

back in country where sheep have got at it and where it has been spelled, but I have never seen Maori cabbage come back. As to the native blue grass, it might come back, but I could not say.

56. Have you got any rabbits?—Yes, there are rabbits right through the South Island, but they are not thick in this country.

57. *Mr. McCardle.*] Have you ever known any runholder use the screenings from grass-seed machines for grassing runs in high country?—Some years ago I believe we used some grass-seed screenings.

58. Do you not think it is a dangerous thing to do—that it may spread noxious weeds?—Yes. One ought to have the very best cleaned seed.

59. One witness recently informed the Commission that the screenings had been used very largely by him?—It might ruin the country by causing the spread of noxious weeds.

60. *Mr. Hall.*] In regard to the grassing of high country, would it be desirable for the Government to try an experiment with different grasses, including native grass?—It would not be a bad idea to try such an experiment.

61. There are some native grasses in the North Island that might be experimented with?—It seems to me that it would be just as well to try the native grasses, such as blue tussock, &c.

62. *Mr. Matheson.*] Have you tried danthonia, a grass which grows well on pumice land in the North?—No, but I thought of getting some seed down and trying it on my land.

63. *Mr. Johnston.*] Have you tried tree-planting?—No, not on the high leasehold land.

64. Would it do?—Some trees, such as larch, might grow. The trouble would be with the fires in the spring.

65. How high do you winter your sheep?—About 3,500 ft.

66. And do they do well as high as that?—Yes.

67. Supposing the runs were being cut up into small grazing-runs, how many sheep do you think a man would require in order to make a fair living from them?—I think, about a thousand ewes.

68. *Mr. Anstey.*] I desire to draw your attention to one word in the petition which has been read by you, and it seems to me that that word is rather unreasonable. The words in the petition are, “three-fourths of the cost of the improvements.” I would suggest that you should substitute the word “value” for the word “cost.” Do you agree to substitute the word “value” for the word “cost”?—Yes.

#### HENRY KNIGHT examined.

69. *The Chairman.*] What are you?—I am a carpenter, and I have been in Timaru about four months and in New Zealand about thirty-two years. I may state that I have occupied a leasehold from the State in the North Island. I had a little over 30 acres under perpetual lease at Pahiatua. It provided for revaluation in thirty years' time. At that time a petition was got up to convert the sections into freehold, and I objected, because I thought that was the best system of leasehold ever invented. Afterwards it was turned into lease in perpetuity, and I object to that also. If I was a landlord I should think that was a very bad system indeed. I also had a lease with two others of 200 acres at Waiwera, in the same district. I do not believe in the leasehold at all. I would rather see all the lands freehold. I am entirely in favour of the so-called freehold, and I believe that it is in the interests of the people that there should be an increase of a penny in the pound in the land-tax, without any exemption at all. I have never been able to see why there should be a graduated land-tax.

70. *Mr. Paul.*] Do you think that the leasehold system is necessary in order to settle people on the land?—I recognise that a good many people are in a stronger position through it, but I find it has not benefited the masses at all. Their position is the same as ever it was. When I was in the Pahiatua district I tried for a long time to get a section under the ballot, but I was not successful, and I know many people who had the same experience. Therefore if it is such a good thing to be on the land I think the whole community should reap the benefit of it.

71. You think if the land-tax was made heavy enough it would cheapen the land, and that therefore the poor man could get on the land?—I have not the slightest doubt about it.

72. *Mr. Matheson.*] I understand you think that in the disposal of Crown lands the sections should go to the highest bidder?—I should give the freehold at the original valuation, and, in my opinion, the land-tax would meet all requirements.

73. But you would sell them the land?—Yes.

74. Then, I understand that having sold the land you propose to make them pay rent for it?—I would tax the land, but you might call it a ground rent.

75. *Mr. McLennan.*] Would you apply this ground rent to the town as well as to land in the country?—Certainly; to all land according to its value, but not according to its quantity.

76. You say that land settlement has done no good to tradesmen such as yourself?—Not to the mass of the workers.

77. May I ask what carpenters' wages were in 1894 and 1895?—I was getting 10s. a day when I worked for wages.

78. I knew good carpenters getting 7s. 6d. and 8s. a day in those years?—Well, I never worked for 8s.

79. And a few years afterwards they were getting 12s. and 14s. a day?—I do not think that is owing to the land-for-settlements policy. The workers only get what they earn; but we want some of this unearned increment as well. We want some of the good things as well as the bad.

80. *Mr. McCardle.*] On what terms would you give the land: on a sort of deferred-payment system?—So far as I am concerned, I would give them the option of keeping as they are or keeping to the freehold.

81. Was the village settlement at Pahiatua a success?—Yes.



MICHAEL JOSEPH CORRIGAN examined.

82. *The Chairman.*] What are you?—I am a farmer. I hold 372 acres under lease in perpetuity at Waikakahi. I pay 6s. 9d. per acre rent. I was one of the original settlers.

83. Are you satisfied with your tenure?—No.

84. What is your objection?—I would like the option of purchase.

85. Do you think your present tenure is not secure enough, or what?—For one reason, I think the tenure is not secure, owing to a Bill I saw introduced by Sir John McKenzie in 1896. Another reason is, I think it would be better for the State and better for the tenant that the option of purchase should be given, or that they should be allowed to pay off a portion of their capital value. My reason for saying this is that I think we would be inclined to farm our land better and improve it more, so as to make a bank of our own sections. I think it would be better for the State that we should be allowed to purchase, because the State might purchase more land with the money we pay in for our sections.

86. Would you be satisfied with paying off a part of your capital value?—No; I would like to pay off as I could until I had paid it all off. I think that would be much better for all Crown tenants. There are many Crown tenants who say they are satisfied with the tenure. I have never met a Crown tenant yet who is really satisfied to be paying rent for all time. I think an eternal lease was never meant, and I really believe if the late Sir John McKenzie was alive to-day he would see the fallacy of the present system, and that he would have it altered so that we should have the right of purchase.

87. Supposing the Government brought in a Bill to empower them to give you that right, would you expect to get the land at the original price at which you took up your section, or would you agree to a revaluation?—Not so long as the country lost nothing by the Crown tenants. When Sir John McKenzie introduced this settlement scheme he said that so long as the country did not lose anything he would be quite satisfied that the country should make nothing out of the Crown tenants. If the country has made any bad deals in some estates and really good bargains in regard to others, I think they should make a *pro rata* levy on the successful ones, so that the country should lose nothing out of these estates. Apart from that, I really think the tenants are entitled to the profits of their own industry. I do not think there is any unearned increment. It is due to us settlers taking up shares in the dairy factories and creameries and freezing-works and paying freight on our stuff to the London market.

88. Do you think the present constitution of the Land Board satisfactory?—I think it is better as it is than to have it elected on a broad franchise. If boroughs and cities were excluded and the settlers only had the right to vote election might be an improvement. For myself, I have nothing to say against the Land Board. I have always got on well with the Board.

89. Have you had any experience of the Advances to Settlers Department?—I was one of the first to borrow money from them in the North Island. I got an advance once. I found out that if you wanted to borrow £300 you had to ask for a loan of £900. I managed one time to apply for £350, and all I got was £125.

90. Was your valuation considerably above what you got?—Yes. At that time I had an interest of about £700 in this property.

91. *Mr. Paul.*] You say there is no such thing as unearned increment?—That is my opinion in regard to the estates purchased under the land-for-settlements policy.

92. How far are you from the railway-station?—About six miles and a quarter.

93. Has the fact of the railway going through the Waikakahi Estate improved the price of the land all over Waikakahi in the same ratio?—If there was any unearned increment the original owner, Mr. Allan McLean, got it, because the railway went through the property before we went there.

94. Have you always believed in the freehold tenure?—Not always. When I was a boy, and did not know better, I always held for the leasehold. I have always believed in the freehold since I came to a proper understanding.

95. Why did you take up a leasehold if you think the freehold is so much better?—Do not misunderstand me. I did not say I do not believe in the leasehold. I say the leasehold is one of the best systems introduced into the colony, but it is to help the poor man. It has put many men on the land who never would have got on the land but for the leasehold system.

96. Then, you think the leasehold system should be continued, and when a man is in a position to obtain the freehold his lease should be broken?—Not broken. I reckon the leasehold is a step for a man to get on to the land.

97. Do you not think that the land-for-settlements policy is built on a leasehold foundation, and that if you take that away will it not be liable to undermine the whole system?—Not necessarily. The money we paid off could go to purchase more estates for the landless.

98. You believe the Government should act as a land agent?—That is what the State is doing when it threatens us with revaluation.

99. Who threatens you?—The Fair Rent Bill seemed to be revaluation.

100. Would that have been retrospective?—According to the Bill, it said, all lands held for a greater period than four years with two years of the lease expired. That was the Bill.

101. Are you afraid of revaluation?—Certainly, I am afraid of revaluation. But even if I was not I would like the option of purchase.

102. Do you think the tenants who are paying too high a rent for their sections on these estates should keep on paying that high rent?—I explained my ideas in regard to them.

103. When you gave the Crown tenants the option of the freehold would you have a general revaluation?—Not necessarily, except to make up a deficiency.

104. That would entail a general revaluation?—I do not know that it would.

105. If one estate has to contribute something to make up a deficiency on other estates would not the whole have to be revalued?—I do not know of any estates that were bought too dear, with one exception. That is Pomahaka, which is supposed to have been bought too dear. I do not know anything about it personally.

106. So long as one estate has been bought too dear the whole of the estates will have to be revalued to make up the loss on that one estate?—If necessary.

107. *Mr. Anstey.*] Supposing the option of purchase was given, do you not think that immediately the people on the cheap estates would purchase them, and that the other ones would be left on the hands of the State?—It would be easy to draft a clause to prevent that. I say they should reside a certain number of years before they could purchase, so that the Government and the country could be satisfied that the State was not going to lose anything.

108. When the Bill was passed would not the people on the cheap estates buy and leave the others on the hands of the Crown?—When I say “buy the freehold” I would not allow a Crown tenant to raise money from a private lender in order to acquire the freehold. I would not allow them to mortgage their holdings to any private individual until such time as they had reduced their capital value by their own industry and finally paid off the Government.

109. *Mr. McCutchan.*] Were you a Crown tenant in the North Island?—Yes, on bush lands.

110. Under what Act?—We took it up under no Act at all. We held the land on the promise of Sir John McKenzie until such time as he introduced and passed the Land Act of 1892. Then we held our land under lease in-perpetuity.

111. Do you know anything about the principle of loading for roads?—Yes. All the settlers who took up in this particular block, known as the Mount Baker Block, were loaded to the extent of 6s. per acre for roads.

112. What was the amount on which you were paying rent?—The land was valued at from 17s. 6d. to £1 5s. per acre, and we were paying rent on a 4-per-cent. basis.

113. And 6s. per acre loading was added for roads?—Yes; for £1 5s. land we were paying 4 per cent. on £1 11s. per acre.

114. And was that 4 per cent. to be paid for the whole term of the lease?—Yes.

115. Do you think it is a fair thing to ask the tenant to pay interest on the loading for the whole term of the lease?—I do not think it is right at all, because we can borrow money through the local bodies and pay it off within a certain period.

116. At 4 per cent. you can pay off interest and principal in thirty-two years?—Yes, about that.

117. You think the payment of interest on loading should cease then?—I think so.

118. Was the expenditure of the loading given to the settlers on the block?—In many cases it was; but many of the settlers were not there at the time, because in this particular district the settlers were not in a position to take the work up. They had to do their bushfelling.

119. Still, it was of benefit to some of the settlers?—Yes, to some of them.

120. You had a personal observation of the expenditure?—Yes.

121. Was any part of it spent by contract?—The settlers got the option. Of course, roads are very expensive to construct in the North Island, and the Government only made 8 ft. tracks, for which they allowed £1 10s. per chain. If they were handed over to the County Council the latter had the option of borrowing money under the Loans to Local Bodies Act, and make a dray-road for them.

122. Had you an opportunity of observing the two systems—that is, the expenditure of the loading by the County Council by contract, and the expenditure of the loading by the Government under the co-operative system?—Yes.

123. How do the two systems compare?—So far as benefit to the settlers is concerned, there is no comparison whatever, because the one was done 50 per cent., and, in some cases, cheaper than the other.

124. Which was the cheapest?—The expenditure by the County Council. I knew an instance where two roads were made, the work to be done on each being much about the same. The road made by the Government is known as Barton's line, in the Alfredton district. It cost, I think, 19s. to fell the bush and clear the track of the logs, and then the making of the 8 ft. track cost £3 16s. 6d. a chain, while the other road, known as Mount Baker, only cost £2 19s. to make, and it is a dray-road. I believe of the two Mount Baker was the most difficult to make.

125. Would you say that the system of co-operative works was justified, seeing it brought people from the towns and settled them upon the land? If it was a little more expensive, do you not think the extra cost was justified?—I do not, because it did not benefit the men a bit. I do not know what it is now, but the system was really bad at that time. The overseer who was sent into the district, to my mind, had no practical experience. He let this road out to gangs of four, five, or six men. Then he sent in a report to the Government stating that this particular section was let, and that it would take so long for these men to make the road. It did not matter if the road was made within that time, the Inspector would not pass the work until the time he specified had expired, and I knew of men who had to lie in their camps doing absolutely nothing until such time that this overseer had mentioned to the Department had expired.

126. *Mr. Matheson.*] Do you think that under better management these co-operative works might be good for the State and the settlers too? Do you think it would be good for the Road Engineer to estimate the cost of the work, and then let it out to men who should work as mates together?—My opinion is it would be better to let it out in small contracts to five or six men, under

the supervision of the County Engineer. Under the co-operative system the men do not try to work. They simply start growling at the Department, and that they have not been given a job that will pay. If they do not get a fair rate the men do absolutely nothing, and then they get the work revalued in order to get better pay for it.

127. *Mr. Hall.*] Did I understand you to say that the lease in perpetuity was a doubtful tenure?—Yes.

128. Would you consider the freehold safe?—Yes, because if the State requires money for revenue they can raise it equally on leasehold as on freehold.

129. If they can break or ignore a title for 999 years, could they not with equal force break the freehold tenure?—It is proved without a doubt they can break either up by the way they are bursting up large estates. They can interfere with the leasehold just as well as with the freehold.

130. Then, according to that, what advantage is there, so far as security of tenure is concerned, in changing from one to the other?—This much: if I can save £100 or £200 I can pay that to the Government and reduce my rent. At present I cannot do that. If I have any money I have to invest it in the Post Office or in the New Zealand Consols, and I only get 4 per cent. for it. Therefore, I lose 1 per cent.

131. But, as regards security of tenure, do you think there is any advantage in changing from one to the other?—I think there is more security in the freehold, seeing that ten or twelve town members of Parliament have banded themselves together for the special purpose of getting periodical revaluations of all Crown leases. I think it would be better for the farmers of New Zealand to be one body and under the same tenure.

132. You say the Government should not make any profit out of these lands?—I do not think so.

133. Are they making any profits? Is it not understood that the tenants pay on the actual cost to the Government, including all charges?—So far as I know, it is on the cost price.

134. *Mr. McLennan.*] Did you sell out of your Crown leasehold in the North Island?—Yes, I had 200 acres.

135. At a good premium?—I was satisfied with my premium. It was bush land, and I had a lot of expensive work to do in felling and cultivating.

136. Then you came down here and took a section in Waikakahi, and now you want the option of the freehold?—Yes.

137. Do you not think it is a very dangerous practice to trifle with the Act?—I do not think so.

138. Have you any security that, in the event of the Act being amended, the Crown tenants will be as well as they are now?—I certainly think they will be better off if they get the option of purchase.

139. I have no doubt if you and I and some other Crown tenants could frame the Act it would be all right, but there are eighty members in the House and each one has his say in any amendment, so what guarantee have you that we will be better off than we are at the present time?—I think we will. I look upon the members of the House as sensible men, and if the Crown tenants only show it is better for the country and better for them, I have not the slightest doubt but that the House will accede to our request without any hesitation.

140. So far, no request has been placed before the House by the Crown tenants?—Of course, that is largely owing to the threat of the Minister of Lands. As you are aware, we happened to be at a meeting held at a place called Windsor and Elderslie. The meeting was convened by a member of the Otago Land Board, Mr. Livingstone. At that meeting Mr. McLennan proposed a motion in favour of the leasehold.

141. *The Chairman.*] Do not mention names?—Very well. I want to show you, as you have mentioned it, that although the Crown tenants never actually asked for the freehold they are all in favour of it. At that meeting there were forty-one Crown tenants, and these forty-one Crown tenants carried a resolution in favour of the leasehold, but the chairman of that meeting, in summing up the discussion, said, "In our inmost hearts we are all freeholders, but we are frightened to ask for it owing to revaluation, and having our places put up to public auction." I would be sorry to give offence to anybody, but I say if we have to live in fear of threats the sooner we are not Crown tenants the better it will be for ourselves and the tenants generally. The forty-one Crown tenants at that meeting unanimously agreed to that resolution through fear of what would happen if they asked for the freehold.

142. *Mr. McLennan.*] It was simply because they were satisfied with the conditions?—Excuse me, they were not.

143. *Mr. Forbes.*] Did that meeting agree to what the chairman said, or did he say this in his general remarks?—The convener of the meeting said, "Now the chairman has struck the nail on the head." I have got a report of the meeting in my pocket. There were reporters present from the *Oamaru Mail* and the *North Otago Times*.

144. *Mr. McLennan.*] The Land Commission held a meeting at the very place you allude to, and all the witnesses were unanimous in saying they were satisfied?—They were unanimous then, but they said, "we are afraid to be otherwise."

145. *Mr. McCurdle.*] You have had experience of bush lands, and it is suggested that you sold out and made a good thing?—It was not a good thing. I was just paid for my work.

146. You know that Crown Rangers come round and value your improvements: do they ever value all the work you really do on a section in bushfelling and grassing?—I do not think they take everything into consideration. I do not think any holder of a bush section ever got fully paid for the improvements he put on the land.

147. If you thought that your request for the freehold would injure the prospects of future estates being acquired and cut up, would you ask for the freehold?—If I thought it was going to stop the bursting-up of large estates and settling men on the land I would certainly rather keep the leasehold.

148. And you come here honestly believing that the Government have appointed this Commission to ascertain the true sentiments of the people occupying the lands of the colony in regard to the question of tenure?—You have asked me a question that, honestly, I would rather not answer.

149. Apparently, on the face of the statements made, was not this Royal Commission set up to ascertain public opinion in regard to the land-tenures of the colony?—My opinion is that the Government had no intention of finding out the real sentiments of the country in appointing this Royal Commission. My opinion is they appointed this Commission simply as a kind of stonewall. I may be going too far, but that is my opinion, and that is public opinion.

150. Do you think the Government knew the mind of the Commissioners before they appointed them?—Not the Commissioners, but they knew the mind of the public.

151. You admit that the Land for Settlements Act has been a great thing for the colony, and your argument is that the option of the freehold, if granted, would not endanger the State in any way, and would be in the interests of the settlers?—If I thought it would endanger the State I would not ask for the option of the freehold.

152. *Mr. Paul.*] Do you seriously say that some co-operative work in the North Island cost 50 per cent. more than work done by County Council contract?—I really think it cost more than 50 per cent. extra, because, in the case of the road I speak of, the road was not made in accordance with the Engineer's plan, and proved absolutely useless. I was over the place three or four years ago. There is a dray-road made there now, and in some places the Government track is 10 ft. or 12 ft. higher than the present road.

153. And there is a difference in favour of the County Council expenditure of 50 per cent. ?—I think so.

154. You said the Crown-tenants were apprehensive of revaluation: did you ever hear a proposal made to make the revaluation retrospective?—I read in the papers that Mr. Ell, M.H.R., at a meeting in Dunedin, said that as the land-tax had decreased, although the valuation has increased by £27,000,000, there should be something done to tax the land held under lease in perpetuity.

155. Did you ever see a report of a meeting of a representative, say, a trades conference, representing the town workers where it was proposed and carried that revaluation should be retrospective?—I cannot say I have.

156. You tell us that the Crown tenants are unanimously in favour of the freehold?—Of course, I would not say unanimously. So far as I know, they are unanimous.

157. Then, during the last week or ten days we have had dozens of witnesses from these districts who told us they are perfectly satisfied with the lease in perpetuity and the conditions surrounding them: do you think they were also afraid to speak the truth, although they were on oath?—I do not say they did not speak the truth, but judging from the meeting held at Elderslie and Windsor Park they themselves acknowledged they were afraid.

158. You mean to say that these resolutions were proposed and seconded and a majority voted in favour of them while at the same time they believed in the freehold, and that they were afraid to speak their real opinion?—They themselves stated so. The chairman said he believed they were all freeholders there, and they all cheered him, and the convener of the meeting said the chairman had struck the nail on the head.

159. Then a meeting was called, and the settlers were brought into the hall and discussed the question, and resolutions were moved and carried, and afterwards these tenants said that that was not their sentiments?—It was before the resolution was carried, I think, that the chairman said they were all freeholders, but they were really frightened to say so, owing to a threat made in the House by the Minister of Lands, that if such a thing as the option of the freehold was given it would not be given without revaluation or their sections being put up to public auction.

160. Then, if they were afraid to express their opinions, why did they call that meeting to consider the whole question?—Well, I am on oath, and I can only surmise. I cannot answer that question. I have my opinion, and if I was not on oath I could tell you.

161. Do you not think it is rather a serious thing to say when we have evidence from these people that they are satisfied, and that they have expressed themselves so in public meeting assembled, that privately they want the freehold?—I am only going by what was stated at the meeting.

162. What is the official report of the meeting? Were resolutions carried to this effect, or were remarks made by one or two, including even the chairman?—If you had been at that meeting as I was, and understood the feeling of the meeting, you would have seen that all hands agreed with the chairman.

163. *Mr. McCardle.*] Did any one point out the danger that if you made a request for the freehold the contract would be broken?—I was told not to mention names, and if I answer that question I must do so. The convener of the meeting said he had a communication from the Minister of Lands that such would be the case.

ROBERT ELMS examined.

164. *The Chairman.*] What are you?—I am a farmer. I hold 36 acres under lease in perpetuity on the Upper Pareora, for which I pay 1s. 3d. per acre rent.

[The witness said he wished to complain of the manner in which the Land Board had dealt with his request for a piece of land in the Pareora river-bed. The Chairman ruled, as this was a matter affecting the administration of a Government Department, it did not come within the scope of the Commission.]

BURKE'S PASS, THURSDAY, 6TH APRIL, 1905.

ROBERT GUTHRIE examined.

1. *The Chairman.*] What are you?—I am a sheep-farmer holding a small grazing-run of 4,000 acres, with a currency of twenty-one years, and I also have 200 acres of freehold. I have been in the holding for about seven years, and I pay 7d. per acre rent.

2. Are you well satisfied with the conditions of lease, and so forth?—Yes.

3. Can you give us any information about the grassing of runs by surface-sowing? You know that it is said that the natural pasture on the high country is becoming poorer?—It is debatable whether the natural pasture is deteriorating in this part of the country. I have had thirty years' practical experience, and, so far from deteriorating, it is better now than it was thirty years ago. I am referring to the whole of the land within the watershed of the Mackenzie County.

4. Has anything been done in the way of surface-sowing to bring about this improvement, or is it simply Nature being left to work out her own destiny?—Practically.

5. I suppose fencing had something to do with it?—Not much, I think. Anywhere where it has depreciated is where there has been injudicious burning, but that does not amount to a great extent.

6. Is there any other point you would like to give information upon with reference to pastoral runs?—Though the grass is getting a little bit better, I think that by a little judicious subdivision, bringing the present runs down, not to a checker-board, but to small holdings, the carrying-capacity could be greatly increased by judicious surface-sowing.

7. Has any one in this district tried surface-sowing?—Not to any extent, so far as I know, in a thoroughly practical manner. Most of the English grasses that are on the runs have been taken out by sheep which have been taken off English-grass paddocks. In addition to that, of course, there has been a certain amount of surface-sowing.

8. Is there any run on which surface-sowing has been tried on, say, 1,000 acres?—Not that I am aware of.

9. *Mr. McLennan.*] Are there any large runs here that could be subdivided?—Yes.

10. In cutting them up could the summer and winter country be distributed?—Yes; but they would have to be cut up by men who know the climate and the country.

11. Would the land be expensive to fence?—Fencing is always expensive, but any fencing put up in the way of subdivision would be recouped by the extra amount that could be taken out of the land by reason of the subdivision.

12. What size of run do you think advisable?—It would never do to fix a size at all, because you have to take into account the nature of the country. I would say that along the frontage there is any amount of land that could be cut into small grazing-runs, but when once you get into the basin and the back country you would have to be guided by the nature of the land. In that country I should say the minimum size should be a carrying-capacity of about six thousand sheep, and the size would have to be graded from the standard according to how the summer and winter country could be worked in.

13. Do you think that if these runs were subdivided some of the farmers in the low-lying country would take them up and utilise their farms for winter-feed?—I think they should only be given to *bonâ fide* settlers with no connection with the agricultural farms below. With five thousand sheep or over a man can make a comfortable home in any part of the Mackenzie country.

14. Would you advise an alteration in the Act so as to enable the holders of pastoral runs to cultivate a portion of the land suitable for winter-feed?—My experience is that when you get to the latitude of the Mackenzie Basin it is not advisable to put a plough into it at all. Anything done would have to be in the shape of judicious surface-sowing.

15. *Mr. Paul.*] Do you think the country is more likely to improve in small holdings than if held in large holdings?—There is no question of doubt about it.

16. What seed would you advocate sowing?—In the valleys and damp places I would suggest white clover, timothy, and cocksfoot, and on the ranges Chewing's fescue. Of course, there may be other grasses equally good, but for the Mackenzie country, I think, those I have suggested would be the most suitable.

17. Have you done any surface-sowing?—Yes.

18. Has it been a success?—Yes. I have not tried Chewing's fescue, but I have the others.

19. Has there been any agitation by the settlers about here to have these runs cut up?—There has been no public agitation, but it is a well-known fact that the settlers along the frontages are anxious for the land to be subdivided on the lines I suggest. Farmers and settlers in the back country, although they have grievances, are apathetic in bringing them before the public. They do not want in any way to interfere with the leases of the present holders, and they are quite satisfied for things to remain as they are until the expiry of the leases, which will be in about six years. We hope that the whole thing will then be put on different lines and a different tenure substituted. I may say that I express the opinion of the majority of the people in a line from here to the Waitaki and some distance north.

20. You think that if these runs were subdivided there would be plenty of applications for them?—Any quantity.

21. *Mr. McCardle.*] How does this country, generally, compare with what we have seen to-day between Burke's Pass and Lake Tekapo?—You have seen the worst of it.

22. Is it a fact that nearly all the best of the available country is in the hands of the freeholders?—I do not know. So far as saving stock is concerned in the back country, I reckon that a northerly or north-westerly aspect is the best in the Mackenzie.

23. The evidence that we have had is that it is desirable when cutting up large holdings to purchase some of the freehold frontage in order to give low country with the high?—I do not think it is desirable. I think they may be worked separately. It would mean that this back country

would be an out-station and never cultivated at all. There is as good a living for the man on the back country as for the man on the agricultural farm.

24. Could you not have a better subdivision of the rough country if the level country was thrown in with it?—That may be all right in theory.

25. You think practical men should inspect and recommend on the subdivisions?—Yes.

26. *Mr. Anstey.*] The Mackenzie country is not stocked to its carrying-capacity. Are the runs fully stocked?—I do not believe they were quite.

27. Supposing the runs were cut up into smaller areas, do you think they would carry more sheep?—Yes; it would gradually work into that.

28. You think a smaller quantity than six thousand sheep would be too little?—Yes, when once you get over into the basin. About here there is some land that could be cut up to two thousand sheep. In the Mackenzie, I think, five thousand sheep should be the minimum.

29. Is there none of the land in the Mackenzie country where you could grow winter-feed?—You might do that about the homesteads, but the person who suggests growing winter-feed on hilly country knows nothing about it. When once the sheep get snowed up you cannot get at them with the feed. The only thing to save them is to bring them in before the snows come on, get them on as good an aspect as possible, and fence off the rest.

30. What tenure do you suggest for these new leases?—Practically on the same lines as the small grazing-runs are now, with a twenty-one-years lease with renewal, and valuation should be given for grass.

31. If you had the right of renewal after each lease at an arbitration rental on the value of the ground without the improvements, would that do?—What encouragement would there be for a man to improve his land?

32. If the rent was based on the value of the land without the improvements, and the right of renewal was given on that valuation, would that be sufficient encouragement to grass?—If a man prefers to go out if the second rental does not suit him, or through some other cause he wishes to retire, I think he should get valuation for grass. Grassing is a good thing to encourage, for it is the thing that will increase the carrying-capacity of the country, and that should be generally looked into and given consideration for.

33. In a petition from grazing runholders which was got up it was stated that there should be compensation at the end of the lease for three-quarters the cost of improvements. I suggest the compensation should be for three-quarters of the value of the improvements—not “cost”?—Exactly, as far as grassing is concerned. You know pretty well what the carrying-capacity of the run is at the beginning of the lease, and experts at the end would be able to tell pretty correctly what the extra carrying-capacity of the land is, and I consider the compensation should be based on the extra carrying-capacity.

34. That is, the value of the improvements, not the cost?—That is so.

35. *Mr. Hall.*] You say it is not practicable or profitable to raise feed for sheep in high country?—It is neither.

36. In that case would it not be better to have low country along with the high?—It would be better, but a good living can be made out of the high country by itself.

37. *The Chairman.*] Do you approve of the present constitution of the Land Boards?—I think they should be wholly elected.

38. On what constituency would you elect them?—I think they should be elected by the people on the parliamentary franchise, cities and boroughs being left out altogether, as they are not interested in land sufficiently to warrant them having a vote in the election of the Land Board.

39. Have you any experience of the ballot?—A little. I think the ballot is right, but it should be worked in some other way than at present. Applicants should be classified, and, everything being equal, married men with families should have the first option.

40. The present examination is pretty exhaustive, and is pretty much on the lines you suggest?—It has not been my experience.

41. But you have not had experience of these agricultural lands?—Some of my family have.

42. Are there any restrictions in regard to the offering of land to the public that you think are a little vexatious, such as residential conditions?—I think residence is a very necessary condition in any tenure.

43. *Mr. Paul.*] Do you not think the system of election would be very expensive?—I do not. The Land Board districts at the present time are, in my opinion, too large altogether. I consider that there is sufficient Crown land in South Canterbury to warrant a separate Board being established, with headquarters at Timaru. I do not think there are any members on the Land Board with sufficient interest in us to attend to our needs, such as would be the case if the members were elected by the district.

44. Has Timaru a representative on the Board?—There is one man on the Board who lives in Timaru. I do not think there is any one on the Board representing anybody but the Government.

45. Do you think it fair to leave out the cities and boroughs in the election of Land Boards?—Yes. The people I wish to be included are the people directly interested in the land of the country; but, at the same time, when it comes to an election, the people in the country are very apathetic. It does not matter whether there is a burning question or not, they will not take a great deal of trouble in coming to the polling-booth. In cities like Christchurch, however, where there are land agitators such as Ell, Laurensen, and Mr. Taylor, they could swamp the whole country from Christchurch alone on any point, and I do not think that would be fair. I am sure it would be more satisfactory to leave the cities and boroughs out.

46. Has not every citizen in the State the right to say what shall be done with the national estate?—That may be, looking at it from a broad point of view; but I think you will find that what I say is best.

47. *Mr. McCutchan.*] Would not the trouble with regard to the size of the land district be got over by increasing the number of members on the Board to, say, six members and dividing the

province into wards, giving one representative to each ward?—That might do, but if there were two Boards each county could send a representative.

48. But if there were six wards would not the difficulty be got over without the expense of a second Board?—The expense would not be great. There would only be an extra Commissioner.

49. *The Chairman.*] There would be extra clerks, offices, and so forth?—There would be a little extra expense, but the different districts would receive greater attention.

50. *Mr. Hall.*] Under the franchise you suggest would not the power be chiefly held by the Crown tenants themselves?—I do not think so.

51. Would their power and influence not dominate in a Land Board election?—I do not think so. I have not gone into it, but I should say that in Canterbury, outside of the boroughs and cities, there must be a majority who are not Crown tenants.

52. The Crown tenants, however, would have such a strong interest in the election, because they would be practically electing their own Board?—I think they would be equally apathetic with the others. They are the same breed of people.

JOHN MCGREGOR examined.

53. *The Chairman.*] What are you?—I am a sheep-farmer in a small way holding a small grazing-run of about 1,400 acres, and I have about 500 acres of freehold. I pay 1s. per acre for the grazing-run, which is the highest rent in the district. It is a twenty-one-years lease, and it has been running for about thirteen years. I have had it a little over four years. I am well satisfied with the holding. With regard to cutting up the runs, I do not think it would be judicious to cut up too many at one time. It would be well if the runs were held under a tenure under which they could be cut up when wanted. Otherwise there is a danger of putting too much on the market at one time.

54. You think they might not be taken up?—They might and they might not. There are a great many young people growing up who will want land when these leases have expired.

55. If the runs were let on a tenure under which they could be resumed at any time would it not strike at the root of doing any improvements on the runs?—It would; but I confess I cannot see what is to be done on these large runs in the way of surface-sowing. I have had experience of it on the freehold. Grass is scattered naturally through the gullies by the stock, but there is a great deal of country that will never take grass. I think it would be very hard to value improvements by grass-sowing after a few years.

56. Would the carrying-capacity not be the test?—To a certain extent it would.

57. You would hardly approve of surface-sowing, but would leave it to the work of the cattle?—It might be overdone and improvements be put on which would block a poor man going in for the run. I believe in it to some extent, but not as a general thing all over. Sunny faces will not take any sort of grass. The grass seems to go up the gullies and on to the back faces to a certain height, and then it seems to die away. Of course, the smaller the runs were the more chance there would be of sowing all over.

58. *Mr. McLennan.*] Are you satisfied with the constitution of the Land Board?—As far as my experience has gone, I have found the Land Board all right.

59. Do you think it is desirable to give the Board more discretionary power?—I believe that would be an improvement.

60. Do you think it is desirable to give lease-in-perpetuity tenants the option of the freehold?—It would have to be under some restrictions, otherwise in many cases it would just go back again into the hands of the moneyed men.

61. You think the best plan is to leave it as it is?—I do not see any immediate chance for a change. It might come.

62. *Mr. Paul.*] You indicated that your rent is too high?—It is the highest about here, and the reason for that, I suppose, is that the run was not thrown up and the rent reduced, because the tenant was afraid he would not get it again at the reduced rental.

63. When you took the run over from the previous tenant did you give any consideration for goodwill?—I gave a little, but not much.

64. Do you not think that makes the rent heavier for you than if you had got the run as the original tenant?—Of course, there is the interest to pay on anything given for goodwill, and necessarily it would be a little easier, but in my case the amount was not a big one.

65. *Mr. McCardle.*] What number of sheep are you running on the small run?—I work it in with the freehold, and run about a thousand sheep on both places.

66. You have had no experience with the Land for Settlements Act?—I am not interested in a lease in perpetuity, but I have taken notice of the system as it has gone on in this district.

67. Would you be in favour of a portion of the value of the land being paid off by the tenant?—I would be in favour of a portion being paid off, but it would be necessary to have a check on a man having too much land.

68. Have you had any experience in cropping?—Not in this country.

69. Do you think it safe to allow tenants under the Land for Settlements Act to crop as they think fit?—No. A tenant would crop the ground for years and take everything he could out of it, and then sell out and get another place.

70. That would not follow if he had paid off part of the value of the section?—In those circumstances he would not be so apt to overcrop.

71. Where is your run?—About a mile on the Fairlie side of Burke's Pass. It goes up to the top of the range in sight of the Mackenzie country.

72. Do you think it would be wise to give the present holders of the runs a varying extension of the existing leases so as to make some of them fall in at different times?—I think so. The present holders ought really to have the option of a fair portion.

73. Do you think they could be profitably cut up into smaller areas than they are now?—Yes.



74. To what size?—The size would have to vary a good deal, and the subdivision would have to be done by practical men. A certain amount of sunny country would have to be left, and perhaps you would have to put people on one run into part of another in order to catch the sunny faces for saving the sheep in the winter.

75. Can you tell me whether more than one of the existing runs in the Mackenzie country belong to one lot of people?—Some of the companies have more than one run.

76. Do you think it wise in cutting up this country to insist on residential conditions?—That is the best check I know of. If residence conditions are attached people would not go in for land that they were not prepared to live on. I would like to say that I do not quite agree with Mr. Guthrie in what he said about an elective Land Board. A nominated Board is more independent than an elected one. There may be some faults in the present system; but I am not in favour of the Board being elected, because in that case they would follow too many advisers.

GEORGE INNES HAMILTON examined.

77. *The Chairman.*] What are you?—A runholder. I hold 46,800 acres under a pastoral lease for twenty-one years which has twelve years to run. I pay £750 per annum. I also have 9,000 acres of freehold contiguous. I carry thirty thousand sheep at the beginning of winter. I cannot say what there will be in the spring.

78. Have you done anything in the way of surface-sowing on the leasehold?—Yes; but, I suppose, altogether it will not be more than 200 acres—quite sufficient, however, to test it.

79. What was the result?—There is not much improvement on the dry spurs, but the low-lying ground and gullies are decidedly improved.

80. Was it well worth the expense?—Yes.

81. I suppose, in a run such as yours, mostly hilly country, you could not surface-sow very much?—Probably about 10 per cent. could be surface-sown.

82. You signed a petition from runholders: does that pretty well express your views in regard to the run country?—Yes.

83. You want three-fourths of the value of the improvements when a man enters the run, and then you want three-fourths of the cost of the improvements that have been effected during the currency of the lease?—I believe that was so. I ought to have been aware, but I did not notice that it was “cost” that was used. I think that is more or less ridiculous. It should be “value.” Under the present tenure there is no inducement for a man to go in for surface-sowing or to do anything to improve the lease. If the runs were held in such a manner that we could get the leases renewed at a revaluation there would be more inducement to the holders to improve them. I think the auction system is extremely unsatisfactory. Those who have bought the runs at high prices have done very badly out of them, and, of course, those who have lost them have suffered.

84. You think the rent should be fixed by the Crown, and if the holder does not take it up it should go to auction?—Not to auction. Any other system would be better than that.

85. Have you anything special to which you would like to draw the attention of the Commission?—I heard what Mr. Guthrie said about subdivision. I think in a great part of the country it is ridiculous. With the amount of snow we have in the Mackenzie country and in this district any man with five thousand sheep, unless he has capital at his back, would be ruined in one winter. I believe there are properties—as one member of the Commission suggested, freehold, and comparatively low lying—that might be bought by the Government and cut up and joined with some of the higher country; but to give a man nothing but summer country is simply to make a martyr of him. I have lived for twenty-four years in a district where there is much snow-country. The Mackenzie country is only summer country. There is no safe country in the Mackenzie in the winter, and a man with only five thousand sheep would be ruined in one bad winter.

86. Take the case of the man with fifty thousand sheep: would he be ruined still more?—No; he has a chance of saving a certain number of his sheep. The witnesses who have given evidence spoke about the grass. We do not know as much as we very soon will know about Chewing's fescue, but I think it is a very valuable grass for surface-sowing. That is my experience of it. I think that those people who laugh at surface-sowing do not know anything about Chewing's fescue.

87. *Mr. Paul.*] Do you think it is practicable that the Mackenzie country can be subdivided and only summer country be given?—Of course, it is practicable; but I think it is very hard lines to put a man there with a small holding.

88. Do you think he would have an opportunity of succeeding?—I think he might for a year or two, and then he would get wiped out.

89. Have you formed any opinion as to the constitution of the Land Boards?—I am quite satisfied with the present constitution of the Land Boards.

90. *Mr. Forbes.*] You said that a man with a small run in the case of a bad winter would be wiped out, while a man with a larger run would have a better chance. You mean to say that in the case of the larger range of country a man would have a better chance of bringing his sheep through the snow-storms and putting them in a safe place than if he were confined to a small block of land?—Anybody with practical experience of snow-country must know that you must have a large area of country to move sheep on in case of snow. If you have a large block you are sure of having some sunny faces on which to place the sheep, but in the case of a man with a small block of land he may have no sunny faces.

91. *Mr. McCardle.*] You are aware that there is a strong feeling in favour of cutting up some of the larger runs, and it is thought that if some of these runs could be subdivided the land might carry perhaps eight times the number of sheep it is at present carrying?—Perhaps in some cases they might carry more sheep; but, as Mr. Guthrie has said, I do not think there is that opinion. There is a feeling that more small agricultural runs should be got.

92. *Mr. Anstey.*] If you had security of tenure such as is indicated in the petition which came before us the other day from the runholders would you largely extend your operations in the way of surface-sowing?—I should surface-sow experimentally in different parts of the run, and in those places where I found it to be successful I would surface-sow largely.

93. How many sheep live in the Mackenzie country during the winter months?—I could not say; but I know that a good many thousands die.

94. A quarter of a million?—Less than a quarter of a million, I suppose.

95. They are never taken out of the Mackenzie country during the winter?—Some are.

96. Many?—I could not say; but I know there are sheep which come down from the Mackenzie country to be wintered on the low country.

97. You said you lost a large number of sheep in the snow-storm of 1895?—Yes; seventeen thousand.

98. How many per cent. would that be?—57 per cent. of the total carrying-capacity.

99. Do you think you were better able to save sheep than if you had had smaller areas?—We had our sheep on our very lowest ground and where we could get at them.

100. Did you make any effort to get at them?—Yes, we made every effort. We had twenty-five men at work.

101. *Mr. Hall.*] You have had experience in the rough country?—Yes.

102. Would it be profitable to hold that rough country without holding some of the low country with it?—Not in small areas.

103. *Mr. Matheson.*] If a run of 80,000 acres could be cut up into eight small runs with a proportionate amount of low country, and if each of the small runholders had a proportionate amount of capital, would they not be as secure from ruin as the man holding the big run?—Yes; but I said if they had no winter country.

WILLIAM FEILDING HAMILTON examined.

104. *The Chairman.*] What are you?—I am a runholder, and hold 30,370 acres on pastoral tenure, and I have thirteen years to run now. My rent is £470 a year. I have got 6,468 acres of freehold, and the freehold is contiguous to the leasehold. I carry seventeen thousand sheep. Before I went on this run some of the country had been surface-sown, and in places it did a great deal of good, but I have not done any surface-sowing myself. There is a good deal more of the run which could be treated in the same way. Generally speaking, I agree with the remarks of the last witness in respect to surface-sowing of runs. I am not satisfied in regard to the tenure of my run. I did not sign the document forwarded by the runholders, and which has been referred to this afternoon, because I thought it was absurd to produce vouchers for work you had done on the land. I thought it ought to be settled by valuation at the end of the lease.

105. Several witnesses have said that it would be very difficult to assess the compensation to be paid for surface-sowing?—I think it might be left to the Land Board, and if the tenant objected to the compensation offered, it might then be settled by arbitration. It has also been suggested that it might be decided by the increased carrying-capacity of the land. That would be very hard to determine. Under the tenure we now hold our land under, there is no inducement for any man to come in and improve his land. The great inducement at present is to get as much out of the land as possible during the time you have it. If you want to surface-sow and improve a run you must understock. There is no use stocking up to the hilt. When I went there they used to shear twenty-two thousand sheep, and I now shear seventeen thousand sheep. I would like to have the right to take up the run again. In the petition sent by the runholders to the Commission it was said that three-fourths should be paid to the tenant for improvements. I think that any improvement made by a man in the way of grassing he ought to receive full compensation for. I think that if a man does spend money, and if he makes a run carry more sheep it ought to be worth so-much more to any one taking it up. I think there should be full compensation for grassing and three-fourths compensation for other improvements.

106. *Mr. McLennan.*] Are you satisfied with the constitution of the Land Board?—Yes.

107. Would you like to give them more discretionary power?—Yes; perhaps it would be a good thing.

108. *Mr. Paul.*] Do you agree with the previous witness so far as the cutting-up of runs is concerned?—The country varies in the case of different runs. In these very high runs it would be very absurd to cut up, and many men would be ruined.

109. You do not agree with Mr. Guthrie with respect to the cutting-up of runs?—No.

110. *Mr. Hall.*] Do you think if there is too much cutting up the high country would become valueless?—Yes, perfectly valueless.

JOHN MACKINTOSH examined.

111. *The Chairman.*] What are you?—I am a sheep-farmer, and hold my land under the small-grazing-run tenure. I have 1,750 acres of leasehold and 165 acres of freehold. I have held the leasehold since 1893. My rent is 9d. an acre. On both the freehold and leasehold combined I carry about twelve hundred sheep. I am quite satisfied with my holding, except that it is too small. The altitude ranges from 1,600 ft. to 4,000 ft. My country is under snow during a good part of the year. I do not lose a great many sheep.

112. Have you surface-sown?—Yes, and it has been successful. I surface-sowed some years ago and it has increased the carrying-capacity of the land, but it would be difficult to say how much.

113. You surface-sowed in the spring?—Yes, and in the beginning of winter. As far as my experience goes, cocksfoot takes better in the beginning of winter, because the winter frosts open the ground.

114. Are you satisfied with the constitution of the Land Boards?—Yes.

115. *Mr. McCardle.*] Do you agree with the large runholders who suggest that these runs could not be cut up profitably?—There are some runs that could hardly be cut up with profit.

116. The cutting up would have to be done with discretion?—Yes.

117. *Mr. Anstey.*] You say your run is too small: what do you think would be the smallest size run that could be profitably occupied?—A man should have not less than four or five thousand sheep down in the front here.

118. And more than that in the higher country?—Yes. You would want more there. There is one point I would like to refer to. One witness this afternoon said that with a large holding there was a better chance of saving sheep from death in the snow. I have had close on thirty years experience dealing with sheep in snow-country, and I have found it quite the reverse. I reckon that a man with 10,000 acres has a far greater chance of saving his sheep from death by snow than a man with 40,000 or 50,000 acres. A year last winter I had 22 in. of snow at the door, and it lay on the ground for a good while. The sheep had stayed twelve days in the snow before I had any land to put them on. I lost over a hundred sheep, but not through standing and starving on the snow. It was due to the sheep being caught in a steep siding. I did not lose many through starvation. If it had not been for an accident my loss would have been very small.

119. *Mr. Forbes.*] Did you get any compensation from the Government for the losses through snow?—Yes, in 1895.

120. Did you lose many sheep then?—Yes, I lost a good many—about a couple of hundred.

121. What did the Land Board do for you then?—I think they allowed me half a year's rent, which was not much.

FAIRLIE, THURSDAY, 6TH APRIL, 1905.

JOHN TROTTER examined.

1. *The Chairman.*] What are you?—I am a farmer and Crown tenant at Punaroa. I have 496 acres under lease in perpetuity, for which I pay 7s. 3d. rent. I have been there since 1900. I go in for cropping and mixed farming.

2. How are you getting on?—Very well. I am satisfied with my lease, and with all the conditions.

3. Do you find the Land Board satisfactory?—Yes, thoroughly. I approve of the present constitution of Land Boards.

4. Is there any desire on your part for the freehold of your land?—No.

5. Is there any desire on the part of the other settlers on Punaroa for the freehold?—On Tuesday night last we had a meeting in this room, and there were present seven tenants belonging to the settlement and two or three freeholders, and a few others. We thought it was only right, as the Commission had been sent round, that we should have something to put before them. We discussed matters from various points of view for about three hours, and then Mr. Guthrie wanted a show of hands for the leasehold as against the freehold, and five to one of the Crown tenants voted for the leasehold.

6. Have you had any experience of the Advances to Settlers Department?—No. I have never had any difficulty in getting any money I wanted.

7. Was any loading put on your sections for roads?—I cannot say. I think all properties are loaded to a certain extent. We are supposed to pay interest on it in our rent.

8. You are well acquainted with this district generally: is there any aggregation of estates going on?—I have been in the district about twenty-five years, and I have not known of that.

9. On the other hand, have not estates been cut up?—Yes, and it is a very good thing that they have. There is no doubt but that the policy of cutting up estates has been a real good thing for the districts in which they have been cut up, and for the country also. Formerly, the one train from Timaru used to be more than enough. Now there is plenty of traffic for the railway, and the county valuations have gone up, and we have more rates to spend.

10. I suppose for the same reason land is going up in value in the district?—I suppose it has gone up all over New Zealand to a certain extent. I saw by the papers that at the meeting of the Commission at Waimate a witness said that the leasehold properties had not been put up to their full values for local-rating purposes the same as the freehold properties had been. That has not been our experience in this county. The Government valuer has put up the value of the Punaroa Settlement from £1 to £1 10s., and in some cases more. That is the only advantage I see that the freeholders have over us. The freehold properties in the county have not been put up to their full values, but the leasehold have. It seems strange that it should be so, but at the same time I suppose they thought the Government properties were such good things that they have put the full values on them.

11. Has there been any exchange of properties on the Punaroa Settlement?—There have been four, so far as I know.

12. Did they sell out to advantage?—In two cases they have, but I did not hear the price of the other two.

13. *Mr. McCardle.*] Is there a demand for further settlement of the same kind in the neighbourhood?—I hear people say they would like this and that property cut up, and no doubt if they were cut up there would be tenants for them.

14. Are there suitable properties that could be subdivided to meet the requirements of the settlers?—No doubt there are several.

15. Do you know anything about the run-country in the neighbourhood?—Not much.

16. You cannot say whether there is a demand for the cutting-up of the large runs?—I cannot say for myself. There always seems to be a great run on the grazing-runs. The most of the

properties to be cut up are high country, and unless there is low country to go with them they would hardly be safe.

17. You find the rating in the shape of local taxation rather a burden?—I have not objected to the valuation. I think our properties are worth the valuation, and therefore I could not very well go before the Court to argue that my property has been overvalued. But I say there are plenty of freehold properties that have not been put up to their full values.

18. *Mr. McLennan.*] Do you not think it would be rather dangerous to meddle with the Act?—I think so, and that seemed to be the feeling of the Crown tenants the other evening. We would sooner have the King for our landlord than a mortgagee, and that is what the freehold would come to in the long run.

19. Would you be in favour of giving more discretionary power to the Land Board?—So long as they do not bring in revaluation or a Fair Rent Bill.

20. I mean in regard to small differences that have now to be decided in Wellington: do you not think it would be better to give the Land Board more power to decide these matters than and there?—I think it would be a good thing. For instance, there are the cropping regulations. I think two white crops are quite right, because our properties have to be as good a hundred years hence as they are now, and if more than two white crops were taken off in succession the land would go back. But, in the matter of green crops, I think an alteration might be made. At present you cannot work the ground sufficiently in taking off one green crop to get the weeds out. In this district you may have to lay down the grass early, and the chances are that you cannot fallow to advantage. The consequence is that when you come to turn up the land again in three or four years it is worse than when you left it, because the weeds have not been killed. I think we should be allowed to take two green crops off the land.

21. Supposing the Land Board delegated that power to the Ranger and, say, two competent farmers in the district, who, in the event of any dispute in regard to another green crop, should go over the ground and decide whether it was advisable to work the ground further: would you favour that?—I think it would do. I do not think there need be any trouble about the white crops. I know a very successful farmer in this district who is cropping his farm on the same lines as the Government regulations, and his crops are improving every year, just as ours are. I refer to the Allandale Farm, about two miles from here.

22. Have you any couch-grass on your land?—Yes, all the weeds ever made, with the exception of Californian thistle and ragwort.

23. *Mr. Anstey.*] Do I understand you to say that you do not require any alteration in the cropping regulations, but you think an occasional variation should be granted by the Land Board?—Yes, in regard to green crops.

24. Was there any money spent on roading this estate after it was cut up?—The roads were made, and the Government granted the money for the work.

25. Who was the work done by?—By the County Council by contract.

26. *Mr. Johnston.*] Are you a member of any local body?—No. I am president of the Agricultural Society.

27. Is Allandale owned by a practical farmer?—Yes, by Mr. Wilson.

28. Is he the chairman of the Farmers' Union?—Yes.

29. You say he works his farm on the same conditions as laid down by the Government?—Yes. He may vary a little, but not much. I think two white crops in succession is his rule.

30. Suppose your land was like the land down at Waimate, it would grow more than two white crops?—It seems to me that if a man pays £1 per acre for his land he gets 60 to 70 to 80 bushels of wheat to the acre, and he is only paying for the value of the crop that he gets. We are paying 7s. to 8s. per acre, and we get from 25 to 30 bushels to the acre, and really it seems to me to come to just about the same thing.

31. You say that the leasehold valuations are high as compared with the freehold: when your improvements are taken into account, would you sell your property at the valuation?—It is worth the valuation.

32. How does it come that the freeholds are valued lower than the leaseholds?—In the past the freeholds have been valued at about two-thirds of their value, and I think ground has risen so much per acre, and it is put on that way.

33. Does the one valuer value the Government leaseholds and the freeholds?—Yes, so far as I know.

34. You said the resolution in favour of the leasehold was carried by five to one: do you represent a society of the Crown tenants?—No. It was simply a meeting called to discuss the matter.

35. Would the balance of the Crown tenants on the settlement advocate the leasehold?—I think so. The Farmers' Union sent round a paper to see whether the Crown tenants were in favour of the leasehold or the freehold, or, rather, they wanted us to sign this paper in favour of the freehold, and not one on the Punaroa Settlement signed it. The petition was handed over to me, and every settler on the place saw it. There was not a signature on it when I got it back.

36. Would you give us an idea of the wording of the petition?—It just asked for the freehold, and gave reasons why we asked for the freehold. One of the reasons was that we were harassed by the Crown Rangers, and that was one I would not have signed in any case.

37. Did the Farmers' Union ask your executive to send round this circular?—I cannot say.

38. Are you on the executive of the Farmers' Union?—No. I was a member of the union once, but I left it. Their opinion of the Crown tenants did not suit me. When they said our vote was a bastard vote I would not stop in the union, because I reckon my vote is as free as any man's in New Zealand.

39. Has the Farmers' Union burst up, or is it still in existence?—It is in existence, so far as I know.

40. Do you know the membership?—No.

41. *Mr. Hall.*] You think you should be allowed to take two green crops?—Yes.

42. Is the green crop always consumed on the land?—That is right.

43. Is it not generally supposed that a green crop consumed on the land improves the soil?—Yes.

44. In that case, do you think there should be any restrictions?—I think more than one green crop should be allowed.

45. *Mr. Paul.*] Is there anything in the leasehold that interferes with good farming?—Not that I know of, except in regard to green crops.

46. Have you ever requested the Land Board to vary the conditions?—No.

47. Have you ever had a request refused by the Land Board?—No.

48. Has the Ranger ever been unduly severe on you?—No. Our Ranger seems to be a man thoroughly up to his work, and he has given the Punaroa Settlement every satisfaction.

49. Do you think the Crown tenants were afraid to sign the petition?—Certainly not. This business about the Crown tenants being downtrodden and overridden is just a lot of "buncombe." I do not think the Crown tenants ever said it.

50. If a witness said that a meeting was called and that forty Crown tenants were present, and voted one way because they were afraid to vote another way, what would you say to that?—I never seem to realise that I am a Crown tenant. I reckon I am just as good as any freeholder in New Zealand, because, I suppose, 90 per cent. of the so-called freeholders are simply mortgaged to a private individual instead of to the Crown. I am not frightened of any one. I speak as I think and I act as I think, and a man could not be freer than that. Nobody ever asked me to do a thing I did not want to do.

51. *Mr. Matheson.*] Are your local rates levied on the capital value or on the unimproved value?—On the capital value.

52. Are you aware that you have just as much right to object to any one else being undervalued as to yourself being overvalued?—You cannot go round and do that.

53. Do you not think it is your duty to do so if people are not paying their fair proportion?—They are paying a proportion, and it may be a fair proportion. I have only mentioned this point to show what applies to the Waikakahi Settlement does not apply to the Punaroa Settlement.

54. Do you think the freeholders are paying less in proportion to value than the leaseholders?—I do.

55. Suppose the present prosperity goes on and the settlers begin to accumulate savings, do you think it would be wise for the Crown to allow them to pay off the capital value and so reduce their rent?—I am against interfering with the present lease, which is just as free as it possibly could be. If we wanted the freehold, which we really do not, and it was given us, no doubt the Government might then have the right to put something else in our lease that we do not wish, and no doubt a Fair Rent Bill and a Revaluation Bill would be at once passed. We have a first-rate lease at present.

56. I wish to know if you think the Government would be wise in giving permission to a Crown tenant who had saved, say, £500 to pay off a portion of his capital value?—I do not think so.

57. *Mr. McCutchan.*] The Commission has sworn evidence at Waikakahi that that settlement was not revalued for local-rating purposes, but that the freeholds adjoining were revalued: that is not the case in regard to Punaroa?—No.

58. You said you were satisfied with the loading and its expenditure on the block?—It seems to me we have all the roads we require. Of course, we took that in our lease, and I never gave it a great deal of thought. Of course, we are paying interest on the loading for 999 years, but we took up our lease with our eyes open, and I do not think in three or four years time we should ask for a change.

59. Supposing, instead of this block having been loaded for roading, the settlers under the Loans to Local Bodies Act had borrowed the money at 5 per cent., then principal and interest would have been extinguished in twenty-six years: do you not think that would have been wiser than paying interest on the loading for 999 years?—We had not the option of it.

60. Still, do you not think it only fair that when you pay off the principal and interest the payment of interest on loading should cease?—It seems fair, but I have not given the matter much thought.

61. We had evidence in regard to other settlements that there was waste and extravagance in the expenditure of the loading: was that the case in your block?—No.

62. It was wise and careful expenditure in your case?—I think so.

63. It is proposed that leases issued in the future shall contain a revaluation clause: do you think that would militate against settlement?—I think so.

64. You think there should be no revaluation clause even in future leases?—I think so. In fact, I think revaluation means Irish landlordism at once. That is the difference between our present leases and these revaluation leases. It constitutes one of the worst features of leasehold. I would not say our lease was a good tenure if a revaluation clause was inserted in it.

65. Have the settlers on the Punaroa Block taken the rebate for the prompt payment of rent?—Yes.

66. What was the amount granted by the Land Board?—I think, 10 per cent.

67. *Mr. Forbes.*] We have it in evidence that the reason why the settlers are asking for the freehold is that they feel the Government will bring in a revaluation Bill: do you think it is reasonable fear that the Government will break the bargain they have made with the tenants?—In the past the Government have dealt with us very well. We have nothing to do with the future in any way, but I should say, judging by their conduct in the past, they would not.

## JOHN ROSS examined.

68. *The Chairman.*] What are you?—I am a sheep-farmer. I held, up till quite recently, the Sawdon Station, at Burke's Pass, consisting of about 30,000 acres, under pastoral lease from the Crown. I held it twelve months, and I am just about selling out now. I have been about thirty-six years in the Mackenzie country, and I have been connected with most of the runs there, either as manager or owner. I was eighteen years managing the Richmond Station, and for four years I was owner of Lilybank.

69. I understand the Mackenzie country is high and risky to work?—Yes.

70. Do you think the country could be improved by surface-sowing?—I would be in favour of certain parts of the runs being surface-sowed up to a certain height.

71. Do you think the grass would take?—Certainly. It has taken already, as I can prove by my experience. I would suggest compensation being given for improvements.

72. Was this surface-sowing done on any particular run you could mention?—We just did it ourselves by sowing broadcast. I sowed it mostly in the gullies and along the creeks. I would not say it would take very well on the hills or on the dry plains. The stock will spread it on the high land from the gullies.

73. As a practical sheep-farmer, do you think that the country round there could be divided into smaller runs than it is now and worked profitably?—My experience is that probably the country consisting of two or three runs held by one company up there could be divided at the present time. But I would say that it would be no benefit for the Crown to subdivide the smaller runs at the present time. The time may come when it will be necessary, but it is not now. The Loan and Mercantile Company hold three or four runs up there, and perhaps other companies may hold more. Of course, we cannot blame them for taking them, because they took them up when nobody else would do so. They advanced money to me and other people, and we lost it, and they had to take the runs up themselves. At the same time, when the leases are renewed I think the runs should be divided again.

74. In regard to the three or four runs held by the Loan and Mercantile Company, do you think that each run would be workable in itself and pay by good management?—There is Balmoral Run, and Glenmore Run, and Braemar Run. The Glenmore Run is a good run, and could be worked by itself, but Braemar could not be worked by itself. It consists of about 20,000 acres, and is mostly all summer country. These two would have to be worked together.

75. I suppose that, generally, in the Mackenzie country there is not enough low or winter country to take full advantage of the high or summer country?—It all depends. If the tenants on the place get much encouragement to grow stuff for feed in a bad winter they could hold on.

76. Could they grow turnips on any of this low country?—No, because turnips are no good when the storm comes. I think they ought to grow hay and stuff to feed the sheep on instead of taking the stock down country.

77. Would the land bear ploughing to grow hay?—Yes; there is any amount of ploughable land.

78. Suppose there is a redivision of the country when the leases fall out, what is the lowest number of sheep a man could work with there?—It all depends on one point: Suppose I hold a run, and you cut off a certain portion of it, then you may just as well take the lot. The runs have been divided already to give low and summer country in the Mackenzie country.

79. *Mr. McCardle.*] We saw a great deal of that high table-land as we passed through the Mackenzie country to-day. Would not that land grow straw-crops in the shape of oats for winter-feed?—Yes.

80. Is there not a good deal of that country where a man could grow oats for winter-feed which would stand subdivision?—You have to consider this point: it costs a lot of money and a lot of labour to grow this stuff up there. I cannot see where the profit comes in. This country has flourished in the last two or three years, but you must understand that we have any amount of bad years when we very nearly have to chuck the runs up. We cannot judge things by these two or three flourishing years. I think if more encouragement was given for growing feed as I have suggested the Government would not be so much troubled when bad years came.

81. *Mr. McLennan.*] What sort of grass did you sow?—Mostly white clover. We used to build huts and camp up there, and I used to take a pocketful of seed and sow it broadcast in the sheepyards and paddocks. The sheep tramped it in, and next year the grass was up very high.

82. Have you seen ryegrass sown on the Grampians and cut as hay?—At Lilybank I have seen ryegrass growing several feet high. English grasses will grow in that country, but we never tried much of it.

83. *Mr. Anstey.*] Suppose you were to cut this country the other way, and give a fair proportion of high country and a fair proportion of low country, how small a flock of sheep would be necessary to enable a man to make a comfortable living?—From six to ten thousand sheep. As a rule, it is very difficult to divide this high country.

84. *Mr. Paul.*] You are selling out?—Yes.

85. Are you selling out to advantage?—It is just a fair thing. The man I bought from a year ago went a trip to Scotland, and now he is back again and wishes to take up his run.

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ALBURY, FRIDAY, 7TH APRIL, 1905.

JOHN SCOTT RUTHERFORD examined.

1. *The Chairman.*] What are you?—I am a sheep-farmer and Government settler. I have a run on pastoral lease in the Mackenzie country beyond Lake Tekapo. The area is 62,000 acres, of which only 32,000 acres is grass land, the rest being practically barren. I pay £236 per annum rent. The run should carry seven thousand sheep, but ever since 1885 I have not had

it stocked up. So far, I have never bred on the run, but I am going to do so now. I have only a little over ten thousand sheep on the run.

2. You have had it for a considerable time, I suppose?—Twenty-odd years.

3. Have you any Government land?—I have 640 acres under lease in perpetuity in the Chamberlain Settlement, for which I pay £244 a year.

4. Are you satisfied with the lease in perpetuity?—Yes.

5. Have you ever done anything towards improving the run-country by surface-sowing?—Yes; I have sown a good deal of grass there; but you want to keep the stock off it in the summer. I have sown cocksfoot, timothy, and clovers, and they have done fairly well. I have not done it extensively.

6. Can you tell us anything that will improve the back country we saw yesterday and that which you occupy to make it more productive, and so forth?—I consider that if longer leases were given it would enable us to go in more for the sowing of grasses and clovers.

7. Do you mean longer than twenty-one years?—For twenty-one years longer. The runs would require to be fenced in in blocks to keep the sheep off the grass as much as possible all the summer until the grass gets established.

8. That is, on the lower country?—Yes, and a pretty fair height as well.

9. The elevation of your country is pretty high, is it not?—Yes; but the flats and the sides of the hills could be sown all right.

10. The elevation of the lake is 2,000 ft. above the sea: how high above that would you sow?—We could run right up the gullies a good way.

11. Would you recommend planting trees?—I was going to recommend to the Government that when the next leases fall in it should be a provision in the new lease that so-many acres should be set aside for plantation purposes, and these should be planted for shelter. It would be a great advantage to the country to have plantations of different classes of trees there. The Government have forest nurseries, and they can supply the trees to the tenants, who would require to fence the trees in with wire netting for the first year. A few acres every year would help the thing on, as firewood is a trouble up there as well as shelter.

12. Would any particular tree flourish?—Any tree would grow, but the larch flourishes extremely well up there.

13. From your observation, do you think the natural pastures are going back, or are they improving?—If anything, they have gone back; but with me, since 1895, I have been under-stocked, and the pasture has improved.

14. That shows that resting will improve the grass?—Yes; there is no doubt about that. A good deal of damage is done to the pasture by late burning. If you burn as late as the end of July and August the grass does not come for two years afterwards.

15. I suppose you suffered very much on account of the loss of sheep in the snow?—The years 1888 and 1895 were the two worst. About half the sheep were lost in those years.

16. Do you think the Mackenzie country, generally, would bear greater subdivision than at present?—I do not think you could do much good by subdividing there. It must be held in big country.

17. Even with the greatest care in subdivision there would always be a heavy risk in connection with the heavy snow?—Yes. The trouble is you cannot get the stock down to the low ground.

18. That country should be held by capitalists, who can stand the loss?—Yes.

19. *Mr. McCardle.*] You approve of tree-planting on the runs?—To a certain extent.

20. Do you not think it advisable for the Government when letting the runs again to cut off a portion of the land in different parts and plant it?—There are reserves for plantations now, but they are not planting them.

21. Considering that the State is now planting large areas of forest, would it not be possible to induce the State to lay off considerable parts of the runs for tree-planting?—I think it would be better for the settlers to do it, as they would take more interest in it.

22. Have you had any experience at all in connection with the advances to settlers?—No; I have had nothing to do with it.

23. Is the Land Board satisfactory?—Yes.

24. You have a great number of settlers around here under different tenures: do they seem prosperous?—Yes.

25. They have no desire for the freehold?—So far as I know, that is so.

26. *Mr. McLennan.*] Would it be a mistake or otherwise to tamper with the Act so as to enable Crown tenants to acquire the freehold?—My idea of that is that the Government, once they have the land in their own hands, should keep it.

27. Would you be in favour of giving more discretionary power to the Land Board?—In some cases I would. They would have to be careful, though, in the matter of cropping. I know cases in my district where seven crops have been taken off. One man after two years in grass puts on the sheep, and it is eaten bare off and he tells the Board that the grass ran out. The district of the Ranger from Rangitata to Waitaki is too large.

28. You believe there is necessity for an extra Ranger?—Yes.

29. *Mr. Anstey.*] 30,000 acres of your land is hill-tops?—Yes.

30. You are going in for breeding?—Yes. Last year I tried it, but this year I have gone to the expense of getting a lot of ewes from central Otago, and I am going to breed this year.

31. There will be more loss on the ewes than on the wethers?—Yes.

32. Still, you think they should be successful?—Yes; we will get the lambs at the end of October.

33. It is not practicable to fetch many sheep out of the Mackenzie country in the winter-time?—That all depends on the amount of land available.



34. Can you grow anything in the shape of winter feed?—Not much; only patches of oats. It is a very great chance to grow, and even if you have the feed it is very difficult to get the food to the sheep afterwards.

35. What is the best way of encouraging surface-sowing?—A longer term of lease.

36. Would it not be necessary to make compulsory sowing a condition of the longer lease?—Yes. The Inspectors could see that it was being done.

37. Is it not rather difficult to put a value on grassing?—Yes; but I think you would get pretty near it if you had Inspectors going round.

38. If you had a renewal at arbitration rental, that would be sufficient?—It would satisfy me all right.

39. Some parts of the Mackenzie are much worse than others?—Yes, and could not be subdivided to any advantage.

40. In subdividing, what would be a reasonable amount of high country to allow?—There are some who have three runs adjoining, and they could be made into three separate runs.

41. They will have to provide that each run is held by a distinct holder?—Yes, otherwise they will go back again.

42. Are the rabbits pretty troublesome?—They are pretty well cleared out now.

43. Are the cropping restrictions in Albury and Chamberlain oppressive?—My lease in perpetuity is just a home. I am making no living out of it. I know that some of the people want better conditions.

44. Do you think two grain crops in six years are sufficient?—Yes, otherwise the land will run out in most cases.

45. You do not think the Ranger worries the settler too much?—I think he should be around a little oftener.

46. Is there any reason why the holders of grazing-runs should not be allowed to do a little cropping?—Provided they grass down immediately afterwards, I would allow them to cultivate as much as they liked. It would be better for the place, which would grow better grass after it had been ploughed.

47. *Mr. Paul.*] We had a petition presented to us by Mr. Tripp from runholders with reference to valuation for improvements. Did you sign it?—No.

48. It was represented to us yesterday that the highest of the country in Mackenzie could be subdivided?—The Commissioners want to go up and have a look at it.

49. You do not think it is wise to send men up there on small runs?—I do not. It would have been a good thing if the Commissioners had gone up round there and seen it for themselves.

50. Do you think it wise policy to sow good seed or cleanings?—If you sow good seed you will get good grass, and if you sow rubbish you will get weeds.

51. Have you heard of any one sowing rubbish?—Yes, I have; but I think to sow good seed paid best in the long run.

52. *Mr. McCutchan.*] Do you think there is any necessity to divide the Canterbury Land District and make a South Canterbury Board, with headquarters at Timaru?—I do not see any necessity for that. The Land Board, however, meet at Timaru when there are grievances affecting South Canterbury.

53. Do you think four members sufficient to represent Canterbury?—The number is small enough.

54. It has been suggested that the land district should be divided into wards, and a representative sent in for each ward?—I think the Land Board works very well as at present.

55. I do not mean nomination; but in Otago it was pointed out that it was possible for the Government to appoint men from the seaboard, where the population was thick, and the country got no representation?—I think it would be an improvement to have wards, because then the back country would be represented as well as the front country.

56. With reference to the 999-years lease there is a proposal that, in connection with leases to be issued in the future, there should be a revaluation clause: do you think that would be hurtful to settlement?—I would not like to express an opinion upon it.

57. Were Albury, Chamberlain, and Rosewill loaded for roads?—In the case of Chamberlain it is only £200; but Rosewill and Albury were.

58. The roads seem to be very satisfactory?—Yes.

59. Do you think it is fair to have to pay interest on loading for all the time of the lease?—I do not think it is fair.

60. Do you think that when the Government is reimbursed, interest and principal in full, the loading should cease?—Yes, I do.

61. *Mr. Matheson.*] If the Crown goes on acquiring land for settlement, do you think it will become a great expense to have competent Rangers?—I may say it does not seem to be very expensive. Only one or two more Rangers would be required.

62. As the tenants get homes and make improvements, do you think it would be wise to allow them to pay off part of the capital value of their sections?—No. I think once the State has got it it should keep it.

63. *Mr. Anstey.*] It is not a fact that the present lease-in-perpetuity settlers can deal with their interests in their sections quite easily now?—Yes.

64. Do you not think they could deal with them easier than if they paid off a portion of the capital value?—That is my opinion.

65. Is there anything hindering a man from investing £100 as safely in other security as in his own farm?—Yes, he can do that, or he can buy a freehold somewhere else as he wishes.

66. What is your opinion in regard to the placing of all reserves under the administration of the Land Board?—I certainly think that could be done. I may say I have always been in favour of close settlement. Wherever there is any chance of the land being acquired for land-settlement

I would be in favour of it. About Fairlie there are two or three large holdings that could be cut up at the end of the leases. They should be properly cut up, and not only the frontage be taken away. That spoils the run.

ISAAC CURTIS examined.

67. *The Chairman.*] What are you?—I am a farmer in Albury Settlement, where I have 326 acres, for which I pay 7s. per acre. I have been there since the beginning of the settlement ten years ago.

68. Are you satisfied with the section?—I am not satisfied with the restrictions as to cropping; they are too severe. I consider that two white crops in six years is too little, and I consider there is plenty of land on which the grass will not stand more than two seasons. If you cut the grass for seed, in the two years the grass is not worth keeping for the next year, and should be ploughed up.

69. Are you satisfied with one year's green crops?—I think that after one year's green crop the land should be ploughed for a white crop the following year. In the Old Country, when we grow turnips, mangolds, or beans, we go on cropping again—mangolds or turnips are counted as a fallow. Here, we are obliged to lay down grass and keep it three years. I have applied for a good many things to the Land Board, but they have never agreed to my proposals. I have had the whole of my crops washed out of the paddocks, and you will see them covered with docks through water coming down on to me from the land above. The Land Board had a watercourse surveyed and valued, but that was all the length it got.

70. How much of your land has been flooded?—I have had 40 acres under water at the one time.

71. What is the remedy?—It would not be an expensive work to carry the surface-water off. Then I had another complaint. If we do away with Californian thistle that ought to be an improvement, but we can get no recompense for that.

72. You have a lease for 999 years: it is not to your advantage to keep the land in its proper state?—Yes; but these thistles were there when I took the land.

73. Is it to your advantage to get rid of them?—Yes; but if I cannot pay my rent I lose my farm and get no recompense for that work.

74. Have you used any endeavour at all to get rid of the thistle?—I have got rid of 4 or 5 acres I think, but it has cost me a lot of money.

75. You would see that before you took the land up?—No, no one knew anything about it; neither did any one know about the water. If I had been informed that the place was liable to flood I would never have taken it. There is an old creek in which I have had hundreds of sheep drowned. I lost seventy hoggets in my first year.

76. What is your opinion with regard to the tenure?—I do not think leases are worth the paper they are written on in one way. If the lease was from a private individual it would be a guarantee, but from the Government it is not so. No Government would pass an Act for a private individual to raise our rent or throw us out, but the Government are the law themselves, and can pass whatever Act they choose. I believe the settlers ought to have the option of the freehold.

77. The Government has entered into a contract with you, and in ordinary justice cannot break that contract without both agreeing; but, suppose the Government had the power to break the contract with your consent, would you be willing to have the land revalued at the time the contract was broken and a new agreement entered into, provision being made for you to retain your improvements should you lose the whole of them? Would you be willing to have that for the sake of getting a chance of a freehold?—I think if a man is going to leave a place under any conditions he should be able to have valuation the same as in the Old Country. So much work is done on these lands which, after a few years, is not discernible and cannot be valued.

78. You would like to pay off your holdings on the original price?—Yes.

79. *Mr. McCardle.*] How many years would you want in order to pay off the freehold if the Government gave the option?—I would not recommend any term of years.

80. Why should you be so anxious for the freehold when you have all improvements included in the lease?—The lease is only from the Government, and is not worth the paper it is written on.

81. Would not the same apply to the freehold?—No; when you have got a freehold you have got it.

82. Only as long as you can keep it. If the Government can give you a lease for 999 years, and then break the lease if they gave you a parchment title, could they not do the same thing?—Yes; but, at the present time, the Government can pass a Rent Bill and put 5s. an acre on it.

83. And if you had a freehold they could put on the graduated land-tax?—Yes; but that would go on the whole of the country as well.

84. Do you not think that land-settlement under the Government has done a great deal of good for the country?—Yes.

85. Is that not an argument that the Government is anxious to secure land to the people?—Yes.

86. You would not do anything that would stop operations under the Land for Settlements Act?—I would not stop land being distributed and people going on it.

87. Do you know anything about the Advances to Settlers Office?—I borrowed £100, and want to get more. I put £497 or thereabouts on the place, and £100 was all I could get from the Department, and it took me six months to get it.

88. Do you think that a higher amount should be granted to the tenants?—Yes, I do; and it could be done with safety.

89. *Mr. McLennan.*] Do you not think it is dangerous to tamper with the lease?—I think if a man had the option it could not be tampered with.

90. If you advocate the option of the freehold you would be tampering with the lease: do you not think it would be better to put up with the present position rather than allow other alterations to be made in the lease, perhaps including revaluation?—That is what we are afraid of.

91. Would you like to give more discretionary power to the Land Board?—Yes, and also to the Ranger.

92. Supposing two practical farmers in your district and the Ranger were appointed to decide whether another crop should be allowed or not, do you think that would be satisfactory?—I think that would be a very good thing.

93. Do you not think that would be far better than an amendment of the Act?—I think it would be better.

94. *Mr. Anstey.*] Is 300 acres a suitable-sized farm to work economically?—Yes, I think so.

95. There are a number of farms in the Albury and Chamberlain Settlements that are smaller than that: are they too small?—I do not think so. It depends on the quality of the land.

96. Is 50 or 80 acres large enough?—I think it is not large enough.

97. Do you think it is wise to put two of these farms together?—50 acres would not be so bad if it was joined to another, but not above that.

98. *Mr. Paul.*] You think your land was too dear when you took it up?—Yes.

99. Do you not think it would have been still dearer had there been no thistles, and if the drainage had been all right?—I do not.

100. Then, the land is now worth what you are paying for it?—It was not worth it then. My improvements have made it worth it.

101. If you had the option of the freehold would it be too much to get it at the capital value when you bought it?—If I had the freehold I would be sure of getting paid for my improvements, but now I cannot.

102. Would not your land be more valuable to you if the Californian thistles were out?—Yes.

103. Why do you say you do not get any value for eradicating the thistles?—It is not included in the valuation.

104. If you had the option would you buy the land?—Yes, and then I would put more improvements on it.

105. You said you objected to putting two farms together on these settlements?—It depends on the size.

106. Do you not think if they were freehold that some men would gradually buy up their neighbours?—No. The Parliament could pass a law to prevent the aggregation of freeholds.

107. It would be pretty hard to prevent one man buying out another if it were all freehold?—You could limit the freehold to, say, 150 or 200 acres.

108. Do you think that would be a reasonable limit?—I think so.

109. *Mr. McCutchan.*] What steps are you taking to eradicate the Californian thistle?—I do by best to keep them down. By constantly working some of the land I have got rid of the thistles there.

HENRY KIDD examined.

110. *The Chairman.*] What are you?—I am a small-grazing-run holder, and hold my land under lease in perpetuity. The area of my run is 2,000 acres, and I am paying about £120 a year. I have held the run for about fourteen years. It is four miles and a half from Albury. I am well pleased with my run and with the conditions. The main point I desire to bring before the Commission is to urge on the continuance of the land-for-settlements policy. It is the only thing that will give our country a start.

111. Do you believe in the option of the purchase?—I believe in the State holding the land. I consider my holding equal to a freehold. I cannot see how any sensible man can call his land freehold when the Crown has a claim on it. There has been nothing but prosperity since the present land-for-settlements policy was inaugurated, and I say that it is dishonouring Sir John McKenzie's name to propose to alter it.

112. Have you anything to say in regard to the constitution of the Land Boards?—I would suggest that the Land Office in Timaru should be kept open daily. Our Crown Lands Ranger requires assistance. I think that would suffice, instead of having a second Board. The Land Board has never refused any request I have made.

113. Have you had any experience of the Advances to Settlers Department?—No; but I have had experience of being accommodated by auctioneers, and I think the less we have to do with advances the better.

114. *Mr. McCardle.*] You are aware that the Advances to Settlers Department was introduced by the Government in order to assist small settlers and keep them out of the hands of the money-lenders, who charge high rates of interest: do you not think that policy has been a good thing and has been in the interests of the country?—Yes, I do.

115. And you believe it should receive every encouragement?—Yes. I paid 8 per cent. until that Department came into existence.

116. Do you think it would be a good thing to increase the advances on improvements from one-half up to two-thirds of the settlers' interest in the holding if he requires it?—It would probably be a good thing in some cases; but in the case of industrious settlers wishing to make their home on the land, I think they should take as little advances as possible.

117. Have you anything to say against the present cropping regulations?—I think that the settlers themselves and the Ranger should be able to arrange these matters as to cropping.

118. *Mr. Forbes.*] It has been said by some witnesses that the Rangers sometimes harass the settlers in connection with the cropping regulations?—I have not seen that.

119. Do you not think when a man has put sufficient improvements on his land that the cropping regulations may be done away with altogether?—Yes. I am working my place as if it were my own, and it is my own, and no one will succeed unless he works his land in that way. The Government is the people, and the land belongs to the people.

120. Do you not think there is more danger of a man holding a section under lease in perpetuity cropping his land out more than if it were freehold?—No man with common-sense will impoverish his land.

121. You do not know of any one in this district who does that?—No. There are here a lot of the most industrious men I have ever seen. I live on the hills, from where I can look down on the Rosewill and Chamberlain Settlements, and it would do the members of the Commission good to see them from that position. The land-for-settlements policy has been a great success.

122. *Mr. McLennan.*] Do you not think there would be a danger in tampering with the Act?—I think it would be a disgrace and a dishonour to the colony. The land-for-settlements policy has been a success. Every one who took up a section under that Act read the conditions and knew what he was doing, and it would be bad taste to come back now and say, we want this and we want that.

123. Do you not think there might be a clause inserted in the Act, if it were amended, varying the conditions to the disadvantage of the present lessees—for instance, there might be a Fair Rent Bill?—I would take no Fair Rent Bill. I say we should stand by our bargain. There is no use talking of improvements. This is a contract for 999 years. It is my opinion that the Government will not annoy any settler so long as he is industrious.

124. Supposing you had Canadian thistle on your section, do you not think it would improve the land to get rid of it, and would you want valuation for it?—I think the Government should appoint an expert to supervise the selling of turnip and grass seeds. I know from my own experience that weeds are being imported from foreign countries in the seed we buy, and these weeds are polluting our land. For instance, the ragwort has come here and it is spreading, and the County Council is apparently shutting its eyes to that fact, and they are letting the seed blow all over the paddocks. It is not the same plant as that in Southland.

125. *Mr. Anstey.*] You do not think it would do to abolish restrictions as to cropping altogether?—No; but I would have the regulations altered, and I think that practical settlers should be given a freer hand.

126. *Mr. Hall.*] It has been represented that Crown tenants do not feel free to come before the Commission and state their real opinions: do you think that is so in respect to the Albury settlers?—No, I do not think so.

127. Do you think if they wanted anything they would hesitate about saying so?—We cannot regard the Government in the light of, or place the Government on a level with, a private landlord.

128. *Mr. Matheson.*] You think the tenants ought to be ashamed for asking for alterations in the Act?—Yes.

129. But you say that the cropping regulations should be altered?—Yes; only that one clause.

130. You would like to see Sir John McKenzie's proposals carried out?—Yes.

131. Would you like to see a Fair Rent Act passed?—No; I do not agree with that. Instead of this Commission being appointed—of course, I do not blame you—I think it would have been much better if a day had been set apart for celebrating the passing of the Land for Settlements Act.

THOMAS DAVID ROBERTSON examined.

132. *The Chairman.*] What are you?—I hold a twenty-one-years lease of a small grazing-run on the Rosewill Estate. The area is 1,826 acres and there are 300 acres of river-bed. I pay 2s. 11d. an acre for the 1,826 acres and 3d. an acre for the river-bed. I have held the 1,826 acres for a year. I am so far satisfied, but I think the rents are high enough if things should take a bad turn. In good times such as the present the rents are all right. I had experience at Hinds of surface-sowing. We used to sow secondary seed, and it took very well. We sowed on the sunny faces, and the grass spread all over the place. It was clean seed, but a cheaper seed than the ordinary. It was mostly cocksfoot, white clover, and timothy.

133. How are you to estimate the value of surface-sowing?—I should say that the actual carrying-capacity should be valued now, and at the end of twenty-one years it should be revalued. That would make people sow good grass-seed.

134. *Mr. McCardle.*] Have you any opinion in regard to land-tenures?—I consider that the present system is the best. If a man gets land for 999 years it is as good as freehold.

135. Do you think the Advances to Settlers is a good thing in the interests of the small settlers?—Yes; it helps them and gets them through a difficulty.

136. Do you not think more attention should be paid to the Crown tenants in regard to advances to settlers? It has been said that some settlers have been refused advances and have got advances from private lenders?—It would be far better to get advances from the Government than from private individuals. I think the Government should first consider their own settlers.

137. *Mr. Forbes.*] If a longer lease were given for pastoral runs do you think it would encourage surface-sowing?—Yes.

138. It would be rather difficult to assess the actual value of surface-sowing. If a man had a longer lease do you not think that would meet the question of surface-sowing?—Yes.

139. *Mr. Anstey.*] You said you thought the lease in perpetuity a very good tenure?—Yes.

140. Do you think it better than the twenty-one-years lease that you hold?—I have the right of first refusal at an advanced rate.

141. If you had a tenure equal to the lease in perpetuity that would be sufficient inducement for you to grass your run and make other improvements?—Yes.

JAMES McCORT examined.

142. *The Chairman.*] What are you?—I am a farmer on the Albury Settlement. I hold 290 acres, and pay 4s. an acre rent. I have been on the land about nine years. I am satisfied with my section and the terms, but I think the cropping regulations should be modified a little. I think if the Ranger were allowed more discretion it would meet the case. Land varies so much in quality that you cannot have a cast-iron rule in respect to cropping. I work about 70 acres of my land for three years, and have put down no crops in it, and I think I should be allowed the privilege of cropping or grassing to the best advantage.

143. *Mr. McCardle.*] Are you satisfied with the present 999-years lease?—Yes.

144. Do you agree with the evidence of the previous witnesses as to the Advances to Settlers Department?—I have had no experience of that Department, but I understand they do not advance enough money, and therefore it is a practical failure for that reason.

145. But you think the Advances to Settlers Department should be encouraged?—Yes.

146. *Mr. Anstey.*] You say the Ranger should have more power?—Yes.

147. Have you ever asked the Ranger to vary the restrictions and he has refused to do so?—No.

148. If there were no restrictions, do you not think that some people would make a mess of their farms?—A practical man will not ruin his farm.

149. Do you think that 50- and 80-acre sections are too small?—Yes.

150. Your farm is larger, and you found it necessary to get additional land?—Yes. In my opinion, 300 acres is not too much in this district. There is one point I wish to bring before the Commission. Seeing that the tenants pay their rents six months in advance, I think that if they put on the necessary improvements they should be allowed rebate up to that time.

TIMARU, SATURDAY, 8TH APRIL, 1905.

ANDREW CLELAND examined.

1. *The Chairman.*] What are you?—I am a farmer. I hold 2,000 acres of freehold in this district.

2. What is your opinion of the present constitution of the Land Board?—I think the present constitution is satisfactory. I think they have acted very well.

3. What is your opinion in regard to land-tenures?—I believe in the freehold. I think a man who owns a freehold farms his land better. I believe Crown tenants should have the option of purchasing the freehold. I may say that I believe the Levels Estate would have been let in farms years ago had it not been for the experience of bad farming in connection with two or three of the farms they leased. The managing director on one of his trips out to the colony asked my opinion as to letting the land out on lease, and I could not advise him to do so at that time, because the leasehold land in our district was very badly farmed then.

4. You think a freeholder's farm is better than a leaseholder's farm?—As a rule. There are exceptions, of course. Circumstances have altered to-day. I was referring to twelve years ago, and both leaseholders and freeholders are farming much better now than they did then. They have to do it to keep the weeds down.

5. Have you ever tried grassing lands by surface-sowing?—Yes; I have sown clover and cocksfoot on unploughable land.

6. Was that fairly successful?—Yes, they both took very well. The cocksfoot has pretty well killed out the tussocks on some of the faces now. I treated about 50 acres in that way about twenty years ago. This land was about 800 ft. high.

7. Have you had any experience of the high interior country?—No.

8. Have you had any experience of the Advances to Settlers Department?—No.

9. Is there any aggregation of estates going on here?—There may be a small farmer buying out his neighbour, but the tendency regarding the larger estates is the other way. A good many large estates have been subdivided and sold privately.

10. Have you seen anything of the working of the lease-in-perpetuity system on the various settlements round here?—I have not had much opportunity of doing so. The Levels Estate is right along my property, but there has been hardly any time to judge as to the working of the system there. The Albury Settlement seems to be doing very well, but I have only been through it once.

11. *Mr. McCardle.*] You say you think the freeholder makes the best farmer: how do you distinguish between the 999-years-lease holder and the freeholder? Are their interests not identical?—It is a long lease, certainly; but I do not know if really at the bottom of their hearts they feel they will hold the land for all time.

12. Do you not think that the one tenure is just as likely to hold as the other?—I do not think so. For my part, I think I would be more secure if I held the freehold.

13. Can you see any advantage which would accrue to the Crown settlers under the land-for-settlements policy if they were granted the freehold?—The removal of the restrictions in regard to cropping would be one advantage. It would also be an advantage to the State if the tenants were allowed to pay off, say, three-quarters of the capital value in good years. I think it would make the position of the State more secure. In the case of the Levels Estate, for instance, if we had a recurring of the prices of twelve years ago the tenants would not be able to pay their rents.

14. Would there be any question of their purchasing under these conditions?—The years we have had lately would enable them to wipe off part of the purchase-money, and then they would not have so much rent to pay if lean years come.

15. You say the restrictions would be removed: do you think that would be an advantage to the country in view of what you said just now that both classes of farmers have been farming indifferently? Do you not think that the restrictions tend to make good farmers of the leaseholders?—I do not think it would do for the Government to allow the tenants to crop the land they have leased as they like. I think a freeholder looks out that he does not destroy his land by bad farming. I can remember how some of the education-reserve leases in our district were farmed in the past. One I know is very bad with Californian thistle.

16. But they are only for twenty-one years?—Yes.

17. Do you think the State has done a great deal for this district in purchasing the estates for closer settlement?—Yes.

18. Do you think they should continue that policy in this district?—Yes; but they should not go to the London money-market to borrow money for the purpose. They should give the tenants the freehold and use that money to buy other large estates. I do not believe in this continual borrowing.

19. *Mr. Hall.*] You say you consider the freehold a better tenure than the lease in perpetuity: do you mean that to apply to the tenant or the State?—To both parties. I think it is a safeguard to the State and also an advantage to the tenant that he should be able to pay off a part of the capital value in good years.

20. Do you think the country would have been so successfully settled under freehold tenure as it has been under lease in perpetuity?—I do not think so. I think a lease with the option of purchase would be a good thing. A man could start farming with very little capital. I know a ploughman who worked for myself who has got a farm which he could not have bought as a freehold.

21. Do you think, in the interests of the State, it is well that this lease in perpetuity was introduced?—I do not believe in lease in perpetuity without the option of the freehold.

22. In speaking of the option of the freehold do you mean that to apply to the present leases, or to the future only?—To the present leases.

23. In that case, as they were originally balloted for under certain conditions, should there not be a fresh ballot when there is to be any change of tenure?—I do not think so. It would be optional. Some may purchase and some may not.

24. Every one had the right to ballot in the former case, and now when the tenure is to be changed you would limit it only to those who were successful in the first ballot?—I would not believe in breaking faith with the tenants like that.

25. If the tenure is substantially changed would not every one consider they had a right for another chance under the new conditions?—I cannot agree to that. I think some percentage should be added to the value to secure the State against loss.

26. Do you think that any Government would for a moment attempt to break down a title given in good faith for 999 years?—What did the Government do with the Land Company? The State gave the company a Crown title for all time and then forced them to sell it.

27. But is that not done in every country when the public interests require that land should be taken?—But what is to prevent them taking the leasehold? It is very easy to make excuses that it is in the public interests, and break the lease and have new valuations.

28. Seeing that the freehold had been taken compulsorily in the past, would there not be a greater danger to the tenants under freehold tenure than under leasehold?—I do not think so. Of course, I see the Trades and Labour Council advocate revaluation.

29. *Mr. Paul.*] You agree that the fact of the Government acquiring the Land Company's estate and cutting it up for closer settlement has been in the interests of the colony?—Yes.

30. Have you had opportunities of judging whether these leaseholders are farming their land well?—Not much. The estate has only been settled twelve months.

31. Then, in saying that the freeholder farms his land better than the leaseholder you mean that remark to apply to private leases let several years ago?—Yes; private leases and educational leases in my district.

32. Were the men who leased land from the Levels Estate paying a moderate or a high rent?—They paid a moderate rent, but they did not farm it successfully.

33. What is the length of the lease?—I think, for fourteen years, but I am not sure of the terms. At the time the general manager spoke to me one tenant had gone away and left his farm in a very dilapidated condition.

34. Is it not probable that a very high rent was charged for the land, and that those who took up leases went in for the system of taking as much out of the land as they could in a short time?—I expect they would be bound by certain restrictions in regard to cropping. I do not know the particulars of the lease.

35. However, the same conditions are not applicable to the 999-years lease?—I do not think so. I have had no means of judging them; but the tendency all round is to farm better, because we cannot get the crops unless the land is well farmed.

36. Is there anything in your observation recently that would lead you to say that the leaseholder does not farm his land well?—I cannot say anything about the lease-in-perpetuity tenants.

37. On what terms would you give the option of purchase to the present tenants?—I would be inclined to add a small percentage to protect the State against loss.

38. What would you do in the case of tenants who are paying too high a rent at the present time?—This percentage would have to cover that loss. They would not be likely to buy the freehold, and their sections would be left on the hands of the State.

39. Would you give the freehold of educational endowments?—I would not.

40. Why?—They were granted for a certain purpose, and the revenue is required to carry on the educational institutions.

41. You think it pays the State to hold these lands for these institutions?—The institutions have the Crown grant, and they let the land out.

42. But from the financial point of view it pays these institutions to keep these endowments?—They are endowments to enable them to carry on their work, and, I suppose, they could not do without them.

43. Would you give the tenants on these purchased estates the whole freehold or a partial freehold?—I would not allow them to pay off more than 80 per cent. of the capital value.

44. You would still allow the State to have a controlling interest so far as the management of the estate is concerned?—Not in regard to the management, but in regard to the sale of the sections. I would allow the State, through the Land Board, to have a voice in the sale.

45. Do you not think that the tenant would have more difficulty in selling his interest when he has paid such a proportion as you suggest than if it was simply a leasehold?—I do not think so. I think the freehold always sells well.

46. You said the tenants were afraid of revaluation?—Yes; I think there is a general feeling of that sort all over the colony.

47. You say that has been brought about by the Trades and Labour Council advocating revaluation?—Yes.

48. Are you aware that in advocating revaluation they have never wished to apply it retrospectively?—I am not aware of that. I think some of them speak differently from that.

49. Can you say where you saw or heard of such a proposal?—No; but I gathered that opinion from reading of their meetings.

50. *Mr. Anstey.*] Would you apply the term “bad farming” to holders of leases under the lease in perpetuity generally?—I have not seen much of their farming.

51. You would not like to make the assertion to-day that the lease-in-perpetuity tenants are not farming their lands well?—I would not.

52. With regard to leases given by the company you referred to, can you tell me whether the leases contained a purchasing clause?—One that I know of did, and the other one did not.

53. Are these people still in possession of that land?—One of them is.

54. How many of them gave up their land owing to bad farming?—I only know of one, but *Mr. Davidson* had experience in other respects besides the Levels.

55. But you only know of one who bought the land out and of one who had to leave through bad farming?—Yes.

56. You spoke of the terms on which you would be prepared to grant the freehold: you said in some cases the rents were a little high and in some cases a little low: does that not mean the land would have to be revalued?—No; I would add a percentage to all.

57. And then deduct the percentage from those that were valued too high?—I expect in cases like Pomahaka the sections would not be bought at all.

58. How could you tell which sections the percentage should be added to and from which the percentage should be taken off?—I think you could easily find that out. I could pretty well tell what estates had been bought at a reasonable price. I believe that is pretty generally known.

59. At all events, you are not prepared to give them the freehold at present prices?—I would require a percentage to save the State against loss.

60. Have you any leasehold land?—None.

61. Do you think the cropping restrictions imposed by the lease are too severe?—In some cases where the land is very good and suitable for further cropping I think the restrictions might be eased off.

62. Do you think, generally speaking, two white crops in six years would be fair average cropping?—Yes. I do not think a freeholder would crop, on the average, more than that.

63. You spoke of education leases being badly farmed: do you know the terms of these leases?—I think, about fourteen years.

64. Have they the right of renewal or any valuation for improvements at the end of the term?—They get valuation for buildings, provided the Board have sanctioned the improvements.

65. Do you know of any land that is controlled by the Board of Governors of the Canterbury College?—I do not.

66. Are you aware that the leases are for fourteen years with no right of renewal, and not one penny for improvements?—I am not aware of it.

67. Supposing there is a large area of land held under such leases, would you say it is any wonder the land was badly farmed?—I would not wonder at it. There ought always to be valuation for improvements in all leases.

68. Do you not think it should be compulsory that all leases issued in regard to public lands should provide for reasonable valuation for improvements?—I think it would be reasonable, provided the authorities have some say as to what improvements are put on.

69. You are aware that the Land Board administers all the public lands in the colony, and that the Educational Commissioners administer part of the reserves, and that the College Board of Governors manage another part, while several other bodies manage other reserves: do you think it would be a good plan were all the public reserves to be administered by the Land Boards?—No; I think it would be dangerous. I think that institutions should manage their own reserves.

70. Are you aware that the Educational Commissioners have nothing whatever to do with the revenue arising from these reserves except to pay it direct into the Consolidated Fund?—I am not aware of it.

71. Supposing you were aware of it, do you not think it would be just as well that the Land Board should administer the whole lot?—No; I think there would be a tendency to centralisation.

72. You are a member of the executive of the Farmers' Union?—Yes.

73. There was a circular sent out: was it sent out by your executive or by the colonial executive?—By the colonial executive.

74. Was it sent to all the branches?—I do not know. Our branch got a circular.

75. Did you hold a meeting in Timaru to consider that circular?—No.

76. *Mr. Matheson.*] If the State and the tenant agreed to a purchasing clause being added to the lease would you call it an amendment or a breach of the lease?—I think it is optional; it would be no breach.

77. *Mr. Johnston.*] You say the Levels Estate would have been settled long ago had it not been for the experience with some of the farms they left?—Yes.

78. What kind of lease was given?—I think fourteen years, with the usual cropping conditions. I believe they were given a purchasing clause if the system had proved satisfactory and had been continued.



79. Is the cocksfoot better than the native grasses on the country you sowed?—Yes.

80. Have you been at Waikakahi?—No.

81. Have you had any experience at Pomahaka?—No.

82. *Mr. Forbes.*] Are there any more large estates about Timaru that could be cut up and settled?—I suppose so. A good few large estates have been broken up privately. Raincliff has been cut up and sold privately.

83. Has the price given for land cut up privately been much more than the price on which the settlers on the Levels are paying rent?—Raincliff was sold a few years ago, and land has gone up a bit since then.

84. You think that the law which enables the Government to take these estates and cut them up is one that is necessary in the interests of the country?—I do not think it should be compulsory. I think a law allowing the Government to buy them is sufficient.

85. How would you get the estates if the large owners refused to sell them or settle them?—But they have been very anxious to sell.

86. But would it not be advisable to have some means whereby the Government could go on with this settlement?—It might if there was a stoppage, but, so long as there are plenty offering, I think there should be no compulsion.

87. Do you not think that the expensive process that is involved in compulsorily resuming these estates would cause the Government to pause before setting the machinery in motion and influence them to negotiate for the purchase?—I do not think so. The Ardgowan Estate was taken from the company, and was worth far more than the Government gave for it. The farmers who gave evidence had sons going in for the ballot for that land, and, really, their evidence was not trustworthy. I am well acquainted with the Oamaru district, and I know farmers who gave evidence at the Compensation Court who were interested parties.

88. On the other hand, the weight of evidence in regard to the Flaxbourne Estate seems to be in favour of high values?—Well, there is a great discrepancy there between the two valuers.

89. *Mr. McCutchan.*] In speaking of the transfer of leases under the Land for Settlements Act you said you thought the Land Board could exercise a controlling power even after the tenant had paid off 80 per cent.: to what extent, in your opinion, should the Land Board exercise that power?—To provide against the section going into large estates.

90. Would you leave the vendor and the purchaser absolutely free as to the consideration?—Yes.

91. You said, further, that the purchasing clause should not be at the original upset, but at a higher value to guard against loss?—Yes.

92. Do you not think that the liability against loss is sufficiently safeguarded already?—It might if the times keep good, but, if more lean years come, I think there will be a large loss.

93. The State is already granting a 10 per cent. rebate to tenants who pay their rent promptly?—Yes.

94. If that were to cease and that money paid into a fund to provide a guarantee against loss, do you think that would be sufficient?—Yes. I think that should be done from the first.

95. Do you think it is a wise thing to give the tenants a 10-per-cent. rebate in good years?—I do not think so. I think it should go into a fund to be available in lean years.

96. You express the fear that revaluation in connection with these leases might be made retrospective?—Yes.

97. And I understood you to say that your fear arose through the sayings of the Trades and Labour Council?—Yes, and Mr. Ell, and Mr. Laurensen, and Mr. Fowlds all talking that way.

98. But none of them hitherto have advocated making this revaluation retrospective?—I cannot say that exactly; but we gathered from them that we could not trust them.

99. You think if they succeeded in introducing a clause into the Land Act providing for revaluation in connection with leases to be issued in the future that as soon as they gained that step they would endeavour to obtain the further step and make this revaluation retrospective?—I think so; and not only that, but the feeling all over the country would be that it was unfair to the one who is subject to revaluation that there should be others who have escaped revaluation.

100. *Mr. Johnston.*] What is the average yield of oats and wheat on your land?—Within the last half-dozen years, about 30 bushels of wheat and about 50 of oats.

101. Do you know the average rental of the Levels and surrounding country?—I do not know. I think about 6s. or 7s.

102. Do you think that is a fair rental for land averaging 30 bushels of wheat and 50 bushels of oats?—They cannot average that; but the rents are not too high at the present prices and yields.

#### EDMOND VAGUE examined.

103. *The Chairman.*] What are you?—I am a farmer. I hold about 300 acres under lease in perpetuity in the Levels Estate. I have been there four years last June. I pay 12s. 8d. per acre, including buildings. I have the homestead block. The rent for the buildings is for twenty-one years only.

104. Are you satisfied with your tenure?—Yes. My business to-day is not to express any dissatisfaction regarding the tenure or anything of that description, but I have come here to-day in the hope that the Commission will enlighten me in regard to one or two questions.

105. Have your dealings with the Land Board been satisfactory?—Yes, so far as their powers are concerned, but I think the Land Board should have greater discretionary power. I came to the Levels Estate four years ago, and I found that things were not as they were represented in the Government pamphlet. I might explain that I was not able to come and see the place before the ballot took place, and after I had drawn my section I found it did not answer the published description to a very large degree. I made a representation to the then Commissioner of Crown Lands on the subject, but I got no satisfaction. First of all, they argued that the place was as

represented, until I convinced them to the contrary. There were 50 acres of my section absolutely covered with matagowrie, to clear which would cost a considerable expense, and I asked the Commissioner what he thought would be a fair monetary grant to enable me to convert the land into what they had represented it to be. But he could do nothing for me, and he said he would bring it before the Land Board. He did so, and the Land Board sent me a letter saying they had considered my case, and that they could not grant me any allowance in money, but they would grant me the right to cultivate 50 acres additional to what the lease allowed. That seemed all right on paper, but it was a matter of impossibility to carry it into effect. I had to do this all in one year. Since that I have been struggling to clear this place, but I have not been able to get any satisfaction from the Land Board. I received a letter from Wellington twelve months ago saying that the Department considered I had no claim whatever upon the Government, because they had granted me what I had asked in the matter of this extra cropping of this 50 acres. You will see this was the reverse of the position. I did not ask for this extra cropping; they proffered it to me. I have half of that land now in cultivation. The other question I came to ask you about was in regard to land-configuration and taking back facings into consideration with sunny facings. I can give an instance to you. I suffered great loss two years ago through being on back facings. The season was very wet, and I was totally unable to get any cropping on the back facings which ought to have been cropped. As a consequence I had no crop at all, but I took the liberty of putting a small area of 16 acres on the flat in wheat which I should have grassed down. Of course, the Government Ranger came, and, as was his duty, he reported the matter, and I got a letter warning me that I had broken my lease. This was all the cropping I did that year. That is why I think the Land Board should have more discretionary power. I want to ask you whether it is not possible for Crown tenants situated as I am to take a crop of oats out in grassing down on the back facings, instead of having to grass down with turnips. I think any man who wishes to remain on the land would not wish to overcrop his land. I have land which actually grows wheat rank for the want of cropping. A considerable proportion of my first crop was blighted for want of cropping, but the present one is a sound crop, which goes to show that ground can be too strong until it is mellowed down. I want to know in all fairness whether the Land Board should not have more power to vary the cropping conditions, and to enable me to take a crop of oats in grassing down instead of a crop of turnips or rape.

106. *Mr. McCurdle.*] You are quite satisfied with your tenure of 999 years?—Yes.

107. Have you had any experience with the Advances to Settlers Department?—Yes.

108. Was it satisfactory?—No.

109. Do you think the Act could stand amending in the direction of being more liberal?—They could amend it how they liked, but I would have no more to do with it.

110. You do not think, then, it has been a good thing for the country?—I am straight-spoken. I came here with £500 cash, and I had other property in North Canterbury. I found the £500 was not nearly enough to enable me to carry on, so I went and mortgaged my place to a small extent. First of all I went to the Advances to Settlers Office, and, after being interviewed by a young man, I was told he did not think the office had any money to lend. I said it was a peculiar thing that the office was kept open when they had no money. He said he would write and see. He asked me how much I wanted, and said I might as well sign a form, which he filled in. I said I wanted £300, and he said he would send the application to Wellington. It was sent to Wellington accordingly, and I got a reply from the Board stating they could not grant me as much as I wanted. They offered me a sum that was short of my requirements. I may say that before the application was sent away they took fine care to collect £1 10s. from me. My property was worth considerably more than they offered. I then went to an outside firm and told them my case and how much money I wanted, and they said all right, and the money was transferred to my account in the Bank of New Zealand without the slightest trouble.

111. Then, from a public point of view, but not from a personal point of view, you think the Act requires amending?—Certainly, I do. I applied to a private firm for £150 more than I asked from the Government department, and I got it without any trouble.

112. Notwithstanding your experience, do you not think the Act has had a good experience on the money-market in the colony?—I can only speak of my own experience.

113. *Mr. McCutchan.*] You speak a little harshly about the Advances to Settlers Department?—Yes.

114. You said you paid a fee of £1 10s. when you sent in your application: was that the valuation fee?—I do not know what it was.

115. Did not a valuer inspect your property and see what your improvements were?—He may have done so after I went away. I know I paid £1 10s. and I got nothing for it.

116. Could you say that the valuer did not visit your property?—No.

117. Are you aware that the Department, on leasehold property, only advances up to 50 per cent. of the actual value of the improvements as estimated by their valuer?—Yes; but it seems to me a peculiar thing that I could go to an outside firm and get £150 more without any trouble.

118. At an equally reasonable rate of interest?—Yes; I paid 5 per cent.

119. Did you pay a procuration fee?—No.

120. Were your legal expenses as reasonable as under the Advances to Settlers Department?—Quite.

121. *Mr. Hall.*] Do you consider that the acquisition of these large estates with a view of cutting them up has been a good policy on the part of the State, and in the interests of settlers with limited capital requiring land?—Yes.

122. Would it be to their advantage if the tenants had the privilege of paying off part of the capital value?—I can scarcely speak for other people. I say I am satisfied.

123. Generally speaking, would it be good policy to allow them to do so?—I think, like every other Britisher, we all like a little freehold. You see we may not be in a position to purchase,

even if we had the privilege. For my own part, I am satisfied the way things are; but, still, I believe the freehold is the better tenure.

124. But, as regards the lease in perpetuity, would not the policy of allowing a part of the capital value to be paid off be a safeguard to the State, and give the tenant a greater interest in his farm?—I should not like to express my opinion.

125. If that were done would it not be only reasonable that all restrictions in regard to cropping should be removed, seeing that the tenant would have such a great interest in the property?—If a man had a chance to pay something off and then all restrictions were removed, I think it would be very good policy, supposing we could buy at the original capital value.

126. Should there be any restriction in regard to taking more than one green crop which is consumed on the land?—I do not think there need be any restriction about that.

127. *Mr. Paul.*] Do you notice any difference in the farming on leasehold and freehold land to-day?—Yes, you can notice a difference.

128. In favour of which?—In favour of the freehold slightly.

129. Is that difference discernible in this district?—I think so. If grain-growing promises to be fairly good for a season or two there is nothing to prevent the freeholder putting in another crop of wheat if his land is capable of carrying it, whereas we are restricted from doing so. There is a great advantage in that.

130. Is that the only thing?—It is the principal thing.

131. I mean, is there any difference in the character of the farming?—I do not think there is much difference about that, but they have this advantage over the Crown tenants: a man on his own place can crop as he chooses, and oftentimes to advantage.

132. To what office did you apply for the advance?—Christchurch.

133. And did the officer seriously tell you they had no money?—I think he was serious.

134. And the conclusion you came to was that the Department was broke?—I think so.

135. *Mr. Anstey.*] Where is your farm?—On Levels. I have Sullivan's old homestead.

136. Are the cropping restrictions generally too severe?—Yes, I think so.

137. You would not favour doing away with them altogether?—No.

138. In what way do you wish them amended?—I consider that there should be a differentiation between land that pays £1 an acre and land that pays 3s. or 4s. rent. As far as I can hear, the man who pays 3s. rent is allowed to take off the same number of crops as we do. Where, then, does the difference in rent come in.

139. You consider that the whole of your land would bear three crops?—Yes, and it would be more to my advantage and to the advantage of the place to have them. I should be allowed to grass down with the third crop. Generally speaking, I think that would be satisfactory to the great majority of the tenantry.

140. That would mean a seven years' course instead of six?—Yes. We should take the preference of grassing down with the oat-crop instead of being compelled to grass down with rape and turnips.

141. Are the rents on the settlement reasonable?—Yes, fairly so, I think.

142. You said you are afraid of nobody. We had the statement more than once that Crown tenants being under the Government are afraid to speak their own minds. Do you think the generality of tenants feel themselves compelled to refrain from mentioning their grievances?—I have not consulted them on that point, but I can safely answer for myself.

143. Is there anything in the lease that compels a man not to speak his own mind?—No.

144. If you pay your rent and fulfil the conditions you think you have a right to say what you please?—I think so.

145. *Mr. Matheson.*] You have a special interest in one piece of land and an interest as a citizen in the whole land of the colony. Looking at it from a citizen's point of view, supposing the colony was occupied entirely by freeholders, or, again, entirely by Crown tenants with Rangers to supervise them, under which conditions do you think the colony would be the more prosperous and contented?—I think under the freehold.

146. *Mr. McLennan.*] Do you think it is desirable that the Land Board should have more discretionary power?—Yes; not to detract anything from us, but to be able to improve matters.

147. Supposing the Land Board had a discretionary power which would enable them to appoint two practical farmers in each district to co-operate with the Ranger in ascertaining whether the land is fit for another crop, would that be satisfactory to the Crown tenants?—I consider the Ranger has quite sufficient ability to do anything like that.

148. The Ranger might not care to do it himself. Would the tenants be in favour of two farmers co-operating, such farmers to be chosen by the settlers?—I do not know what to say about that; but it is quite certain a farmer would not seek to overcrop his land if he intended to stay on the place, and I think the Department could rely upon that, for what interest would it be to a man to overcrop his land for two or three years and then get no crop at all for the next two or three years, when it would not be to his interest to clear out very likely.

149. *Mr. Johnston.*] If times were bad would you be satisfied with your rent, say, with wheat at 2s. 1d. a bushel and oats at 1s. 1d. a bushel?—It would not pay at that, and the land is too dear for sheep.

GERALD CASEY examined.

150. *The Chairman.*] What are you?—I am a farmer, farming 200 acres of freehold. I lease the land with a purchasing clause at 10s. per acre rent. The lease is for twenty years, and the farm is situated at Claremont, about nine miles from here. I carry on mixed farming.

151. Is there anything you would like to bring before the Commission?—My first remark is with regard to the Advances to Settlers Office. I have a very small opinion of it. A condition of my lease was that I had to give three months' notice of my intention to purchase. Twelve months ago I applied to the Advances to Settlers Department for a loan, and I got a reply that they would

advance me the money. I accordingly gave notice to the owners that I was going to purchase. Ten days before the time for completing the purchase arrived I got notice from the Department that they had no money in the office, and, of course, I could not get it out of them. I was advised that I had an action at law against them, but I was also advised not to take action, because I would only be one against eight hundred thousand people, with the Hon. Richard Seddon at their head. I therefore decided to try and get the money somewhere else, but, of course, as I had only ten days in which to raise it, I could not get as favourable terms as I would have been able to if I had not been delayed through receiving a promise of the money in the first instance from the Advances to Settlers Board. In connection with that, too, I may say that I had to pay a fee of £2 2s. 6d., whereas the last witness said that he got off with £1 10s. I would like to know whether I was being charged more because I was not a Crown tenant. The next point I would like to mention is that of tenure. In my opinion, it is the naturally born instinct of every Britisher to live on a freehold, and more especially is that so in the case of a man who comes from Ireland. What has maintained this colony from its initiation? only the love of the freehold. It is strange to me that any one who left Britain to come here should say that he prefers leasehold to freehold. I cannot understand it, unless the man is like the fox, who, when he got his tail cut off, wanted all other foxes to take off their tails too. My idea is that when the Government cut up large estates they should, first of all, lease them to the tenants, but when the tenant has proved that he is going to be a permanent settler, and wishes to reside on the land with his family, say, after five years, he should get the right to make the land his freehold if he so desires, and the price at which he buys should be the original value. That will be the best for several reasons. There is no doubt that the man who has the chance of acquiring the freehold will work his land better, keep it cleaner, and ask no concessions with regard to cropping conditions, or anything else. Then, if the day ever arises, and we are threatened with battle, the freeholder is the man who will be most willing to defend the country. The freeholder is more patriotic than the leaseholder, who can put his belongings into a carpet bag and clear out. Then, with regard to the loading for roads. The Levels Estate paid rates to the local bodies for many years, and I consider that the Government should only have been responsible for the deviations of existing roads and of roads originally surveyed on the estate. The local bodies should make the roads surveyed on the place before the estate was acquired by the Government. If it pleased the company to do without roads all these years that is no reason why the local body should not make them now, seeing that they have received rates from the place for years that should have been spent there.

152. *Mr. McCardle.*] Do you not think the settlers under the Land for Settlements Act are fairly successful?—Yes, I believe so.

153. What you claim for the tenants is that they should have the right of purchase?—Yes.

154. Do you not think it would be just as well to wait till they ask for it?—Yes; but they should have the right to ask.

155. You think there is room for amendment in regard to the Advances to Settlers Office?—Yes.

156. *Mr. McCutchan.*] Did you make any application to the Advances to Settlers Office for a refund of the valuation fee?—Yes, and I got it refunded with the exception of 6d., which they owe me yet.

157. Since your valuation fee was £2 2s. the amount you applied for was in excess of £500?—Yes.

158. Are you not aware that they are not advancing more than £500?—Why did they not say so at the beginning.

159. The change may have come about just about the time you made your application?—It had not come about before they sent me their first reply.

160. Do you not think they have made reasonable reparation in refunding you your fee?—No, I do not.

161. With reference to the loading of the Levels Estate, you understand that when a large estate is bought and subdivided for close settlement, it is necessary to make a number of roads to meet the requirements of the new settlers, and that the cost of that roading must be added to the cost of the estate and distributed over the sections?—I have no objection to that; but I am led to believe that the Government charged interest on £30,000 or £40,000 more than the roading cost them.

162. *Mr. Hall.*] You do not believe in the lease in perpetuity?—No, I do not.

163. Would not that be hard on people who cannot afford to buy a freehold?—By all means let a man who cannot afford to buy a freehold have a lease in perpetuity, but if he so wishes give him the right to acquire it when in a position to do so.

164. You speak of the leasehold in Ireland being a curse: did not that arise in consequence of granting the freehold to the landlords? If in the early days of Irish history the land had been leased on low terms for 999 years, would not that have been a good thing?—The people of Ireland have cheek, but I do not think they have enough to let land for as long as 999 years.

165. If the Government had leased the land in Ireland for as long terms as they do here, would not that have been a good thing for Ireland?—Yes, it would.

166. The freehold has been the curse of Ireland?—No, it has not.

167. *Mr. Paul.*] Is there any analogy between an Irish landlord and the New Zealand Government?—I class all landlords the same, whether they be Irish landlords or a Government.

168. Do you think the tenants under the New Zealand Government are in a better or worse position than the tenants in Ireland?—They are better off under the New Zealand Government.

169. Could you forward to the Chairman, for the information of the Commission, the letter you got from the Advances to Settlers Office saying that they had no money?—I do not know whether I can produce both letters or not, but I believe I have the one in which they said they would let me have the money. I do not know whether I have the second letter. That second letter, now I think of it, stated that they had the money in smaller quantities, but not in the quantity I wanted it.

170. Do you think there is any danger of aggregation if the freehold is given to the tenants under the Land for Settlements Act?—The Government can easily stop that by stating the acreage one man can hold.

171. You are in favour of restricting the area?—Of course, I am. I would never have it again brought into large estates.

172. If the amount of freehold you can hold is prescribed by law, would not that restrict the market and reduce the value of the freehold?—There is plenty of land in New Zealand. You need not be afraid that I will not be able to sell my land if I want to.

173. Do you not think that if the tenants are given the option of the freehold the good bargains in the sections will be bought up and the others left on the hands of the State?—If the land is properly valued when cut up there should be no bargains. Every section should be valued for the money put on it.

174. Do you know of any man who is paying too much rent?—No. If they are they have kept it to themselves, and have not told me.

175. You are emphatic with regard to freeholders being more valuable in time of war than leaseholders. Is the British navy armed by freeholders?—Those who command the navy are, I believe.

176. You think the commanders win the battles?—They go a long way towards it.

177. *Mr. Anstey.*] Would you extend the option of the freehold to lessees of education reserves?—Yes, I would. It is all public property.

178. Would you extend the same right to the leaseholders on private estates?—I would leave alone whatever contract had been entered into between private individuals.

179. You would not give private leaseholders the privilege of the option of purchase?—I would leave that to be arranged between the parties themselves.

180. You would not go the length of saying that the Advances to Settlers Office should be done away with altogether?—If I had my way I would abolish it right off, but perhaps the office deals more favourably with other people than it has done with me, and I suppose they have a right to be heard in the matter.

181. Have you had any experience of co-operative labour?—No, but I understand how it is worked. I maintain that the contract system is better.

182. Do you know whether the roads which were made by the Government on the Levels Estate were made by the local body out of moneys provided by the Government, or whether the Government sent down their own men and made the roads themselves?—I could not say that.

183. *Mr. Matheson.*] Are you aware that the British Government are spending more money in buying estates than the New Zealand Government is, and that in each case in Britain the option of the freehold is given?—Yes, they can pay off by instalments.

184. If four or five lean years came to Canterbury do you think the Crown tenants could prosper under their present rents?—Yes, I believe they could.

185. You think that if wheat and oats fell to what they were ten years ago, and the price of sheep came down too, they could pay all right?—They would pay all right, no matter what grain does if sheep keep up, and there is no chance of sheep falling so long as John Bull has got as good an appetite as at present. He has a good appetite, and the Lord increase it! We would be badly off without it.

186. *Mr. Johnston.*] What did you pay for your land?—£10 an acre.

187. What did that land cost Mr. Rhodes?—He paid £9 10s. an acre for it seven or eight years before. I took it on lease nine years ago with a purchasing clause.

188. Did Mr. Rhodes get the land from the Government direct?—No. He bought it from a private individual.

189. Did the improvements Mr. Rhodes put on the land cost him 10s. an acre?—I believe he lost money over the transaction between what he gave for it and what we paid for it.

190. What did Mr. Rhodes originally pay for the bulk of his land about Timaru?—I could not tell that.

191. You say that no one but freeholders can fight?—I did not say that, but I say freeholders are best, because they have a stake in the country to fight for.

192. Are all the Irishmen in the British army freeholders?—I never heard of a freeholder outside of the landlords in Ireland. If Ireland had to defend itself now only women and youngsters would be there to fight for it.

193. *Mr. Forbes.*] Where there any cropping regulations in the lease you had from Mr. Rhodes?—Yes, but they were not quite so restrictive as yours. We were allowed two white crops in five years, and as many green crops as we liked.

194. You think that reasonable?—Yes.

195. Would the regulations on Crown land about here be better in that form?—Any man who wants more than two white crops in five years is injuring himself and the land.

196. We were told that some of the land at Waikakahi was so strong that the first two crops were nothing but straw?—There is no land of that nature about here. If the land is so strong that it grows nothing but straw, you want to crop it until the crop is less rank.

197. As long as a man grows green crops that would do instead of putting it into pasture?—I would allow a man to grow as many green crops as he likes.

MATTHEW DRISCOLL examined.

198. *The Chairman.*] What are you?—I am a farmer holding about 500 acres of freehold on Levels. I have been farming in the district for about thirty-three years, and I purchased my land from the company at £12 and £12 10s. per acre. I crop and keep sheep.

199. Have you had any dealing with the Land Board?—No.

200. Do you think the cropping restrictions should be made more elastic for the tenant?—I can hardly say. The tenants who have been here for the last five years have done fairly well. I think two white crops are plenty, and if a man wants a third crop he should put in a year's fallow.

201. Do you think freehold is better than leasehold for advancing the colony?—Those who have got the land lately have done very well, because of the good years we have had. On the Levels Estate they are paying £12 rent, and I do not know how they would have done on that rent twelve years ago.

202. As a principle of settlement, do you think it is better that the people should have land on the freehold or simply on the leasehold?—Had it not been for the Government purchasing estates I do not know where many of the people now on the land would have got their farms from. Not one in twenty could buy a freehold. I think, however, that in the course of five or six years they should have the option of purchasing.

203. Do you think that if they had the option it would make them better farmers?—I think if a man was inclined to farm he would farm on any tenure; but it would be a great encouragement if he had the option of the freehold, say, in five or six years' time.

204. *Mr. McCutchan.*] While enjoying good years do you think it would be good policy on the part of the Government to pay off part of the freehold?—I think it would.

205. Would you allow them to go on and pay off the whole amount?—Yes.

206. Would you allow them to acquire the freehold at the original price?—I hardly think so.

207. *Mr. Anstey.*] Do we understand from you that the cropping restrictions allowing two white crops are reasonable?—Yes; but if it comes a dry year and his land only gives 7 bushels to the acre, as happened once with me on land generally giving 30 or 40 bushels, I would allow him to take another crop off.

208. You would not alter the lease to allow him three crops?—No.

209. Are settlers able to get what advances they want from private firms easier and better than from the Advances to Settlers Office?—I could not say.

210. What is your experience with regard to the buildings put up on the Rosewill Settlement; and are the farms there farmed as well as if they were freeholds?—Yes, I think so. I think they are putting up better houses and sheds than I had when I started on my land.

211. Do you remember at any time when the New Zealand and Australian Land Company let land for cropping?—Yes.

212. Did you ever crop any of it?—Yes; I paid about £1 an acre—£1 3s. was the highest I paid.

213. That was for one crop?—Yes. We broke it up, cross-ploughed it and put in one crop.

214. What is the rent for that land now?—I suppose the land for which I paid £1 3s. is occupied by tenants paying 6s. or 8s. Wheat then was 4s. 4d. a bushel.

215. *Mr. Johnston.*] What did it cost to cart that wheat, then?—2d. per bushel to Timaru, a distance of thirty miles.

216. How long have you been farming this piece of land you have now?—The last portion I acquired about fourteen years ago, and the first portion about four years before that.

217. Have you found that your land pays you at 12s. 6d. an acre?—Yes, I have. I paid off the whole value at the end of two crops.

218. Will that land pay on a rental of 12s. 6d. an acre on the average price of stock and grain?—Yes, at the present time.

219. Will it pay in bad times?—I do not think so. If wheat is down to 2s. and oats to 1s., and sheep stand at 8s. or 9s. per head, it will not.

220. What is the average yield of wheat on your property?—35 to 40 bushels.

221. What is the average yield of oats?—40 to 45 bushels.

WILLIAM STEPHEN MASLIN examined.

222. *The Chairman.*] What are you?—I am a farmer, and farm 2,000 or 3,000 acres of freehold land in the Geraldine district. I have been a long time there. I have given a fair amount of attention to the land question.

223. What do you think of the present constitution of the Land Board?—I do not think the present system could be improved upon. Their duties are administrative, and the Government should be alone responsible for the administration of its land policy. I believe if you had authority in the shape of partly elected Land Boards you would have no one to whom you could ship home responsibility with respect to administration. I think the Land Boards should be in sympathy with the Government of the day in its land policy, and that can only be absolutely secured by the Government appointing the members of the Land Boards.

224. What is your view in respect to the freehold and leasehold tenure and their influence on the settlement of the country?—I believe if at its inception leasehold with periodical valuation had been adopted it might have been a good thing for the colony and for the general taxpayer; but, seeing that that system has not been adopted, I think that all holders of leases in perpetuity should have the right to convert their leasehold into freehold. I would not do away with the leasehold system; I believe in the leasehold as a first tenure to enable a man with small means to get on the land. The object of the man going on the land is to improve his position. I would not make the payments for the freehold compulsory; they should be optional. I think it would be very necessary if a system of that kind were adopted that there should be some limit as to the amount to be paid during each year. I think that only a certain amount should be received in any one year. Under the lease in perpetuity in connection with Crown lands under the Land Act there must be a considerable loss to the general taxpayer through leasing land at 4 per cent. when we are paying 4 per cent. interest on over £30,000,000 of our public debt. From a business-point of view, it would be, I think, in the interest of the general taxpayer that these people should be allowed to convert their leasehold into freeholds, because by doing so we would get all the advan-

tages of the land-for-settlements system without the expenses of administering, which must come out of the general Consolidated Fund. We have leased as lease in perpetuity under the Land Act over 1,147,000 acres at 4 per cent., and it must be patent to every one that the leasing of land at 4 per cent. and borrowing money equal to the value of the land at 4 per cent. must result in a loss somewhere that must be met by the general taxpayer. I am therefore of opinion that it would be in the interests of the State to allow them to acquire the freehold at the original value, seeing that the State would lose nothing by it. The State has practically alienated the land for 999 years at a nominal rental of 4 per cent. I am speaking now of land leased on lease in perpetuity under the Land Act. Coming now to the Land for Settlements Act, I believe in the general policy of the Land for Settlements Act. I believe it is in the interests of the community that such a policy should be carried out vigorously; but I think that the right to acquire the freehold would be in the interests both of the tenant and of the State. It would certainly be in the interests of the landholders to give a freehold tenure, because, I think, it is in the interests of the agricultural and pastoral community that there should be a community of interests in the occupation of the land. I think that should be the ultimate aim of our land policy, so as to counteract as largely as possible the socialistic tendencies of the cities in respect to the occupation of the land. It has been objected that the enhanced value that has accrued to this land since it was taken up would mean a gift of a considerable amount of money to the tenants. But I would like to point out that we have practically given the land to them, and we cannot get it from them again except by an immoral act or by imposing penal legislation upon them. They have got the land for 999 years, and it would be making the best of a bad bargain for the State to allow them to acquire the freehold and come under the general system of taxation of the colony, which they escape to a large extent now. I would like to make some remarks with respect to cropping. I think that latitude should be allowed to the Crown Land Rangers with regard to cropping, and, seeing that most of these officers are men of experience, the cropping regulations would, no doubt, be properly administered. I think that the cropping regulations should depend largely on the character and the condition of the land. I would therefore allow some discretion to the Crown Land Ranger. For instance, as long as a settler is only taking off green crops—feeding them off—he is improving the land, and there should be no limitation. With respect to the ballot, I have not much to say as to that, except to mention the objection which I have heard made by persons who have spoken to me about the subject: that is, as to the grouping-system—that they cannot get a block of land they want. I think that system very often misrepresents the keenness of the desire for land, because it compels men to go in for something that he does not want.

225. Is there any aggregation of estates going on in this district?—No, I do not think so. The tendency is in the other direction. Owing to the direct and local taxation, I do not think there is much likelihood of the aggregation of the estates again taking place. I might mention, with regard to giving the right of acquiring the freehold, that many persons say that that would lead to the reaggregation of large estates. I think that the aggregation of estates might come about just as easily under the leasehold if it were not that the conditions of the leasehold prevent that taking place. I think that an amendment of the Land Transfer Act could prevent in a similar way the aggregation of the freehold land by providing that no transfer would be registered except the transferee took the declaration required under the Land for Settlements Act, and there should be heavy penalties for any perjury or misstatement—penalties involving even the forfeiture of the land. That would effectually prevent the aggregation of freehold estates just as much as the present law can prevent the aggregation of leasehold land. The limit as to area would, I think, depend entirely on the character of the land. There is some land which is now classed as first-class land which in other districts is only regarded as second-class land. All land that is now classed as first-class land is not similar in quality. Some of the land that is now classed as first-class land is worth three or four times the amount that other first-class land is worth. I think it should be a question of the value of the land rather than the area of the land.

226. Have you any knowledge of the Advances to Settlers Office?—If there was not such delay in connection with obtaining loans, I think it would be very much more popular with borrowers than appears at the present time. Men seldom seek to borrow money until they want it. Under the present system such delays occur before settlers can get money from the Department that many people borrow outside who would otherwise avail themselves of the Advances to Settlers Office if it were not for the uncertainty that seems to attach to getting loans from the State. I have heard many people complain in respect to the delays in getting advances from the Advances to Settlers Office.

227. *Mr. Hall.*] I understood you to say that the 999-years tenure is very good, but you are also in favour of giving the option of the freehold?—I say that the 999-years tenure without revaluation is a bad tenure for the State. If provision had been made in the original Act for revaluation it might have been a very good thing for the State, because in the course of time land might have been so enhanced in value that a sinking fund might have been provided—in excess of the interest—that would have wiped out the original sum borrowed. As it is now the State will be for the 999 years practically an interest-collecting agency for foreign capitalists.

228. Do you consider that it would be better if the tenants could have the freehold?—I do, undoubtedly.

229. In what way, seeing that they have the money at a very low rate of interest, they might acquire the freehold and afterwards be subject to a mortgage at a very much higher rate of interest?—When a man has the advantage of holding his land at 4 per cent. on the original value of the property, under my proposal he would have the option of paying off such a sum as he could pay from time to time, and I say it would be most unreasonable to suppose that he should borrow money outside in order to pay off the amount owing to the State.

230. You think there is no probability of the aggregation of estates in the event of the State parting with the freehold?—No; that would be prevented by the provisions attached to the transfer of land.



231. Would you make that apply to present leases?—Yes. I would allow the tenants under the lease in perpetuity to have the right of purchase at the original value.

232. Would that be fair to others outside?—Yes, I think so, because under the Land Act, while there is an indirect gain there is practically a loss involving the total cost of administration, which has to be charged by the landlords to the general taxpayer, who is paying 4 per cent. on from £30,000,000 to £40,000,000 of public debt, and the State is only getting back 4 per cent. minus the cost of administration under the Land Act and any rebate of rent allowed.

233. Would not others outside the present tenants have the right to come in under the Land for Settlements Act in regard to sections of purchased estates?—They had the right originally to come in under the ballot.

234. You speak of certain changes in the lease: would not that mean issuing a new lease?—There would be no necessity to issue a new lease. I would be in favour of legislation being passed giving the present occupiers of the land the right of purchase by payments of any sum, fixing a limit, which might be paid in any one year, and that would mean the tenant would get a proportionate reduction in the rent.

235. That would be virtually cancelling the present lease?—I think the Government has already done that to some extent. The Crown Tenants Rebate of Rent Act has been passed. The tenants took up the land covenanting to pay 4 and 5 per cent., and now they are to get  $\frac{1}{2}$  per cent. refund.

236. That does not vitiate the lease?—No more would my proposal vitiate the lease. By legislation you can do anything. You can provide that the lease shall not be vitiated.

237. As regards education and other such endowments, they were set apart for special purposes for all time: do you consider that there should be power given to sell them?—No. Seeing that the persons in whom these lands are vested are not in debt, they have the revenue from these reserves purely as income.

238. I suppose you consider there might be a danger in giving the power to sell?—I think there would be no advantage in giving the power to sell. There is no encumbrance on the land, and consequently the whole of the rent received would be available for the purposes for which the local authorities were constituted.

239. You spoke of Crown land as being distinct from land acquired under Land for Settlements Act: is that because the tenants pay a lower rate of interest, or what is the reason?—I know of cases in the North Island where considerable sums of money have been made by speculating in lease-in-perpetuity sections, but, seeing that that was land acquired at a small sum from the Natives, I suppose the State would consider that it should deal with that as it pleased.

240. Do you think that settlers taking up such Crown lands should have liberal terms?—Yes; I quite approve in respect to back-bush blocks of letting settlers occupy the land at a nominal sum at first, and I also think that in regard to residence they should be dealt with liberally, especially where there are no roads. I know of cases where some settlers have had to pack their goods and produce for miles, and I think they should be very liberally dealt with.

241. *Mr. McCutchan.*] You approve of the nominative system for Land Boards?—Yes.

242. That seems to be the general opinion?—Yes. I do not think you could improve upon it, because it makes the Government responsible for the land-administration.

243. In some districts—especially in Canterbury, for instance—do you not think there should be more local representation, because some of the outlying districts do not at present get representation?—I do not think that direct representation is necessary, because the members of the Land Board must be guided largely by the reports of the responsible officers.

244. But there is the other side of the question. Capable officials are a very fine thing, but would it not be well to have good local representation from the settlers standpoint?—I do not think it would be in the interests of settlement to have such representations.

245. Then, why not abolish Land Boards and let the Crown Lands Commissioners administer the Act?—It is said that in a multitude of councils there is wisdom; it may apply to Land Boards, but I do not think there would be any advantage in altering the present system.

246. In connection with Crown land where these settlers' interests exceed that of the interest of the State in the land, would it not be very unfair if the tenants had no direct representation?—I do not see that there is any good ground for giving direct representation.

247. What are the four members of the Land Board at present appointed by the Government for?—They are four men who are appointed because they are supposed to have a practical knowledge of the working of the land in the district, and I think most of them have.

248. It has been suggested that the land districts should be divided into wards?—I do not think that would act satisfactorily; it would materially increase the cost, and you would have an unwieldy cumbersome Land Board.

249. I am not advocating a departure from the present system of nomination. I think that is wise and proper, but there are many districts, especially in Canterbury, which are not at present getting representation on the Land Board?—Let us take South Canterbury. The present member of the Board appointed from this district is a man who goes all over the district, and he must know pretty well the circumstances of the whole district. I believe it would lead to bad administration if members of the Land Board were such men as could be button-holed by applicants in respect to the various questions coming before the Board.

250. Does not the objection you now raise exist in respect to the present system?—No, the members of the Board are entirely independent; they do not represent any particular section of the settlers, or any particular district: their duty is to administer the land laws and the land policy of the Government in the best possible way.

251. If that is so in regard to four members, why not have six members?—If you had six members you would probably want twelve members before long. I have had a good deal of experience of committees and Boards of various kinds, and I am convinced that a small level-headed committee or Board will do better work than a larger body.

252. With reference to Crown land under the Act of 1892 you said that the State is suffering a loss?—I said that there is a direct loss, but indirectly there may be a gain.

253. I do not think that is quite correct, for this reason: that 8,000,000 acres of land has been purchased for £2,000,000?—I do not consider what it was purchased at. We have borrowed over £30,000,000 of money upon which we are paying 4 per cent., and we are leasing the land at its assessed value at the time it was taken up at 4 per cent., and then there is the cost of administration, which must come out of the pockets of the general taxpayer. If you allow those persons who take up this land to convert their leaseholds into freeholds the necessity for further borrowing for the land-for-settlement policy would be obviated, because the money received would be available for carrying on the land-for-settlement policy, and that would save the colony going into the London money-market for land-for-settlement purposes for many years to come. I noticed the other day that it was stated that the reason why Canadian stock is so much higher than that of other colonial stock is simply because the Canadian Government is not borrowing. If we could keep out of the money-market, and could finance from the moneys received from this land, the colony would be benefited in every way.

254. You say the colony is suffering a loss because it is only receiving 4 per cent. from this land, but I may point out that in many instances the Government is getting as much as from 8 to 12 per cent. out of these lands?—If you take the original cost of the land in the South Island—and practically the whole of that land has cost nothing, or next to nothing—as we are getting 4 per cent. on lease in perpetuity under the Land Act there may be a considerable gain; but, as I have stated the case, as the Government leased at 4 per cent. on the capital value at the time of leasing, there must be a loss, for there are the expenses of administration in addition and the rebate of rent.

255. The figures show that the State is making a substantial profit out of the Crown tenants?—Take the case of land in the Taranaki District. Land was disposed of there up to £2 5s. and £2 7s., which was worth that amount in cash at the time, and some of it was worth more than that, and that was before the railway was constructed through the district. You must take the cash value at the time before the land was leased.

256. What land was settled there before the railway was put through?—Where was Eltham before the railway was constructed. I was there before Eltham was called Eltham. The State could have converted that land into cash and so have avoided borrowing, but the Government elected rather to borrow, and leased the land. They leased the land at 4 per cent. on its value then, and I maintain that the cost of administration must be added, and therefore there has been a loss to that extent to the general taxpayer.

257. Would you advocate the revaluation in connection with leases to be issued in future?—No, because we have already alienated all our easily available land and the best of our land and have leased it without revaluation, and if you impose revaluation on those who take up land in the future under less advantageous conditions it would be manifestly unfair to those who take up land in the future.

258. *Mr. Paul.*] If a tenant is entitled to have his rent reduced is it not fair that it should be so reduced?—I know that there are a few exceptional cases where it may be desirable that the rent should be reduced, but in most cases the rent is very fair—in fact, it is to the advantage of the tenant.

259. Do you think revaluation is right in principle?—The proper principle of leasing should embody revaluation, and that principle is now being applied by local bodies under the last Municipal Corporations Act, which gives the local bodies power to revalue and to continue the lease.

260. I understand you to say that leasehold with revaluation would have been the best thing for the State?—Yes, originally.

261. Do you not think it would be better to inaugurate that system for the future?—I do not think so now that so much of the best land has been let with no provision for revaluation.

262. You propose giving the option of the freehold?—Yes; then the freeholder would come under the general system of direct taxation, which they now escape, to a large extent, as leaseholders.

263. Could not they be kept apart from future leases? If you made a provision now that all land leased under the lease in perpetuity shall be subject to the option of purchase, could you not start to-morrow and inaugurate a new system of leasing with revaluation?—I think it would be to the advantage of the community to make it retroactive, because you would ultimately in this way get a uniformity of tenure for those who occupy the land.

264. What would become of the bad sections or dear sections in the blocks which are at present paying too high a rental?—They are the exceptions. I may inform the Commission that I know of a case where a tenant applied for and got a reduction in his rent, and recently I understand he got something like £2,500 for the goodwill of his lease. I may say that I was instrumental in some degree in getting his rent reduced, and then some ten years later he got the amount I have mentioned for his goodwill. That was a section held under lease in perpetuity under the Land Act. If the Commission desire it I can give the name. The man's name was Dorwood, on the Rangitata Plains, and the amount he got was £2,000 or £2,500. I think the rental of the land was only about 6d. per acre, and the area of the run was about 1,500 or 1,600 acres. I know of several cases where considerable sums have been received by tenants for the goodwill of their leases.

265. Would you relax the cropping regulations, or allow them to be relaxed at the discretion of the Ranger?—I think the cropping regulations should depend entirely on the condition and character of the land.

266. You think the whole power should be vested in the Ranger?—Yes, but subject to confirmation of the Land Board. I would not give him absolute power, but I think there should be larger discretionary power, subject to the approval of the Board.

267. When the option is given to the tenants to acquire the freehold would you allow an outside freeholder to come in and buy up the sections?—How can an outsider come in when you give

the tenants the option? I think similar conditions might be attached as are now attached to transfers under the leasehold system.

268. Would you restrict the area of freehold which may be held by one man?—Yes, either the area or the value. Of course, while the land is so badly classified as it is you could not fairly restrict the area. I think the value would be a better basis than the area.

269. You would not think of giving a freeholder the right during a number of years of getting rid of his excess of area?—They are doing that now as fast as they can, and in their own interests, too.

270. Do you think there is a loss under the land-for-settlements policy?—I generally approve of the land-for-settlements policy—that is, in the interests of the colony and of the people. I believe in giving the easiest possible conditions to the people to get on the land. While there may be no difference in the character of leasehold and freehold lands there is often a wide difference in the valuation for local-rating purposes.

271. How do you account for that?—I suppose the value of the leasehold is governed to some extent by the rent the tenant is paying. In the case of a freehold the valuer assesses the value at what it will fetch in the market, but in the case of the leasehold the valuation is affected by the rent the tenant is paying. That rent was fixed at the time at which the tenant took up the land, and not at its present value.

272. Then, you think that the lease-in-perpetuity holder is not paying his fair share of local taxation?—I believe that while the tenant would gain a great advantage by being allowed to acquire the freehold, his not being allowed to invest his savings in the land he occupies, and thus reducing his rent, is a disadvantage to him, and I think that if he were allowed to acquire the freehold it would be better for the State, because he would then become liable for land-tax, and thus the number of direct taxpayers in the colony would be increased.

274. But holders of lease-in-perpetuity land are subject to the land-tax, are they not?—Yes, they are subject to it; but, so far as I know, there is no lease-in-perpetuity holder that is paying land-tax.

275. What is the socialistic tendency of the towns in reference to land legislation that you have referred to?—I do not think the people I have referred to know where they are. I think a few “faddists” and agitators in the towns make large numbers, or most of the people there, believe almost anything they like. They talk glibly about land-nationalisation, but they really do not understand the question.

276. You meant that remark to apply in a general sense?—Yes. Judging from the remarks made in public addresses in the towns, they seem to speak without giving the matter very much thought. As long as the State can exercise the right it possesses of taxation it can make the land contribute equitably towards the revenue of the colony. I hold that in this way all the land belongs to the State, whether it is held under freehold or leasehold tenure.

277. Would you be in favour of increasing the land-tax in the case of lease-in-perpetuity holders?—I would not impose penal taxation on any one. I believe that the more equitably taxation presses on all classes of the community the better it is for the community on a whole.

278. Do you favour a land-tax without exemption?—While it would be just in principle, I think there would be considerable disadvantages. I think there should be exemptions, because the small amounts that some people would have to pay would not be worth while collecting. I believe that the greater number of taxpayers in the community the better it is for the State, because that would cause a keener interest to be taken by the people in the government of the country.

279. *Mr. Anstey.*] You say that the land-for-settlement policy has been a success?—Yes.

280. Do you think that any system under the freehold would be as successful?—I will not answer that question that way. If I say Yes I should say what I do not mean, and if I said No I should say what I do not think. I think the leasehold is the best first tenure to bring about the occupation of the land, because it enables men with small means to get on the land; but I also say that having got on the land you should give the leaseholder the right to acquire the freehold.

281. Supposing you give these tenants the right of purchase, do you not think they would buy the cheap and better sections and leave the dear land on the hands of the Government?—Excepting Pomahaka, and perhaps one or two other estates, there are no such dear sections on estates purchased by the Government.

282. Do you think there is a large margin to the good on estates the Government have bought?—Yes.

283. Supposing you allow the tenants to buy the land at the original cost, would you advocate that the State should take that money and buy other estates?—Yes, if the State requires the money for land for settlement. But I think it would be necessary to limit the amount to be paid in any one year.

284. If the State did that could it invest the money to as great advantage as it is now invested?—They would not require to go to the British money-market.

285. Do you think the Land Board should agree to transfer sections, no matter what sum may be paid for goodwill?—I believe there is a little difficulty in getting transfers passed now. If a man came before the Board and showed that he was in a position to successfully carry on with the section, and complied with the conditions of the lease notwithstanding the high price paid for goodwill, I think there could be no good objection to accepting the transfer to him.

286. You would not give them the right to agree to any transfer?—No. I think the Board should inquire as to the position of the man proposing to take over the section.

287. Do you object to the grouping-system or to the second ballot?—I think a person should have a right to apply for any section if he has sufficient capital to take it up, and he should not be compelled to apply for so many sections grouped together and put in a deposit for the highest-priced section, and then possibly draw the section he does not want.

288. Do you know whether the lease-in-perpetuity settler labours under any disadvantage in getting financial assistance privately?—They do sometimes.

289. Are they under any greater disadvantages than any other leaseholders?—I do not think they are.

290. You said you were not in favour of allowing tenants of educational reserves to acquire the freehold. Can you state the specific purpose for which the Education Reserve Commissioners apply the moneys they receive: are they not paid directly into the consolidated revenues?—To all intents and purposes they are paid into the consolidated revenue; it practically amounts to that.

291. What is the difference between those reserves and other reserves?—Those reserves are subject to no special charges.

292. You are aware in respect to a number of these leases that it is made a condition that tenants should get valuation for improvements at the end of their lease?—I think a tenant should have a reasonably secured tenure, and I think in most cases provision is now being made for a renewal of the lease at the end of the term of twenty-one years at a valuation to be fixed by one person appointed by the tenant and one appointed by the Board, with a third to come in as umpire in the case of the other two disagreeing.

293. Do you think it would be wise to make it compulsory by law that such a condition should be inserted in the leases?—I do not think it would be a bad idea in respect to fresh leases.

294. *Mr. Matheson.*] If the land were cut up into suitable-sized holdings do you think the colony would prosper most under the leasehold or under the freehold?—I think it would prosper most under the freehold.

295. Do you think it would be wise to give the option of freehold in respect to primary-education reserves if that would result in making the land more productive?—I do not think it would be right to grant the freehold in the case of primary-education reserves.

296. Do you think it is advisable that education reserves should be administered by a separate body?—I think they might as well be administered by the Land Boards.

297. *Mr. Johnston.*] Would you restrict the area of first-class land to 640 acres?—I would not allow it to be more, so far as the Government estates are concerned.

298. Would you approve of an Act of Parliament being passed prohibiting a man registering more than 640 acres of first-class land acquired from anybody?—No, I would not.

299. Would you classify land for the whole of one district, or for the whole Island, or for the whole colony?—In districts, because there is such a variation in the matter of climate and other conditions.

300. I do not know if you quite understood *Mr. McCutchan's* question in regard to Land Boards: I think he suggested that the land district should be subdivided into four districts, and that the Government should nominate a member from each of these districts?—I think that would be fair, and that is practically what we are doing in this district.

301. Do you believe in the straight-out ballot for land?—Yes; I think a man should be allowed to apply for the section he wants.

302. Do you know if there is any organised system to force them or to threaten them to come before this Commission and give evidence in favour of the freehold?—I do not.

303. We have had evidence to that effect: are you satisfied there is no such thing?—We talk the matter over in the trains, and the general expression of the tenants is that they would like to have the freehold, and they think it will ultimately come; but they said they would not come before the Commission as the freehold would come without them troubling much about it.

304. Is there any organised system of threats to force them to give evidence in favour of the leasehold?—I have never heard of it.

305. Have you any Californian thistle?—Yes, I have a bit on my place.

306. Is there much in the district?—In some parts there is a good deal. It is kept regularly cut and never allowed to seed. The danger is that it is spreading in the river-bed, where it is not under the same control, and when the river is flooded the thistle will be carried on to the rich low-lying ground, and in the future it may cause a great deal of trouble.

307. Do you think it will be a serious matter if it is allowed to spread any further?—I think every means should be adopted to prevent it spreading, but I really do not know how you can eradicate it.

308. Is the Agricultural Department taking measures to keep the thistle down?—Yes; they are very strict, and rightly so too.

309. Have you any ragwort?—It is an unknown weed here.

310. *Mr. Forbes.*] You are a member of the Farmers' Union?—Yes. I do not take a very active part just now.

311. Do you represent them here?—No; I appear only on my own behalf. Of course, the opinions I express are held by a great many members of the Farmers' Union.

312. Do you not think that a much better method of restricting the area of freehold a man may hold would be by the graduated land-tax? Would not that be the most effective means to prevent the aggregation of large estates?—I do not think there is any aggregation going on. It is rather the other way. The land is liable now to a rate of 3d. in the pound for local-taxation purposes.

313. You think that the local rating and the ordinary taxation are sufficient to prevent the aggregation of large estates?—I think that not only the present taxation but the fear of what may happen in the future has already had a tendency to cause owners of large estates to sell out.

314. You do not think there need be any restriction as to the amount of freehold a man may hold?—I do not think so, except to prevent aggregation under the Land for Settlements Act. Even in that case where it is proved that a mistake has been made originally in cutting up the estate into too-small areas I think provision should be made to enable the tenants to purchase adjoining sections and so make their farms a reasonable size.

315. Are there any large estates about here it would be advisable to subdivide?—I only know of one now.

316. Is that under offer to the Government?—I think it was under offer and was declined at the price.

ROBERT NORRISH examined.

317. *The Chairman.*] What are you?—I am a farmer. I hold 260 acres of freehold and 390 acres under lease in perpetuity on the Kohika Settlement, for which I pay 6s. 3d. per acre rent. I have been there since the start of the settlement four years ago. I carry on mixed farming.

318. Are you well satisfied with your land?—I am satisfied, comparatively speaking.

319. Do you like your present tenure?—I have no objection to it.

320. Is there anything to bring before the Commission?—Yes, in regard to cropping conditions. I think there is no chance to clean dirty land under the present conditions.

321. What would you like?—I think two white crops are quite sufficient for my part of the country, but I think more than one green crop should be allowed.

322. Do you think you should be allowed to take as many as you like?—Well, I do not see how it would do any harm.

323. Have you made any application to the Land Board to vary your conditions a little?—No. My land is in such a state that it is not profitable to crop it at all. I have 25 acres of oats this year and 35 acres of green crop. I keep seven hundred ewes on the two properties.

324. Have you any objection to the Land Board as at present constituted?—No.

325. *Mr. Hall.*] You are under both tenures: do you find the one tenure as profitable and as satisfactory as the other?—I am quite satisfied with the lease in perpetuity.

326. Do you consider that green crops are in any way exhaustive when they are consumed on the land?—No. I think they improve the land, and they give you a chance to eradicate the weeds.

327. Do you think it would be good policy to allow lease-in-perpetuity tenants to reduce their capital value by paying off instalments to, say, 50 per cent.?—Yes. I believe in giving the tenant the right to purchase the freehold practically if he wishes to do so.

328. Putting the freehold on one side, is it desirable to allow the tenant to pay off part of the capital value?—Yes, if he has the money in hand to do so.

329. If that were done should not all restrictions in regard to cropping be removed?—I am quite satisfied with the restrictions now, except in special cases.

330. If the tenant reduces his mortgage by one-half is there any need for restrictions from the point of view of the State?—No.

331. *Mr. Austey.*] What is your experience of the ballot-system?—There was no grouping or second ballot when I applied. If I wanted a section now I would object to the grouping system.

332. *Mr. Johnston.*] Have you had anything to do with the Advances to Settlers Department?—I have.

333. Was your experience satisfactory?—I could do no good with them. I could not get a sufficient advance to meet my requirements. I am referring to some ten years ago, when I applied for an advance in regard to my freehold property.

JOSEPH SCOTT examined.

334. *The Chairman.*] What are you?—I was formerly a schoolmaster in this town. I have been in this district thirty years.

335. Have you ever been engaged in farming pursuits?—Not directly.

336. Is there any point you wish to bring before the Commission?—I wish to suggest that the Crown tenant under lease in perpetuity who wishes to give up his lease should be compelled to surrender it to the Land Board instead of selling it. I do not think he should be allowed to sell it at all. I think the Board should do the whole of the transfer business, and retain any unearned increment for the benefit of the State. We have heard a lot lately about the amounts obtained for goodwill. In many cases it has been suggested that a good deal of the unearned increment has been acquired by the leaseholder, and I think it should belong to the community.

337. I suppose if your plan was given effect to you would allow transfers to be made, and, after the settler's interest in the improvements had been ascertained, if there was any larger sum, you would keep the balance for the State?—Yes. I think they should be given liberal allowance for improvements.

338. *Mr. Hall.*] Is not the unearned increment created almost wholly by the settlers individually and collectively?—Whatever is created by them should be paid to them.

339. But is there not a value created chiefly by the tenants by improvements which are not visible and which cannot be compensated for?—I think not. I think the community generally have a great deal to do with creating the additional value of the land.

340. *Mr. Matheson.*] Suppose there were no occupants of the country lands, do you think all the exertions of the town workers could make that country land worth more?—No; but I consider as the country progresses roads and railways are built, which add largely to the value of the land.

341. Is it not the work of the farmers which has made these roads and railways necessary?—In every particular case where a farmer has improved his land, I think he ought to receive full value for what he has done.

EMMANUEL WAITE examined.

342. *The Chairman.*] What are you?—I am a farmer. My wife holds 26 acres under lease in perpetuity on the Kareta-Seadown Settlement, the rent for which is 15s. 2d. per acre. She has held it since 1895. I have been farming all my life in England, but this is the first place we have held in New Zealand.

343. Do you find your holding satisfactory?—It is not large enough. I have applied to the Government for more land, but I cannot get any more while I hold these 26 acres. I must sell them out.

344. Cannot you apply on your own behalf?—No, I cannot, because my wife holds these 26 acres. They allowed me to put in for the Levels ballot on condition I sold out if I got a section, but I was not successful. The Land Board met me to that extent. I would like the law to be altered to enable me to make my place larger. I have built a house, and it would be a great expense if I had to erect another building somewhere else. I think I should be allowed to hold more ground to go with my present house, even if it is a mile or two away.

345. Have you had any experience of the Advances to Settlers Office?—Yes. It appears to me to be a swindle. I applied for an advance of £60 for building purposes. I had to pay a fee of 10s. 6d. to the Government valuer, and then the Board only offered me an advance of £40, which I could not accept. But they offered if I would put up more buildings to give me more money. I put up further buildings, and then I asked for an advance of £100. I had to pay another 10s. 6d. for the valuer's fee, and word came back that they could not advance the money, and when I inquired they told me they would not advance anything. The valuation was £590, and the Advances to Settlers would not advance me anything on it.

346. *Mr. McCutchan.*] You wish to have the right to take up another piece of land in your own name?—Either in my own name or my wife's name.

347. On the grounds that your present holding is not sufficient to support a wife and family on?—Yes.

348. *Mr. Anstey.*] Is your valuation of £590 for improvements a valuation made for the Advances to Settlers Office?—Yes; Mr. Allen came and valued it, and sent the valuation up to the Advances to Settlers Office.

349. *The Chairman.*] Is there any other matter you would like to mention?—I think that in the ballot a man should only be asked to ballot for the piece of land he wants. I also think that the leaseholder should have the right of purchase at the original valuation. If I had had the option of the freehold I would not have had the trouble I have had, for I would have bought the section and so have been saved all the expense of litigation.

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ST. ANDREW'S, MONDAY, 10TH APRIL, 1905

JAMES FRASER examined.

1. *The Chairman.*] What are you?—I am a settler on Pareora No. 2, where I have 209 acres at 10s. 3d. per acre. I have been residing there for four years, being one of the original settlers. I am well satisfied with my farm and the lease-in-perpetuity tenure. I consider the Government would not be justified in giving the freehold to the lease-in-perpetuity tenants. There is any amount of freehold land in the market, and the lease in perpetuity should be retained for the poor man. I have had a good many years' experience in this country, and I think the lease in perpetuity has given the poor man a good chance to make a home for himself. The restrictions as to cropping is the only thing that I think is hard on the settlers. I cannot complain very much as regards myself. I asked permission to have a third crop and it was curtly refused, but, after I had interviewed the Board and explained the whole matter, I was told that I could take off the third crop of oats provided I sowed it down. It does not always suit a man to have a fallow or to have another green crop, and the Board should have discretionary power in that respect. The Board can from time to time have a valuation of improvements, and by that means know whether a man intends to be a *bonâ fide* settler or not; and the Ranger is always about to see whether a man is working a point or not. That is the only thing I have against the lease. The rents are fair and we are reasonably treated. I think the Board ought to meet at least once in three months at Timaru, or some other southern part, so as to give opportunity to settlers to place local matters before the Board without the inconvenience of having to go to Christchurch.

2. Do you think the present constitution of the Board satisfactory?—I think one member ought to be appointed by the leaseholders. Such a man would understand better what the leaseholders are likely to want, and any reasonable request that was made he would be in a position to say Yes or No to.

3. Have you any experience of the ballot?—I do not understand this late one further than the question of grouping. I do not consider it is right for certain sections to be grouped. One section might suit a man and another might not, and he should not be compelled to take a section that is not suitable for him.

4. Is there anything else you wish to bring before the Commission?—When Pareora No. 2 was thrown open intending applicants had to place a great deal of reliance on certain matters, such as the watering of sections, on the particulars in the Department's pamphlet regarding the settlement. On matters such as the nature of grass, soil, and so forth, a man could make himself acquainted by going over the land, but in regard to water we had no way of telling for ourselves by a mere inspection what the facilities were, and accordingly had to take the statement in the book for it. With regard to Pareora No. 2 it was stated that permanent water could be obtained by sinking from 30 ft. to 100 ft. I came from Amuri to Pareora, having had no experience of this country at all. In my first season I found the want of water, and in all have sunk and bored four wells to depths ranging from 75 ft. to 125 ft. without getting any water at all. I had to cart water the 1st May to December from the Otaio River, six miles and a half away, for house and stock purposes. I spoke to Mr. Allen, of the Land Board, about the difficulty I was in, and he said that sheep would live without water. I am not an experienced sheep-farmer, but, as far as I could see, whenever I put water in the paddocks the sheep were very anxious to get at it. My total expenditure in sinking the wells, which were all unsuccessful, was £23, and, counting my own labour and materials, I estimate that the work cost me over £54. Seeing that I had been misled by the official statement regarding water I consider that I was entitled to some compensation or rebate

from the Land Board, and applied accordingly, but my application was not entertained. I was advised to bring the matter before the member for the district, which I did, but Sir William Steward told me to bring it before the Minister. What is the good of passing a man on from one to the other like that? If it was private land the landlord would be accessible at once.

5. *Mr. McLennan.*] Do you think the Land Board should have discretionary power to appoint two settlers to co-operate with the Ranger in the case of applications for extra cropping?—The members of the Canterbury Land Board are competent farmers, and could do the work without the assistance of any settlers at all.

5. Do you think if the Land Board had given you the compensation you asked for that some other tenants in Pareora and other estates would have made similar applications?—They would not have the same right. My case is an exceptional one. I consulted a lawyer, and he said the only remedy I had was to make an application for consideration, and that I was entitled to it. The only thing the Land Board could have against me was that I took three crops off one piece without asking permission. At the time I did that we believed that the Board would allow us to do it without permission being asked. This year I know men who have taken off a third crop without getting into any trouble at all. I think all should be treated alike, and that no third crop should be taken off without the Board's permission.

7. *Mr. McCardle.*] Do you think the Government should go to some trouble in the finding of water?—Yes. If they will find the water I do not want to claim anything for what I have done in the matter.

8. Do you think the Land Board should allow a third crop provided the farmer puts in manure with it?—Yes.

9. Has the Advances to Settlers Act had a good effect?—Yes.

10. If the terms were made more reasonable would it be better still?—Yes.

11. *Mr. Anstey.*] Generally speaking, do you think the rents on Pareora are fair?—No one has reason to complain, so far as I can judge.

12. Has there been any revaluation for rates since you took up your property?—No.

13. Do you know if any of the freeholds in the neighbourhood have been revalued for rates?—I cannot say.

14. Do dams on your land hold water well?—I think if I had a dry season they would run out. The first year that I was there I would have been very much worse off if it had not been for my brother, who has the adjoining section. He allowed me to use his dam for my horses, but, eventually, it ran out and we both had to cart.

15. Has any water been got on the settlement by sinking?—A man about a mile and a half from my place got water at about 20 ft.

16. Do you think it wise to have a separate Land Board for South Canterbury?—I think it would be very advisable.

17. *Mr. Hall.*] Did I understand you to say that the Land Board did not take the same interest in holdings as a private landlord would?—I could hardly say that, but a private landlord is easier to see, and when a matter is referred to him he will come and have a look at it.

18. You would allow that a private landlord only leases for short tenures, and consequently he is more interested in the farm?—I should say that the Land Board or the colony should have the same interest. It is a long lease, of course, but the more improvements that are put on the better for the State.

19. Do you think the Government has done a good deal to promote *bonâ fide* settlement in the country?—I do, and I think the leaseholder has as much interest in the cultivation of his land as a freeholder has.

20. *Mr. McCutchan.*] Are road matters satisfactory on the block?—Yes.

21. Faith has been kept with the settlers as regards the expenditure of the loading?—Yes, as far as I know.

22. Has the rebate been given to you for prompt payment of rent?—Yes.

23. The full 10 per cent.?—Yes, as far as I know.

24. It is suggested that leases issued in the future for 999 years should carry a revaluation clause: do you think such a clause would be detrimental to the interests of the country?—I do. I think if a man takes a property he takes the risk of whether it goes up or down. If you revalue leasehold property why not revalue freehold property too.

25. *Mr. Paul.*] Is it practicable to water your land with dams?—In a very dry season the water as it gets low gets stagnant, and I consider I would take a considerable amount of risk in allowing valuable animals to drink from it. The only way would be to have underground tanks, and every man has not the buildings to give him sufficient roofing to fill them.

26. Has Pareora been a success?—I think so.

27. How does the value of the leaseholds at the present time compare with the value when the settlers took them up?—They are more valuable now by a good deal. A fact largely due to the efforts of the settlers, freehold and leasehold, in establishing a dairy factory and the Pareora Freezing-works.

28. Is there any aggregation of estates going on in the district?—Not to any extent.

29. Do you think there should be a penalty for breaking the cropping regulations?—I think so, if permission is not obtained from the Board.

30. *Mr. Forbes.*] You think the descriptions given of the estates should be as nearly accurate as possible?—Yes. When I found out that I could not get water I would have walked out of the place if I had not had the buildings there. I do not really consider the land is as valuable to me as it would if water could be found on it.

31. Do you know where they got the authority from for the statement that water could be obtained at from 30 ft. to 100 ft.?—No.

32. Have any people on Pareora No. 2 been successful with wells?—I think they all have with the exception of two of us.



33. It is only in two or three instances, then, that the description with regard to water has proved to be wrong?—Yes.

34. Is there any widespread dissatisfaction on the place with regard to the lease-in-perpetuity tenure?—I have heard some say they would like to go in for the freehold.

35. You saw it represented that a man holding a lease in perpetuity had not the same feeling of security, and did not farm his land so well as if he had a freehold?—I do not think there is anything in that.

36. A sensible man would know that he would be fairly treated?—That is so.

37. Do you think the Ranger carries out his duties fairly and impartially as far as the settlers are concerned?—That has been my experience.

38. Do you not think a green crop would be as good for the land as leaving it in pasture? Do you not think a green crop does the land no harm at all?—I would not say that.

39. You think the present regulation requiring three years' pasture is a proper one?—I think so.

40. *Mr. Matheson.*] Supposing the Government offered you the value of all your improvements and this £50 of expense in regard to the wells, and another £100 to boot, would you be willing to give up your lease?—I would not. I have made my home there, and do not want to shift my family all over the place.

41. You feel that you have a good bargain on the whole?—I do not think it is anything extra.

42. You say that the present regulation regarding cropping is reasonable if permission is asked for a third crop?—Yes.

43. But sometimes regulations are broken on the chance of its being passed over?—Yes.

44. Do you think it wise that where broken without permission there should be a fine, say, of 5 per cent.—at present the only punishment is eviction?—If a fine of 5 per cent. was imposed tenants would adhere to their conditions. A fine would save all the trouble.

45. *Mr. Johnston.*] Was the permission to allow you to crop a third time a compromise for not getting water?—No.

46. Did you expect to get water at 130 ft. on land 380 ft. high?—I did not sink on the highest part of my land.

47. Do you represent any union or association?—None whatever.

48. *Mr. Hall.*] Do you think it would be a good policy to allow lease-in-perpetuity tenants to pay off portion of the capital value?—No.

49. Not any?—No.

50. Do you not think that would be a means whereby all restrictions could be removed as regards cropping?—The restrictions regarding cropping can be got over by giving the Land Boards a little more power. There is no need to give power to convert the leases into freehold, for there is plenty of freehold land to be obtained in the open market, and those who want the freehold can go into the open market and get it, and leave the leasehold for those for whom it was intended.

RICHARD PROCTOR THOMPSON examined.

51. *The Chairman.*] What are you?—I am a lease-in-perpetuity settler on the Pareora No. 2, where I hold 395 acres at 7s. 9d. per acre. I am one of the original lease-in-perpetuity settlers there. I am fairly well satisfied with my place, taking it as a whole. I am very well off for water, and carry on mixed farming. I think a man should be allowed to take off as many green crops as he likes, and if he has a green crop after two white crops he should be allowed to take off another oat-crop in sowing down.

52. Have you had any personal inconvenience through the restrictions?—Yes.

53. Did you make any application to the Land Board?—No, I did not get the chance. They told me I was to put the paddock in grass straight away.

54. What was the state of the land when you took it up?—All in grass. I reckon that any man who puts on improvements required by the Board should be allowed to farm the land as he wishes. The Board has a good hold on the place, and it is always worth the money even if he clears out and leaves it.

55. *Mr. McCardle.*] Are you satisfied with the tenure?—I would rather have the freehold.

56. On what terms?—On the original value.

57. How would it do if you were allowed to pay off part and the balance remained?—That would do.

58. Do you know anything about the advances to settlers?—I have never applied, but a friend of mine did and got no satisfaction.

59. Would you favour an amendment of the Act to allow the Department to make more liberal advances?—Yes.

60. Would you be in favour of getting a general permission to take off an extra crop if you manure?—Yes, I think that would be good. I put in manure with my last turnips.

61. Was it successful?—Yes.

62. *Mr. Anstey.*] If you had the right to purchase the freehold do you not think that all the cheap sections would be bought and the dear ones left in the hands of the Government?—On Pareora all would be taken up.

63. What about the dear ones on other estates?—All would go, as far as I know.

64. Would it be fair to the Government to saddle them with all the dear sections?—A man should have the right to purchase the section he went on to.

65. Are you quite satisfied with the constitution of the Land Board?—I think it would be better if the Land Board were elected. Three members of it, any way.

66. *Mr. Paul.*] What franchise would you elect those members on?—The parliamentary franchise.

67. Do you not think that would allow the people in the towns to elect the Land Board?—They do a good bit now that way.
68. They are nominated by the Government?—Yes.
69. You think they are fairly nominated now?—Yes; but it would be better if they came from the district.
70. They are practical farmers?—Some of them.
71. And fairly representative of each district?—Yes.
72. Would you have had this land but for the leasehold tenure?—I might not have had the same section. Had I gone in for a freehold at the time I would have been worth £2 where I am worth £1 now.
73. Could you have gone in for a freehold?—Yes, with the help I had.
74. Was there any particular reason why you did not?—Less money was required for the leasehold; but had I known as much as one knows afterwards the freehold would have been the best. Land was sold which I could have bought.
75. Is your rent reasonable?—Yes.
76. Supposing you got full valuation for your improvements and the section was put up to auction, do you think it would bring a price equal to the capital when you took it up?—Yes; it would fetch more.
77. About how much per acre?—I never offered my section for sale, but I think it would bring £2 per acre increase, and perhaps more.
78. That is, for goodwill and above improvements?—Yes.
79. *Mr. Forbes.*] Do many tenants here break the cropping restrictions?—Yes; we all do in one way or another.
80. Is the Land Board at all hard on them when they find out?—It does not appear so; the tenants are there still.
81. They have not forfeited any sections?—No.
82. Do you feel that you have not the same heart to work your place as you would if you had the freehold?—I would farm the land better.
83. Take out more crops?—More of both green and white. I think when a man puts on a certain amount of improvements the cropping restrictions should be done away with altogether.
84. How many crops ought they to be allowed to take off the ground?—As many root-crops as they like; but I would never allow more than two white crops following—that is, if he fed off on the ground.
85. *Mr. Matheson.*] If your suggestion in regard to cropping were carried out, and you sowed down with a white crop after two or three green crops, how long do you think it would remain there?—Three years.
86. Do you think it would be wise if a clause were inserted enabling the Board to add, say, 5 per cent. to the rent where the regulations as to cropping were broken?—I think that would be better than the way it is now.
87. *Mr. Johnston.*] Is there any Californian thistle on your land?—No; but there is some on a property close by.
88. Have any of the settlers sold out to advantage?—Yes; but I could not state the amount.

PETER WATSON examined.

89. *The Chairman.*] What are you?—I am a farmer, and hold a lease from the Canterbury College authorities. The area of my land is 220 acres. My place is about eight miles from St. Andrew's. My lease is for fourteen years. I am entitled to £150 for improvements at the end of the lease. Under these conditions I feel that I can farm with goodwill and heartiness. The restrictions as to cropping are two white crops and then sow down. You can green-crop if you choose, and it has to be done every three years before you can break it up again. My lease was renewed last May. The rent was fixed by arbitration. During my last lease they treated me fairly liberally, but there was no security for any improvements I put on the place. Relying on the fairness of my landlord, I went on improving and manuring the land just as before.
90. *Mr. McCardle.*] What is your idea of the tenures, leasehold and freehold?—My idea is that if they put me under the Government I would be fairly satisfied. The lease in perpetuity would suit me.
91. Have you had any experience of the Advances to Settlers Board?—No.
92. Do you approve of manuring your green crop?—Yes, up to 100 cwt. to the acre. I do not know any one who has gone as far as 200 cwt. Last year it was superphosphates, but this year I have used manure from the Pareora Freezing-works.
93. *Mr. Anstey.*] Previous to your renewal had you got any valuation for improvements?—No.
94. Do you think the £150 is sufficient valuation?—No, because I do not think any man can work a farm and put reasonable improvements on it for £150.
95. Do you think you ought to get full compensation?—No; I would be satisfied with something reasonable.
96. What do you think would be a reasonable limit?—I think from £1 10s. an acre to £2 per acre would be a reasonable limit.
97. That would be between £300 and £400 for your place?—Yes.
98. Do you put up any buildings?—Yes, and fencing; also three dams, and there has been water there ever since, except once in an exceptionally dry summer.
99. Since you have got the renewal have you done anything more?—Yes; I have put up a very good house.
100. Is that the reason you put up the house, because you got the valuation and the renewal?—Yes.
101. Had you any right of the renewal?—No.

102. Does your present lease give you the right of renewal?—No; that is the trouble.

103. Would you be satisfied with your tenure if you had the right of renewal, with arbitration as to the rent, and full valuation for improvements at the end of the lease?—Yes, I would be perfectly satisfied.

104. Do you think that all public land that is leased ought to contain those conditions in the lease?—I think so.

105. Do you think it would be better for the Land Board to administer all the public lands of the colony?—I do not think it would hurt if the Land Board had to administer all the reserves.

106. Would you prefer the Land Board's form of lease to your present lease?—Yes.

107. *Mr. Paul.*] Do you consider the lease in perpetuity is a good tenure for the settlement of the country? Do you consider it as good as the freehold for that purpose?—Yes, because there are numbers of tenants who would never have secured a farm if the Government had not adopted the land-for-settlements policy. I think the tenants ought to be satisfied with their present tenure. I should be perfectly satisfied with it.

108. Do you think they should have the right of paying off a portion of the capital?—I do not think so. I think the arrangement made between the Government and the tenants should be adhered to strictly.

109. *Mr. Paul.*] Previously, the College Board of Governors had been confiscating the improvements at the end of the term?—Yes.

110. Do you think any public body has a right to do that?—I do not think so, but they seem to have the right.

111. Do you not think the tenants' improvements should be conserved to them in every case?—I think so.

112. You have expressed satisfaction with the form of tenure if there was arbitration as to rent, with the right of renewal?—Yes.

113. *Mr. Matheson.*] These College Governors are stewards for the public in managing these estates?—Yes.

114. Is it now public property, whatever rent is paid?—Yes.

115. Then, why do you object to tell us?—The leases under the lease-in-perpetuity system are all made public before the applicants tender, but my tendering was between myself and the Board.

116. *The Chairman.*] When you took up the land you knew the improvements would be merged in the State?—Yes; that is so.

117. *Mr. Anstey.*] I understand that your land is very similar to the land at Pareora?—Yes.

118. Do you consider that two white crops are sufficient during six years?—My experience is that two white crops are sufficient.

119. I presume if the stewards of the reserves occasionally gave you the right of taking an additional crop that would be quite sufficient?—Yes.

120. The regulations allow you to take two crops in five years: do you always do that, or do you sometimes only take two crops in six years?—Sometimes I take two crops in five years and sometimes in six years.

#### JAMES FRASER further examined

121. *The Chairman.*] I understand you wish to say something further in respect to cropping?—Yes, I think that if a man had a little more liberty in regard to cropping he would be inclined to spend more money in improvements; that would make the land more valuable to the Government as a security. I would also like to say that I think that in all cases in Pareora there is always manure used with the root-crop. I have never known any one attempt to sow a green crop without manure. Generally speaking, the settlers are using manure.

122. *Mr. McLennan.*] How do you sow turnips?—I sow them in ridges, hoe them, and clean them thoroughly.

#### CHARLES HENRY BESLEY examined.

123. *The Chairman.*] What are you?—I am a sheep-buyer for the Christchurch Meat Company.

124. I suppose the settlers at the present time are extremely prosperous on account of the high prices?—Yes, almost too prosperous.

125. Have you had any experience in buying stock from the runholders—the big runs?—The stock we usually buy is bought from the farmers. The runholder generally sells the stock to the farmers to be fattened.

126. *Mr. McCardle.*] Have you any opinions in respect to tenures? What tenure do you think is most suitable for the country?—I am in favour of the Government cutting up the land under the land-for-settlements policy. I think the 999-years lease should be adhered to.

127. Is that the general feeling of the settlers that you come into contact with?—They appear to be satisfied with their present tenure, provided there is no revaluation.

128. Have you had any experience of the Advances to Settlers Department?—No; but I have heard some settlers say that they could not get as large advances from the Department as from private money-lenders.

129. How do you think the country is now compared with what it was two years ago?—It is improving considerably.

130. Is the grass showing greater signs of fertility than it did before?—I think the farmers are doing better.

131. Do you think if the grass were laid down with manure that there would be a considerable improvement?—I have never seen it tried except with turnips.

132. I think most of the authorities consider that in order to have good bone in stock you must put bone into the ground?—That is so.

133. Do you think bone-manure could be used in the district with advantage to the settlers?—Yes. The bulk of the settlers use a considerable quantity of manure from the freezing-works, and that is principally bone and blood.

134. Do you think that if the settlers used manures a great deal more—say, 200 cwt. to the acre—the cropping restrictions might be removed?—No. I think there should be some restrictions. I would allow them to take as many green crops as they wished.

135. *Mr. Anstey.*] Are you not also a farmer?—Yes.

136. How much land do you own?—I am a partner in 470 acres.

137. Previous to your present business were you in any other business?—Yes, farming and butchering.

138. You were a butcher prior to the Pareora Estate being cut up?—Yes.

139. Was your business larger after the estate was cut up?—Yes, about double.

140. Would that apply generally to other businesses about St. Andrew's?—Yes, I think all businesses increased to about double after the cutting-up of the estate.

141. Was there any increase in the number of fat lambs and sheep from the Pareora Estate after it was cut up?—Yes, there was a considerable increase. I should say there are ten thousand sheep more taken from the Pareora district than before the estate was cut up.

142. We have been told by some witnesses that leasehold settlers do not put up as good buildings and make as good improvements on their farms as freeholders: what is your experience in the case of Pareora?—It certainly does not apply to Pareora. The buildings on the farms at Pareora—that is, the leasehold farms—are better than those usually put up on freehold farms, and they are better than I would put on a freehold if I bought one.

143. In regard to the cropping restrictions, do you think that two white crops in six years is an oppressive restriction in the case of Pareora?—No, I do not.

144. What were the conditions when you farmed?—Three crops in six years—one of them was a green crop—which I think is quite sufficient for economical farming, and in order to make money out of the business.

145. *Mr. Hall.*] You come in contact with a good many lessees holding land under lease in perpetuity?—Yes.

146. Is there any feeling amongst them that the Government may bring in revaluation?—There is a talk amongst them, and the Farmers' Union agitated for the freehold. My experience is that the people agitating for the freehold in South Canterbury are not the leaseholders—they are freeholders or the Farmers' Union—the bulk of them are freeholders.

147. Can you imagine that the Government would repudiate the title of the 999-years lease?—It is a question of who breaks the lease. If you allow the tenants to have the freehold the Government is breaking the lease and the tenants are breaking the lease, and if the Government breaks the lease in one way they may break it in another way.

148. Do you think that any Government would break a contract that is entered into in good faith?—It should not be done, but I would not like to answer for any Government.

149. Would not the same remark apply to the freehold?—No, because no agitation has been got up to alter the freehold. The question has been discussed in Parliament, and the average farmer is fairly well acquainted with what has been discussed in Parliament.

150. Would not that only apply to leases in the future, and not to the present leases?—I should say it would be wrong to make it apply to leases in force now. In the case of future leases I would be in favour of revaluation.

151. *Mr. McCutchan.*] You said the Pareora district was now turning out ten thousand more sheep than before the estate was cut up: is that an annual increase?—No.

152. But it speaks well for the cutting-up of the property?—Yes.

153. With respect to revaluation, can you say, of your own knowledge, that there is a fear amongst the Crown tenants that revaluation will be introduced with a retroactive effect?—I do not think there is a fear, but it has been suggested if there is an agitation got up for the freehold the right to acquire the freehold may be given on condition that there is revaluation.

154. Does it not appear to you to be a very unreasonable thing that the present Government should interfere with a salient feature of their own land policy?—Yes.

155. And you say that this feeling does not exist amongst the tenants, but is fostered by outsiders?—Yes.

156. *Mr. Paul.*] If the tenants demand the option of the freehold, do you not think it possible that they may also get something that they do not want, and that may be against their own interests?—Yes, I think they will get revaluation if they insist upon getting the freehold.

157. Do you think revaluation would be an equitable principle to apply to future leases?—I do.

158. But you would not advocate it being retrospective in its action?—I believe that would be wrong.

159. You believe that the present lease-in-perpetuity holders should stand to their bargains, and that the Government should stand to their part of it?—Yes.

160. *Mr. Forbes.*] Is there any more land in this neighbourhood that is suitable for cutting up?—Only one estate, I think—Elworthy's estate. I think it was offered to the Government, but the price was too high and the Government would not buy it.

161. *Mr. Matheson.*] Did you ever hear of Sir John McKenzie's Fair Rent Bill?—Yes.

162. Do you not think that that Bill indicated a change of policy?—Yes. I believe a Fair Rent Bill would be a very good thing, but it should not be retroactive.

163. Supposing prosperous years should continue for a while and the farmers accumulate savings, do you think it would be right to allow them to pay off some of the capital value of their land?—No, because it would be breaking their lease.

164. Do you not think it is possible to amend the lease without breaking it?—Yes; but that

would be breaking the lease. Both parties would have to be agreeable to amending it. If the Crown tenants insist on getting the freehold and the Government agreed, I would say that they should reply, "Yes, but it will be revaluation not at the original price the Government paid, but at the price the land was worth at the time the tenants took it up."

165. *Mr. McCordle.*] Could you conceive of anything that would cause more dissatisfaction amongst landless people of to-day and future tenants of the Crown than such a proposal as that?—Yes, I could.

166. The Crown has settled more land during the last ten years under the land-for-settlements system than they are likely to be able to settle during the next twenty years, and you would give that advantage to the present tenants, whereas in the case of future tenants there would be revaluation from time to time?—Yes.

167. *Mr. Paul.*] Do you not think it is fair that the tenants should get a reduction if their land is not worth what they are paying for it?—Yes.

168. *Mr. Forbes.*] Are you freezing any young ewes at all?—No, the price of breeding ewes is too prohibitive for that.

169. Do you think the shortage in the flocks will be made up by the farmers keeping back their young ewes?—I do. I would like to say this: that the sheep returns as at present are not correct. They are given at the wrong time of the year. I know of one instance where a man had four thousand sheep, and his sheep returns only showed two hundred. I am quite convinced that very few farmers send in their correct returns. I did not do so when I was farming.

170. You think the sheep-tax prevents the right returns being sent in?—Yes.

171. You think it would be well to abolish the sheep-tax?—Yes; if you want a tax you might tax each bale of wool that leaves the country, and do away with the sheep-tax altogether. Instead of the sheep returns being made up on the 30th April I would suggest that they be made up at shearing-time—that is, providing the present tax of 2s. a hundred was not imposed.

172. *Mr. Anstey.*] Is it not a fact that on 30th April there are large numbers of sheep passing from one owner to another, and a man did not know on that particular day what number of sheep he has?—Yes.

173. That sales are going on, sheep are changing hands, everybody is either buying or selling, and nobody knows exactly what number of sheep he has?—That is so.

JOHN O'CONNOR examined.

174. *The Chairman.*] What are you?—I am a farmer, and my wife holds 28 acres on No. 1, Pareora, and 38 acres freehold on the late Pareora Estate. The sections on No. 1, Pareora, are too small. They range from 10 acres to 30 acres, and they are too small for a man with a family to make a living on them. If one settler were allowed to buy out the section of an adjoining settler I think that would settle the difficulty. He should be allowed to buy out either adjoining land or land at some little distance. At present you can only buy land immediately adjoining your section. Then, the cropping restrictions are too stringent. I think the Land Board should be empowered to vary the cropping regulations in accordance with the value and quality of the land. I desire also to point out that the Land Board treated me differently to the way in which they treated another settler in regard to holding another section of land. The circumstances were quite similar, yet the Board treated us differently.

*The Chairman* said that did not come within the scope of the Commission.

175. *Mr. McLennan.*] Are you satisfied with your tenure?—I would rather have the freehold. The settlers would like to have more power in connection with their farming operations.

176. *Mr. Anstey.*] You have 28 acres, and you think it is not sufficient for a man with your family of eight?—Certainly not.

177. Do you know anything about the Adair Settlement?—Yes.

178. How many settlers were there originally?—There were thirty-four sections.

179. How many occupiers are there now?—About sixteen.

180. That means that one or two settlers have taken up a number of sections?—Yes.

181. They were working-men who took up the land in the first instance, and they did fairly well?—Yes.

182. I suppose if a working-man wanted a section at Adair now it would not be possible for him to get one?—No.

183. Do you think when land is cut up in this way it would be well to allow a settler to join two or three sections together?—No.

184. The land was originally taken up by working-men, and they have raised themselves to be farmers in a small way?—Yes.

185. Do you not think it would be fair to allow other persons to have a chance of getting these sections, instead of a few people mopping up all the sections?—Too many small settlers is not good for a place.

186. *Mr. McCutchan.*] When men improve a place they get attached to it, and it is very hard to leave it. You think the difficulty you have mentioned could be overcome by the Government cutting up further land in another locality?—Yes.

187. *Mr. Paul.*] Is this land more valuable now than when you took it up?—Yes.

188. Do you not think it would be better that you should hold the small section until you are in a position to take up a larger section on another estate?—I have tried that, and the Board would not allow it. We asked for the privilege of taking up one of the sections in Pareora No. 2, and the Board would not allow us.

189. Are you in favour of an amendment of the law to allow you to do that?—Yes.

190. *Mr. Anstey.*] If you were allowed to ballot for a larger section, would you be prepared to give up your present section and allow another working-man to get it?—Yes. I think Spring-bank Estate would be very suitable for cutting up.

191. You think the Government ought to take steps to acquire it?—Yes.

## WILLIAM JAMES MARSHALL examined.

192. *The Chairman.*] What are you?—I am a farmer on the Kohika Block. I hold 306 acres under lease in perpetuity, for which I pay 6s. per acre rent. I have been there four years. I go in for mixed farming, and I run three hundred ewes.

193. Are you fairly satisfied with your farm?—Yes.

194. And with your tenure?—Yes. I am not satisfied with the cropping restrictions. I think a man should be allowed to take three grain-crops if he thinks the land is fit to carry it, and especially in the case of the failure of his grass. I put 50 acres down in grass this season, and it is a failure. I do not think a man with a 999-years lease is going to injure his land unless he is a fool.

195. Supposing you had a free hand, what would you do?—I would skim it and take another crop of oats, and put 1 cwt. of manure to the acre, and then fallow it and clean some of the dirt out of it and sow it down.

196. Did you apply to the Land Board in connection with this matter?—No, because I thought it would be no good to apply to them. I think the Ranger, who is a practical man, should have the right to use his own judgment in cases of this kind. I did not mention the matter to the Ranger except to tell him that the grass was a failure.

197. *Mr. McLennan.*] Are you satisfied with the constitution of the Land Boards at the present time?—Yes.

198. You do not wish the option of the freehold?—I am quite satisfied with the leasehold so long as a man can farm his land to the best of his ability as he sees fit.

199. *Mr. McCardle.*] You want your lease amended?—Yes, in this respect: I think the Crown tenants are too much in bondage to the Land Board at the present time in the matter of the cropping restrictions.

200. And if you failed to get liberty in that respect would you still be in favour of the 999-years lease?—Yes. I did not know when I took up the lease that these restrictions were to be so strictly enforced.

201. Have you had any experience of the Advances to Settlers Office?—A little.

202. Generally speaking, did you find it satisfactory?—Yes.

203. Do you think it would be a still further advantage if the Government made more liberal advances than at present?—I think it would. Some men have not the means to cultivate the land as they would like to.

204. *Mr. Anstey.*] You said you were in bondage to the Land Board: how could you be in bondage when you never asked the Land Board to do anything?—What is the good of asking them when they have laws to prevent you doing what you want to do.

205. They have power to grant you concession in the matter of cropping now?—I do not see it.

206. Do you think it would be wise to amend your lease altogether?—In the way of cropping, I said. I am quite satisfied with my lease if a man is allowed to crop his land satisfactorily.

207. Would it be satisfactory if the Ranger got power to vary the cropping restrictions?—I think so.

208. Then, there would be no necessity to alter your lease?—Not so long as the Ranger has liberty to take off another crop in order to clean a paddock or after a failure of grass.

209. Do you think it is generally necessary to take more than two crops in six years from that land?—I do not think a man could clean his land satisfactorily in our country without it.

210. Do you think the land is strong enough to stand three grain-crops?—I think so, if you cultivate right.

211. *Mr. Hall.*] Are the cropping conditions inserted in your lease, or is the lease made subject to regulations?—They are set out in the lease.

212. *Mr. McCutchan.*] Are the tenants, generally, upon the Kohika Block satisfied with their tenure?—I think so, if it were not for the cropping conditions. We have a good deal of twitch, and I do not see how a man can clean his land satisfactorily and lay it down in two years.

213. Are the roads in the block in a satisfactory condition?—Yes, we have very good metalled roads.

214. Was there any loading for roads when the settlers took the block up?—Not that I am aware of.

215. *Mr. Paul.*] Do you not think it would be much safer to give the Land Board, instead of even a good Ranger, power to vary the cropping conditions?—I think when a Ranger is in charge they should consult him.

216. Do you not think that the safe plan would be for the Ranger to report to the Board?—I think so.

217. You would not like to be Ranger and have power to vary the cropping conditions?—I suppose I would get into hot water sometimes.

218. *Mr. Forbes.*] You knew the nature of the restrictions when you took up the lease?—I did not think they would carry them out so strictly. I thought they were only to meet the case of men who tried to impose in the matter of cropping.

219. Have you ever broken the conditions?—No.

220. Have you ever known anybody in the neighbourhood who has broken the cropping regulations?—I have heard of them.

221. Have you known of any case where the Land Board has acted harshly with them?—They have threatened to put them out.

222. They have not put them out?—No.

223. Then, where is your bondage? They will not put you out if you observe the conditions of your lease?—They can turn round and put me out if I broke the lease.

224. But they cannot put you out so long as you observe the terms of your lease?—No; but I say the cropping restrictions are too severe.

225. If you had asked the Land Board for permission to put down a third crop of oats would permission have been refused?—I have known of refusals in other cases, and that is why I did not apply to them.

BARTHOLOMEW SHEEHAN examined.

226. *The Chairman.*] What are you?—I am a farmer. I hold 267 acres under lease in perpetuity on the Pareora No. 2 Block, for which I pay 8s. 9d. per acre rent. I bought in privately two years ago.

227. Has your experience been favourable in regard to this holding?—Yes; I am satisfied with holding the land all right.

228. What point do you wish to bring before the Commission?—My land is very dirty, and I believe a good many farms around me are in the same condition. When I came up I had one particular paddock in crop that threshed 15 bushels of oats to the acre. This time two years ago I skimmed that paddock and fallowed it through the winter. I cleaned it from October to January, and I grubbed it no less than ten times. The result is that I have a clean paddock, but it cost me at least £3 per acre to do all this grubbing. I thought a man was entitled to take a crop off it, and I did so, and, to my astonishment, I got a letter from the Board telling me I had exceeded the limits of my lease. I consider that any man, whether a leaseholder or freeholder, who goes to the expense I did in cleaning the paddock is fully justified in getting some return from it. I may say I threshed this paddock last Friday, and it yielded 62 bushels of velvet wheat to the acre. I consider the Ranger has not nearly enough latitude, and I think he has altogether too much to do. I think he should see for himself what land has been cleaned and what has not been cleaned.

229. Then, your crop of wheat was in defiance of the Board?—I thought, after taking all this trouble, I was justified in getting this crop off it. I am satisfied with the Land Board as a Board.

230. When you took over the land two years ago was it in the proper proportions of what you might call red land and grass land? Did your predecessor leave it in a proper state?—I cannot say that my predecessor left it in a proper state, and I cannot say he was there long enough to clean it. You know it takes a lot of money to clean a 50-acre paddock. I wish to be a permanent *bonâ fide* tenant, and therefore I wanted to clean the place. I did not pay £800 for the goodwill to go and overcrop the land.

231. Were any improvements included in the £800?—Yes, a good few.

232. Was half the place in grass when you got it?—Not quite; but there were not more than 80 acres in crop, for all that. I have cleaned 30 acres, and it has cost me £4 per acre to do it. I have written to the Board for permission to take a crop off it, but I have not got permission yet. I anticipate getting their permission, and I am ploughing the paddock now, although in doing so it might be said I am acting in defiance of the Board.

233. *Mr. McCardle.*] You are satisfied with your tenure?—Yes, I am perfectly satisfied; but all the same, I would prefer to be a freeholder. I am satisfied with the tenure provided I am left alone. I may say, so long as you have your land clean to lay it down in grass, two white crops and a green crop, with manure, are sufficient.

234. You think the Ranger wants more assistance and more power?—Yes. I think the Ranger should be a man who could see what is wanted, and who should have time to look at this paddock and that paddock, instead of running all over the district.

235. *Mr. Anstey.*] Have you the letter the Land Board wrote to you?—I have not got it with me.

236. Did the Board threaten to forfeit your land?—They did not threaten me. They reminded me I was breaking my lease.

237. Can you tell me if this particular crop was the third or fourth crop?—I cannot say.

238. Seeing it was the fourth crop, do you not think the Land Board were quite right in drawing your attention to the matter?—I say the Board were right, because when the Ranger's report went to Christchurch the Board could do nothing else but draw my attention to that matter.

239. Do you think these regulations are imposed vexatiously? When the Board allowed you to clean the paddock and take a crop of it do you think you have anything to growl about?—I am not growling about it.

240. You are a leaseholder?—Yes.

241. And you say you would prefer the freehold?—I am satisfied with the tenure; but, all the same, every man likes to be a freeholder. I think this tenure is a grand stepping-stone from the poor man to the freeholder.

242. Are you a freeholder because of the agitation got up in this district by the Farmers' Union?—No; I do not take much notice of an agitation of that description. I have nothing to do with them.

243. The statement has been made in evidence that there is no general desire amongst the Crown tenants for the freehold, but that the Farmers' Union are agitating for it?—That may be so, but I do not think the Farmers' Union have anything to do with it. These tenants are satisfied enough with the conditions. They knew the conditions when they came here. That is right enough, but a man who has no land chances a thing and runs a risk to get land in any way. I may say that if the general opinion of every leaseholder in the Pareora Settlement was taken every one of them would take the freehold if they could manage it. All the same, we are satisfied with the conditions existing.

244. *Mr. Paul.*] Suppose the improvements on these sections were valued and conserved to the tenants, do you think the settlers on Pareora would be prepared to go to auction to obtain the freehold of their land, or would they prefer to remain leaseholders, as at present?—I think the settlers on Pareora would prefer to stay as they are rather than go to auction. I think when a farmer has a family and has settled down he likes to stay so.



245. Then, there is nothing in the lease in perpetuity which prevents you farming the land to advantage and making a fair living?—Nothing, except these letters from the Land Board.

246. You paid £800 for this goodwill?—Probably it was too much, but I am not sorry I did so, anyway.

247. How much of that £800 went for improvements?—The improvements would be worth £400, or probably £500.

248. The remaining £400 was for goodwill?—Not even for goodwill. If I include the crops, the improvements were worth £750. Roughly speaking, I got back all I gave for the place.

249. Then, you did not pay too much for it?—No; but others thought I did. I am satisfied enough with it.

250. If you were a landlord, and fixing cropping conditions for the tenant, would you make them the same as the Crown's?—Yes; but if I was a landlord and I saw a man trying to do his best with a dirty farm I would tell him, "By all means clean it and take a crop out of it." I think a man has a right to be allowed to take three white crops out of a piece of land he has cleaned. I speak for myself and a good many of my neighbours.

251. Do you mean in succession?—No. Two crops and then skim it.

252. You think the regulations are all right except in the case of dirty land?—Yes. I contend that a man who is paying 13s. or 14s. per acre rent finds his first crop all straw and of no use. I think he should be allowed to take three or four crops off it, because only then will the land become good.

253. Would you allow him to take crops according to the rent he is paying?—Yes. I think the land is all the better, when it is good heavy land, if three crops are taken out of it.

254. *Mr. Matheson.*] At present the Ranger has about twelve hundred tenants to look after, and you think he has too many?—Yes.

255. Suppose a second Ranger were appointed, do you think the tenants should pay the cost of the extra "screw"?—I do not. I think the tenants are paying any amount at present.

256. Then, that Ranger's "screw" would be a loss to the State?—The State will be well repaid by the 5-per-cent. rent on the capital value.

#### JOHN CAMPBELL examined.

257. *The Chairman.*] What are you?—I am a farmer. I hold 147 acres of freehold land on the Otaio Estate, about eight miles from here. I have owned it twenty-five years, but have only lived on it during the last fourteen years. I carry on mixed farming.

258. I suppose you are in favour of the freehold as against the leasehold?—As a principle, I am. I think the freehold is the backbone of the country. But I think the Government has done a great deal for the settlement by purchasing estates and cutting them up. I think the system is a very good one. I believe it is greatly to the advantage of the colony, and that the tenants as a whole are very well satisfied with the tenure, except in regard to certain of the cropping conditions such as you have heard to-day. I know a large number of the tenants, and I have never heard them ask for or refer to the freehold if the cropping conditions were removed.

259. As an experienced farmer, what do you think of the restrictions?—I find that I could not carry out cropping in rotation unless I have a clean farm to begin with. I must clean the land before I can carry out the conditions, and a large number of the Crown tenants' sections, especially in South Canterbury, are more or less dirty. I know the Waikakahi, Levels, Pareora, and Kohika Settlements, and I am quite certain I could not farm under the conditions laid down, owing to the dirty state of the land. I hold with the last witness, that if you lay down the land when it is dirty you will leave it dirty.

260. You think a relaxation of the conditions must be made owing to the foul state of the estates?—Yes. My reason for saying that is that I think it would benefit the State very much if the tenants were allowed to clean their farms in order that they might have clean land to work with. I know if the tenants are successful the State is benefiting thereby.

261. You think it is quite right there should be some restrictions?—Yes; I think the Ranger should be a practical agriculturalist, and able to give sound advice to the tenant when it is needed. Some tenants may not be good farmers, but they may be very anxious to gain knowledge, and good advice in their case would be very useful.

262. If the Ranger became a sort of advisor to the farmer might it not lead to unsatisfactory results, especially if the Ranger is inefficient?—If he is inefficient he should not be there. I do not think there would be any danger in that. I think the farmers are very sensible men, and a large number of them are really *bonâ fide* settlers. In their case I think the restrictions are not expedient, because, as a witness said, only a fool would overcrop his land when he has a 999-years lease. I leased my farm for some years, and perhaps gave a little too much liberty to the tenant, and when I came back I found one paddock rather dirty. First of all, I took a crop of oats off, and then turnips, which were poor. Next year I turned it again and had a good crop of turnips. Afterwards I alternately cropped with oats and wheat for six years, and cleaned the land. I have just laid down the paddock in grass after it has been broken up for thirteen years, and the land is in better condition than it was then. The last year it was in crop I had a very good crop of oats. I consider I can now go on and crop in rotation.

263. *Mr. McLennan.*] Do you think broadcast sowing of turnips tends to dirty the ground?—I think so, especially if the ground is inclined to be dirty.

264. Would you be in favour of a third or fourth crop if the turnips were manured and hand-hoed?—Yes. I believe in summer fallowing if the summer is dry.

265. Do you think it would be advisable to sow grass along with the last crop of oats in place of sowing the grass by itself?—Generally speaking, the people cannot afford to do without a crop, especially if they are paying rent. I think grass and clover do better without a crop.

266. Will grass and clover do better with oats than with turnips?—I have never tried with turnips. I tried with rape and got good results.

267. *Mr. McCardle.*] You have had a good deal of experience of the operations of the advances to settlers?—Yes. I think it is a very good thing, and I think it would benefit a good many settlers who have no capital, especially if the Land Board saw that the money is spent in improvements.

269. Of course, the Land Board have nothing to do with the expenditure of the loans?—No; but I think the Advances to Settlers Office should give the Land Board power to see that the money is spent in improvements on the land.

270. *Mr. Anstey.*] Do many people broadcast their turnips in this district?—They put them in with the ordinary drill, and that is almost the same thing, because they cannot clean between the drills. They sow with manures.

271. *Mr. Paul.*] Can you clean the land with white crops as well as with green crops?—By proper fallowing.

272. What cropping restrictions did you lay down in the lease of your land?—I gave a seven-years lease and the right to take four white crops in seven years, and as much land was to be left in grass as was found in grass.

273. *Mr. Forbes.*] Are you a member of the Farmers' Union?—I was when it was in existence, but I do not think it exists now. I do not think the settlers as a whole ask for the freehold, and I do not think the Farmers' Union should be blamed for agitating for it.

274. Was any agitation got up by your branch to get the Crown tenants to ask for the freehold?—I believe the leaders were in favour of the freehold. I do not think it is right or just to give the tenants the right to the freehold so far as the Government have gone, because many of the unsuccessful people who applied for sections at the ballot had money either to pay an instalment or the whole of the purchase-money if the freehold had been available, and I do not think it is right now to give the right of the freehold to the tenants who just got the land on a turn of the wheel. I think the thing should be left as it is. Some 600,000 acres have been purchased, and I think it would mean a great loss to the State to give the tenants the right to purchase the freehold at the original price.

275. What would you do in regard to future leases?—I think it would be advisable to give the option in future leases, but not to make it compulsory.

276. You do not think the Government should insist on a revaluation clause being inserted in future leases?—I do not think so. I do not think the tenants should be in a state of fear. I think they have a perfect right to what is called the unearned increment. I believe there is no such thing. I believe every penny of it is earned. I know that any increase in the value of our freehold land is earned by the cultivation we have effected, and I think the land under the long leases are practically freeholds.

277. Do you not think that the principle of successful settlement is to have the settlers on the land at a reasonable rental?—Yes.

278. Suppose, in the case of some of the estates bought at the present time and to be bought in the future at the top of what we may fairly call a "boom," that the prices of produce and stock go down, and these tenants find their rents too high: do you think that a provision to allow their rents to be reviewed is a fair thing?—I do not know of any estate in this district where I consider the rent too high, even in bad times. I think, taking one year with another, the rents are reasonable.

279. *Mr. Matheson.*] There are two or three bodies administering the public lands in each province—the Land Board and the School Commissioners and the Education Board: do you think it would be a wise economy for the Land Board to administer the whole of these lands, and save these people going over each other's tracks?—I think it would

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GERALDINE, TUESDAY 11TH APRIL, 1905.

JOHN KELLAND examined.

1. *The Chairman.*] What are you?—I am a farmer holding about 1,300 acres of freehold and a lease of 1,100 acres of primary-school reserve. It is a fourteen-years lease, and there is no valuation for improvements. The lease is too short, and offers no inducement to the tenant to farm his land as he would if he thought he was going to get compensation when he left. A portion of my lease, I should say, I hold under an arbitration rental, with the right of renewal.

2. Is the leasehold contiguous to the freehold?—Yes; I work the two together, and have no building on the lease.

3. Do you think the present constitution of the Land Board satisfactory?—As far as I have taken any notice, I think their working is satisfactory, and I think the present system of nomination is just as good as if the tenants themselves elected the members. Members of a Land Board should be both independent and practical.

4. Have you any opinion to offer in regard to tenures?—I am not directly interested in the question, but I think the lease in perpetuity is a desirable one to start with, at all events. We all like to call our home our own; but there is many a good settler on the land to-day who could not have been there but for the leasehold, and he has just as much inducement to improve his property, having so long a lease, as if he were a freeholder. There is, of course, the disturbing fear about revaluation.

5. Is there any tendency towards aggregation of farms in South Canterbury?—I should think not, except in the case of small holders. We occasionally see a small holder trying to increase his holding by buying out his neighbour, who also has a small holding.

6. *Mr. Anstey.*] Do you think, as a general principle, that the law should be altered to compel the administrators of all public lands to give valuation for improvements?—I think that would be quite just.

7. Owing to the lack of this valuation you do not care to spend money on improvements. Supposing you highly improved that land and it had to go up to competition, would that injure your chance of getting the land again?—Of course, it would.

8. The more you put on the land in the way of improvements the less chance you have of getting it again?—That is so.

9. Would you consider the introduction of a revaluation in the case of lease-in-perpetuity leases a tampering with existing contracts?—Yes.

10. If the Government wished to tamper with titles do you not think they could just as easily tamper with the freehold as with the lease in perpetuity by increasing the land-tax?—I dare say they could; but I know there is a fear, and I would share it myself if I was a lease-in-perpetuity holder, that some morning they will find their rent increased by 25 per cent.

11. Supposing you found your land-tax increased 25 per cent.?—That would put me, perhaps, in a worse position.

12. What do you consider a fair valuation for improvements—full valuation without restriction?—I think there should be a limit. A man would not be entitled to claim full value for all that he considered permanent, because he has received some benefit from them himself.

13. Do you think the basis of valuation should be the value of the improvements or the cost of the improvements?—The value.

14. *Mr. Paul.*] Is the portion of your lease held under arbitration rent with the right of renewal satisfactory?—Fairly so. I would prefer the freehold to that sort of tenure.

15. Do you think it would be wise to give the option of the freehold to tenants on these endowments?—I hardly feel confident to express an opinion on that.

16. Do you think if you had all your leasehold with the right of renewal at an arbitration rent, your improvements being protected, it would be satisfactory?—If my improvements were protected I would be satisfied. I have competed twice for my section, and got off quite as well as I did with the arbitration rent.

17. You prefer the arbitration rental?—Yes. I do not enter into competition with the public in any sense.

18. Do you think it advisable to bring all these public lands under the control of the Land Board?—I am hardly justified in expressing an opinion, but I have no doubt it might be just as much in the interests of the properties if controlled by the Land Board.

19. Do you think the Land Board would administer them to the same advantage as these educational bodies do now?—I do not see why they should not, for the simple reason that they are just as practical, and, I take it, a man must know something about land when he has to control it.

20. Have you heard any proposal made to apply revaluation retrospectively?—No; it is only a dread that some of the tenants seem to have, and I think I would share it myself.

21. Have you heard any responsible section of the community discuss retrospective revaluation?—No; I think that sort of thing chiefly comes from the towns.

22. But you never heard a desire expressed to apply revaluation to existing leases?—No.

23. Do you think the land-for-settlements policy has been a good thing for the colony?—Yes.

24. Has any settlement been established around Geraldine?—There is only one in the district—Rakatira.

25. Is that a success?—I think it is. There are about a dozen settlers there now on land that was occupied by one man before, and they are all prosperous, so far as I know.

26. Is this the centre they would come to to give evidence?—Temuka would be just as near for them, perhaps.

27. Is there any more land in this district capable of being closely settled?—There are no large estates that I can think of suitable for cutting up.

28. *The Chairman.*] You are, I think, the Chairman of the Geraldine Road Board?—Yes.

29. *Mr. Matheson.*] You have the district revalued periodically for rating purposes?—Yes.

30. Is the Rakatira Settlement within your district?—Yes.

31. Do you find that their valuation is increased as values rise?—I think so.

32. They are altered according to the view of the assessors?—Yes. As a matter of fact, I think they have been put up lately about 20 per cent.

33. *Mr. McCutchan.*] Is the Government assessment adopted by the Road Board?—Yes. We are jumping up very rapidly, and our ratepayers object to it.

34. Is it not an instruction to the Government valuer to value all properties at their selling-value?—I take it it is.

35. If such is the case, can there be any difference made between these properties and freeholds?—I do not think so.

36. From what you said I took it that you thought there was a difference?—For the first few years there was a difference, no doubt, and they were not contributing as much to the rates as their neighbours were, but that has been adjusted.

37. But not completely?—I could not say.

GEORGE JAMES WREATHALL examined.

38. *The Chairman.*] What are you?—I am a farmer, at present holding 170 acres of freehold. I took it up under the 1887 Act on the perpetual lease, with the right of purchase up to the twelfth year. I took up 500 acres in 1881 under perpetual lease—300 at 12s. 6d., capital value, and 140 at £1 per acre, capital value—7½d. rent for one and 1s. rent on the other. The land was then all under scrub and fern, and would not carry a sheep. During the twelve years I cleared

and cultivated 220 acres of the land, surface-sowed 200 acres, and reserved 80 acres of bush. I increased the carrying-capacity from nil to five hundred sheep, put on fencing to the value of £350, and spent not less than between £400 and £500 in cultivating and grassing the land. After obtaining the freehold I disposed of 300 acres at £6 per acre, and I reside on and farm the balance now. I put in the work of twelve of the best years of my life on the property, and in selling at £6 an acre reckon I only got back my own. In very rough Crown land I think a settler is well entitled to the freehold. I took up this land that I now hold at an unimproved value of £180, and this year my unimproved value is assessed at £1,500, and I am only allowed the paltry sum of £144 for all the improvements I have put on. The valuation is fair, but I think it should be divided and a half allowed to me for improvements.

39. The unimproved value is a little more than £4 an acre now?—Yes.

40. The difference between 12s. 6d. and £4 an acre is still called the unimproved value: if it is really so the difference must be due to the rise of the value all round in New Zealand?—Yes, but the Christchurch City Council has 2,000 acres on the opposite side of the fence to me, and it is still in its unimproved state. It was valued at £2 per acre when they took it up thirty years ago, and it is valued at £2 per acre now—I am basing the valuation on the rent paid then and now.

41. What you want to make clear is that the unimproved value of to-day takes in a large amount of the improvements which you have made?—That is so. Although I do not find any fault with the Land Board I would just like to call attention to the expenditure of "thirds" on this particular land. When I took up the land it was stated that one-third of the rent would go back to the local body to make roads to that particular section, which was somewhat inaccessible. The Road Board to-day holds £46, the balance of the "thirds" paid over, and not a single penny has been spent in making a road to the section. The Land Board should have power to see that that money is spent on that road and on nothing else.

42. But the Land Board prescribes what road the money is to be spent on?—In this case I never got any assistance from the Land Board. It seemed to be left entirely with the Land Board.

43. Is there anything you wish particularly to bring before the Commission?—I consider the best method of disposing of unimproved Crown lands would be to lease for a term of twenty-one years, with the right to purchase at end of lease, providing (1) that lessee had continuously resided on the land during the term; (2) that he had by means of permanent improvements increased capital value of the land 66 per cent.; (3) that size of holdings should not exceed 500 acres of first-class land or 1,000 acres of second-class land; (4) that 25 per cent. of the rent received should be paid to the local body for the purpose of making roads; (5) that all landless persons twenty-one years of age or over should be eligible to take up the land; (6) that the land should be let by ballot. In the case of lands purchased for subdivision for close settlement, I consider that all applicants should be given the option of taking the land up on perpetual lease, with revaluation, apart from all permanent improvements made by the lessee, every twenty-one years; or leased at a 10-per-cent. higher valuation for twenty-one years, with the right to purchase, providing lessee had during term of lease continuously resided on the land; had increased the capital value of the land by 66 per cent. by permanent improvements sanctioned by the Land Board or one of their appointed officials. The size of holdings should not exceed 200 acres of first-class land (agricultural), 400 acres of second-class land, and 600 acres of third-class land. The classes to be determined by price paid for the land: first-class to consist of land over £15 in value, second class under £15 and over £7 10s. per acre, third class all land worth under £7 10s. per acre. In the case of pastoral lands, the limit of holdings should be: first-class land, a carrying-capacity of one thousand sheep; second class, two thousand sheep; and third class, consisting of high and rough hilly country, five thousand sheep. All agricultural leases should be subject to stringent cropping regulations, to prevent tenants from unduly cropping or in any way impoverishing the land. In the interests of closer settlement I am convinced of the absolute necessity of inserting in any future or amending Land Bill a clause having for its object the prevention of any one person buying or holding more than 640 acres of first-class land or 2,000 acres of second-class land when either area is suitable for close agricultural settlement; or that such clause should not apply to those at present holding a larger area, but should come into operation when such land should again change hands. It would be the only means of preventing the aggregation of large estates. I am also of opinion that all college, high-school, and secondary-education reserves should be administered by the Lands Department, and thus brought into harmony with the demands and interests of closer settlement, as the present administration is most unsatisfactory; that the revaluation of such reserves is unsatisfactorily and unfairly done, and that they are in many cases unfairly weighted with costly and unnecessary improvements which effectually prevent outside competition, thereby allowing tenants to retain their holdings at a ridiculously low rent. I consider that the Land Board as at present appointed are in every way a satisfactory and representative body, and more preferable than an elective body which, from interest, would become the delegates of Crown tenants only, and would cease to be the guardians of the public rights and interests in the Crown lands.

44. *Mr. Anstey.*] You say you purchased this land for under £1 per acre and sold out a portion at £5 per acre: what portion of that can be classed as unearned increment?—Not a penny of it.

45. Supposing you had that land on lease with a purchasing clause, subject to revaluation at the end of the lease, is there any system by which such revaluation could secure you those improvements?—Evidently not.

46. If the improvements are visible it is the fault of the valuer?—That may be.

47. In your case there must be improvements that depend for their usefulness on their disappearance, such as the removal of manuka scrub. How is it possible to value such improvements?—It could only be done by a man familiar with the land at the time it was taken up. The state of the land at the time it is taken up should be recorded.

48. You think that the only way in which a tenant is secure of his improvements is to give him the freehold?—I think that should only apply in the case of rough Crown lands.

49. In the case of improved lands it would be different?—Yes.

50. Do you think that all public reserves should carry valuation for improvements?—I think they should be administered by the Land Department for the purpose for which they are set aside.

51. You say there is no unearned increment: suppose your land had lain idle, the present value would have remained what it was originally?—Yes; there would, of course, have been more demand for land than at the time I took it up.

52. Have you had any experience in grassing and surface-sowing?—Yes. It can be done if you go about it in a practical way. I believe in burning off the scrub and fern, and sowing the grass before the ashes sink into the ground.

53. We have had a good deal of evidence to the effect that the runs are deteriorating, and partly because there is a lack of encouragement?—I think the best way would be to decrease the size of the runs to 5,000 acres, and put a man on every 5,000 acres to do his own work.

54. Would not valuation for improvements do it?—No, I do not think so. You can only give valuation for improvements of a permanent nature. But you might, say, give a lease that carried a rent of 1s. for, say, fourteen years, 1s. 6d. for the next fourteen years, and 2s. for the next fourteen years.

55. What happens at the end of that lease?—Give a man valuation for all permanent improvements, and then put it up to the public.

56. You would not give the right of renewal?—No.

57. *Mr. Hall.*] You separated Crown lands from purchased estates. You think that a Crown tenant has a right to the freehold when he has made substantial improvements and been a *bona fide* settler for a number of years?—Yes.

58. In the back-country lands, would you enforce residence conditions?—In the case of high land I think sufficient land should be reserved on the flat for a residence. I do not know the North Island, but I think the residence conditions must be harder there than here.

59. Do you think that the Land Boards at present are quite satisfactory?—Yes. They used to confiscate my holding every year because I had not paid my rent in advance, and when I sent in the rent they used to rescind the decree.

60. Do you think that part of the Board should be elected?—No.

61. Would you put harbour and municipal endowments under the Land Boards?—There is no necessity for it in those cases, for the local bodies there are elected by the ratepayers, and if they do not manage their endowments properly they can be put out at the next election. In regard to the School Commissioners, however, we have no control at all.

62. *Mr. Paul.*] Do you think it would be in the interests of the State to lease these lands under lease in perpetuity?—No; I do not think it would be in the interests of the people who own the land.

63. In speaking of Crown land you recognise that a settler deserves every encouragement: do you think it would be more in the interests of the State to give him a long lease without rent than to give him the freehold?—I should like it, from a settler's point of view. The late John McKenzie's Act was the best ever passed in New Zealand, but the blot in it was that it did not provide for periodical revaluation. A man then would have improved his land and got compensation for all his permanent improvements.

64. Do you think no equivalent can be given which is equal in value to the freehold?—No, I really do not think so.

65. If your farm was put up to auction to-day in its unimproved state would it bring more than 12s. 6d. per acre?—Yes, I believe it would, on account of the excessive demand for land to-day. It is not worth more, but it would fetch more. Without the introduction of freezing machinery land would not be at its present price. When I took up my land I paid 6½d. per head for merinos, which to-day would be worth from 8s. 6d. to 12s. 6d. They were boiling down sheep then, and that was the boiling-down price. If sheep went back in value land would go back too.

66. *Mr. McCutchan.*] You spoke of raising the age from seventeen years to twenty-one years: are there not plenty of parents who are in a position to give their boys a start, and do you not think it would be an advantage for those boys to go on the land at seventeen, rather than wait four years longer?—No, I do not. They would be the better for waiting.

67. You made reference to the expenditure of "thirds": did I understand you to say that the Road Board had taken the "thirds" and spent them somewhere else?—They have not spent them. There was a balance of £46 of unexpended "thirds" when I bought the property, which was paid back to the Road Board.

68. Have the Road Board got the money?—Yes.

69. Then, the schedule for the expenditure of the money must have been sent in to the Receiver before the money was handed over to the Road Board?—The money was handed over to the Road Board, I know.

70. *Mr. Matheson.*] If New Zealand was divided into suitable-sized farms, do you think it would prosper more under leasehold than under freehold?—I think you would have a better and more solid class of men if freeholders.

71. When the Crown took up these large estates it was for the purpose of settling the lands, and having got tenants who by residence have proved themselves good, what objection have you to their being granted the power to pay off the freehold out of their savings, seeing that you think the colony would be more prosperous under a freehold?—I think a bargain should be a bargain, and it would be a breach of faith either on the part of the State to revalue or for the tenants to claim a right that they did not have when they took up the land.

72. Supposing both parties agreed to an amendment of the lease, would that not be reasonable?—Of course; an Act of Parliament can do almost anything, and if both parties agreed it would be mutual.

73. If the people represented by the Government agreed to give the tenants the right, and the tenants by asking showed their willingness to accept it, do you think there would be any objection to that?—It would be an act of injustice to the people of the colony, who look upon this as the Crown's estate.

74. How could it be an injustice to the people at large, seeing that under the freehold you believe the colony would prosper?—I think all tenants in the future should be given the right of freehold or lease as they prefer it.

75. *Mr. McLennan.*] Have you any opinion with regard to the grouping system under the ballot?—I would rather forfeit my money than take up a section I thought I could not make a living out of.

76. Would you be in favour of giving the Land Board discretionary power?—I certainly think the Land Board should have large discretionary powers and not be bound by hard-and-fast rules, because they are in possession of local circumstances.

77. *Mr. Hall.*] As regards lease in perpetuity, there is a rumour that it is not a secure tenure?—If I was a lease-in-perpetuity settler I should be quite convinced that when this generation shall have passed away there would be a change, and farmers are anticipating that by trying to secure the freehold now.

78. Do you think the tenure is insecure?—Yes; I do not think it is possible for one generation to legislate for another. It will eventually mean either the freehold or an amending Bill to revalue the land.

79. *Mr. Paul.*] Might not the next generation be just as anxious to nationalise the land?—That might be. It all depends on which is in the ascendancy—the town or the country.

80. *Mr. McCutchan.*] Do you know the name of the Government valuer?—Mr. Allan, of Timaru; but, of course, there is a special valuer sent round—Mr. Campbell—who has the assessment of all the land.

ROBERT ANDERSON examined.

81. *The Chairman.*] What are you?—I am a farmer, and farm 1,650 acres. I hold a lease in perpetuity. I pay a rent at 4 per cent. on the capital value on £1 10s. an acre. My place is thirteen miles from Geraldine. It is all flat, rough, stony sheep country. I have occupied it for about fourteen years. I took up the land under perpetual lease with the right of purchase. About seven years ago the times had been very bad, but I had, perhaps, a couple of thousand pounds. As sheep-farming was not very prosperous then I was willing to part with the property. The Land Board was harassing me a bit to cultivate a portion of the land. There was not water on 700 or 800 acres, and I asked the Land Board if I could get out of cultivating that portion. I did not get much satisfaction, and I surrendered my lease, loaded with valuation for improvements, which amounted to £1,250 for the whole holding. The Board changed the section into second-class land—it ought to have been second-class land in the first instance—and called for applications for the section, but none were received. They then told me that I could take it up. I had to agree to that or lose the money, and I therefore took the land over under the lease in perpetuity. Since then times have changed wonderfully, and through help from a friend of mine I have been able to make very great improvements on the property—sowing down, clearing off stones, and improving the land in every way. It is now capable of carrying two sheep and two lambs to the acre for eight months of the year—that is, for two years after it has been sown down. When I took it up it was only capable of carrying one merino sheep to three acres, and the Government was getting a rental of 4d. per acre from the runholder. Its value, if it were a freehold to-day, would be £7 an acre. Before I took up the land under the lease in perpetuity, I read in the Government Year-book that lease-in-perpetuity holders had the same privileges as freeholders. I read in the Year-book that they could sell the land or let it or dispose of the goodwill just exactly as a freeholder can do. I find, however, that I cannot dispose of the property except under great restrictions. I cannot let it, and I cannot even make a will in favour of my son, but the Government has the power to upset it. Therefore I feel I have no security in my holding, after bringing up the value of the land from £1 10s. an acre to £7 an acre. I cannot acknowledge that there is any such thing in my holding as the unearned increment or an unimproved value. The value it has now, I maintain, I have given the property by my own capital, labour, patience, and perseverance, and, seeing that my interest is about £5 10s. per acre and that the interest of the Government is only £1 10s. an acre, I think my tenure is worth very little when I am dictated to as to what I must do with the land. I hope I may be excused for using strong language, but I know what I am talking about, and I have no hesitation in saying that, so far as the holder of a lease in perpetuity is concerned or his interests are concerned, that lease is a perfect fraud. I have used strong language in describing the lease, but I can give my reasons for doing so. About a year and a half ago my health gave way for a little bit. I thought I had worry enough, and that I would simply let my holding and live upon my little income. I could let the land for 7s. an acre annual rental. I explained the reason for my wishing to do so to the Land Board. I stated my age, and said my health was rather failing, and therefore I wanted to live an easier life, and I asked them if I could let a part of my holding to my son or to a neighbour. The answer I got was, "No, you can't let outside your own family. If you can't continue to occupy the land, communicate with us, and we will act, because we must be pleased with the tenant." I therefore could not let the place. They gave me liberty to sell, but said they must approve of the tenant, and therefore I had not the privilege of a freeholder. The freeholder can sell to a moneyed man, but I must sell to a landless man. In fact, I have no control over my land under the lease in perpetuity. I have also come to the conclusion from what I saw of a case in the North, that even if I willed my property my son might not be regarded as a suitable tenant, and the Board has the power to upset my will. Therefore I conclude, under those circumstances, that the lease in perpetuity is a perfect fraud. I should, however, be perfectly satisfied with the lease in perpetuity if I had the same privileges in every respect as a

freeholder, which, I think, I ought to have, seeing that I have so much capital in the farm beyond what the Government has. Therefore I cry out aloud for the freehold, and I am confident that if every landholder from Auckland to the Bluff understood as much about the lease in perpetuity as I do the Government would not be able to let another acre of land under such a tenure. I admire the policy of the Government in acquiring large estates and cutting them up for closer settlement. I also approve of the right to purchase; but I say this: that the freehold for the good of the nation and for the good of the individual is the best for both. That is my candid opinion. As for the Government buying large estates—that is, of highly cultivated land—and leasing that land under the lease in perpetuity without getting a few instalments in the way of purchase, I do not think it is safe for the State. I think it would be better to allow the tenants to pay off a few instalments, and then there would be security for the State and the rent of the land would be reduced. We may not always have such a time of prosperity. I have been forty years in the colony, and have seen many changes, and I would not be astonished if at some time in the future land that is now worth £14 an acre is not worth more than perhaps half that amount. In that event I think the Government would be in a very awkward position, because they could not hold the people on the land if the tenants could not make a living on it. The tenants could pack up and leave, and the land would be left on the hands of the Government. In the case of Crown land or other land acquired by the Government which requires a large amount of improvement, I certainly would not push the tenants for their instalments until they were able to pay them, and I would give the tenants an opportunity of making the land freehold. But in the case of highly improved estates, I would be very frightened of leasing it out after paying the high price for it without getting a few payments back very quickly. I would push those tenants, because they are capable of making quick return payments.

82. In the case of highly improved estates, while you would push the tenants to pay a portion of the capital value, would you let them go on paying in order to get the freehold?—Yes.

83. The freehold is the goal?—Yes. In respect to the aggregation of large estates, it is very easy, in my opinion, to prevent that. I would fix a money-value, and I would not allow a freeholder to buy any more land beyond a value of £100,000 or £200,000, or whatever the Government might settle upon, and if the freeholder bought any more there would be a way of remedying that. I would make the progressive land-tax speak, and speak pretty loudly. I would let every man who works on the land have an opportunity of becoming a freeholder. There is no such thing as the unearned increment, and there is no unimproved value. If land rises in price as it has done—and I know that in many instances during the last twelve years it has doubled its value—who has caused that doubling in the value? Why, the farmers have erected freezing-works, and they have done many other things which have promoted the welfare of the country. The people in the towns have kept their place—they are a necessary evil—and they have helped us, but it is the farmer who has improved the country. As to the lease in perpetuity, I have another thing to say. I would compare a tenant's interest in the land to what is called in Ireland a tenant at will—that is, if you make improvements on your land this year the agent will come round and you will have to pay a higher rent next year. My landlord is getting about three times the rent he got when the land was in its native state or when it was first let, but now, when I have made all these improvements on the land, my landlord has stepped in and raised my rent. I got notice within the last twelve months that I would have to pay 10 per cent. more rent in the way of land-tax. I call that raising my rent. I now leave it to the members of the Commission to balance it up and see what the lease in perpetuity is really worth.

84. *Mr. Anstey.*] You are now paying about 1s. 2d. an acre: is that what you were paying previously under the form of tenure?—No; I was paying about 1s. 6d. an acre.

85. Then, you get a little advantage in rent by taking up the land under lease in perpetuity?—Yes, I do.

86. Have you tried to sell out your interest in the land—you say the land is worth £7 an acre?—I could sell it at that price if it were freehold, but I do not know that I could sell it at all under the lease in perpetuity.

87. You said that when you had a form of lease at 1s. 6d. an acre you could not carry on?—That is so.

88. Will you point out where the fraud of the lease in perpetuity comes in? You say you could not carry on at 1s. 6d. an acre, and now the land is worth 7s. an acre annual rental: the fraud does not seem very apparent?—I explained why I think the tenure is a fraud. I have no power to deal with it nor to let or will it. That is the fraud.

89. *Mr. Hall.*] Do you consider that the adoption of the lease-in-perpetuity policy has promoted the prosperity and will continue to promote the prosperity of the country in the way of settlement?—No.

90. What has promoted the prosperity of the country?—I approve of the Government acquiring large estates for closer settlement, but I maintain that every tenant should have the privilege of converting his leasehold into a freehold, and I say that would tend to the prosperity of the colony.

91. Assuming that the lease-in-perpetuity system is maintained, would it be good policy to allow the tenants to pay off a portion of the capital, so that when the tenants' interests became as great as those of the Crown all restrictions should be removed: would that be satisfactory?—That would apply to highly improved Crown lands that had been acquired by the State, but would not apply to Crown land such as mine.

92. Would you not approve of its application to all land held under lease in perpetuity?—Yes; that would be a very fair law, only you would have to make the lease in perpetuity very different from what it is now.

93. Would it make it different if part of the capital value were paid off and all restrictions were removed?—Yes.



94. *Mr. Paul.*] What is to prevent you willing your holding to your family?—The Land Board has the power of objecting to my son, for instance, taking up the land, because they may allege that he would be an unsuitable tenant, and my land might thus be disposed of in another way.

95. If you left that property to an unsuitable person—say, one of your own family—do you not think the Land Board would give the full value of your interest to those persons to whom you willed the land?—It is at their own discretion.

96. You do not believe that the Land Board would rob your family of your lease after your death?—When they gave me the lease in perpetuity I took it for granted that I could deal with the land as a freeholder, but I find it is worth nothing, for the reasons I have stated.

97. Have you heard of any one selling their lease in perpetuity?—I have.

98. Have you heard of them getting several hundred pounds for goodwill?—Yes: so would I get several hundred pounds, but I have dearly earned it.

99. If a witness came before the Commission and swore he received for goodwill several hundred pounds above his improvements would you be in a position to contradict that?—No.

100. Do you really believe that there is any danger of these tenants packing up and clearing off?—In the case of bad times I would not stick to land that was not paying me. I would leave. There is a danger in these tenants clearing out—that is, those who have taken up fully improved land and who have very little interest in it.

101. *Mr. Forbes.*] Is not the first consideration of the State to have people on the land who are paying a reasonable rental—a rental enabling men to make a reasonable living?—That is a very good way of dealing with the land.

102. *Mr. McCutchan.*] What was the reason given for refusing to allow you to sublet?—They gave no reason.

103. Did you make a formal application to sublet to some particular person?—No; I said my son would rent part of it, and I wanted to let part of it to somebody else.

104. You asked for permission to divide your property between two tenants?—Yes. I said I would be responsible for the rent, and they refused to grant my request.

105. There is a special provision in the Act under which these leases can be devised by will, but that power is subject to the approval of the Minister: you think that power should be given to the Commissioner?—Yes.

106. *Mr. Matheson.*] You quoted the Year-book, and said it contained a statement to the effect that the leasehold was as good as the freehold in regard to selling and letting: do you remember what year that Year-book was issued?—No, but it was published within the last three years.

#### JOB QUANTOCK examined.

107. *The Chairman.*] What are you?—I am a farmer, and have about 100 acres of freehold and 84 acres of leasehold. I hold the leasehold from the Crown, and part of it is waste land leased from the Crown. For the 84 acres I pay £7 5s. half-yearly—that is, taking off the 10-per-cent. rebate. What I want to ask the Commission is this: I have been living alongside a river for nineteen years, and on several occasions have had my fences washed away. The river is the Orari, and the river is my boundary. A considerable portion of my land has also been washed away from time to time, and I am still paying rent on the land that is supposed to be there. I should think 4 or 5 acres have been washed away. I am paying about £1 a year for land that has been washed away.

*The Chairman* suggested that the witness should bring the matter before the Land Board.

#### GEORGE MURRAY examined.

108. *The Chairman.*] What are you?—I am a farmer, and have 68,000 acres under pastoral tenure and 1,800 acres freehold. There is about six years to run in the case of the pastoral tenure out of a twenty-one-years lease. I pay £150 a year rent, and £10 a year for certain small reserves in the run. My pastoral run is in the Mackenzie country. Besides the leasehold and the freehold I have another farm of 1,800 acres which I am leasing near Geraldine. The pastoral run, Glentanner, is from 2,000 ft. up to 5,000 ft. or 7,000 ft. in altitude. Only about one-half of the 68,000 acres is what is called grass country. I run about 8,500 merino sheep on the property. In order to make the run safe I want more low country. I took up the farm near Geraldine so as to work it with the leasehold, and bring some sheep down in the winter-time. In respect to pastoral runs, there is no encouragement to do anything to keep the places. I understand that in Australia if dams are constructed on a run they have a chance of renewal, but here no encouragement is given to improve the property in the way of sowing grass, or in any other way. If we were given the right of renewal or more security of tenure we would sow grass and make plantations, and at the end of our lease, if the property were revalued, I would be only too pleased to get the chance of taking it up again.

109. If you had those terms what might you do in the case of Glentanner?—I would sow cocksfoot and make plantations. I have only had Glentanner about a year. I bought into it. There has been grass sown on some parts of it, and in some places it has done well, while in other places it has not done well.

110. If you got an extension of your lease would you do surface-sowing?—Yes; you want some sort of shelter for your sheep, but it is not worth while planting trees when you have such a short lease. Larch and spruce are the best trees to plant.

111. *Mr. Anstey.*] Did you sign the petition sent to the Land Commission?—Yes.

112. I presume you generally agree with it?—Yes.

113. If the concessions you have referred to were given, do you not think it should be compulsory to grass?—Yes, I should say it would be best that way.

114. *Mr. Hall.*] In order to turn these runs to best account, what tenure should be given when the present leases expire?—I think twenty-one-years lease at least, with right of renewal.

115. In that case, do you think the runholders would sow grass without compensation?—Yes, if the Government would value it and give us the first chance at its value again. The Mackenzie country is a very cold place; it is not nice to live there.

116. Would it not be very difficult to assess the value of grass-sowing?—You might ascertain it from the number of stock running on the run at present and the number of stock running on the land at the end of the term.

117. Do you think there should be Government inspection of grass-seed in order to prevent the introduction and spread of noxious weeds?—Yes.

118. Should the Government supply the seed at the lowest possible price?—I do not think so.

119. Are there many runs that could be better dealt with if they were reduced in area or subdivided?—Not in the Mackenzie country.

PETER FRIEL examined.

120. *The Chairman.*] What are you?—I am a farmer. I hold 264 acres under lease in perpetuity on Rakatira Settlement, for which I pay 6s. 3d. per acre rent. I have been there eight years.

121. Do you feel satisfied with your farm and with your conditions generally?—Yes, quite satisfied.

122. You approve of the lease in perpetuity?—Yes; but if the freehold comes I would take it at the valuation at which I took up the section, but I would not take it with revaluation. I would prefer to hold my lease rather than run the risk of revaluation. There is one remark I would like to make. I think there is a great feeling amongst the Crown tenants in favour of the freehold, and that has been brought about through the agitation got up by the Trades Councils and town members in the House of Representatives. I believe that is the real cause of the desire for the freehold.

123. You think you would be safe that way?—Yes. As regards the cropping restrictions, I think when a man has put his full improvements on his section equal to, say, 25 per cent. of the capital value, the Government might give the Land Board more power to place confidence in the tenant, and allow him to crop as he thinks proper. I think three crops in succession should be allowed then. But in no case would I say a man should have that liberty unless he has put all his improvements on.

124. *Mr. Hall.*] Is there a feeling abroad that this lease in perpetuity is not a secure tenure?—Of course, when an agitation is got up to smash the lease for the purpose of rack-renting the tenants, I think it is quite sufficient to bring that feeling about.

125. Do you think the Government would propose or the Legislature would pass a measure to render invalid the title granted under the existing leases?—I know it has never been done under the British flag, but I believe there are people in New Zealand and members in the House of Representatives who are very anxious to see it done.

126. Can you imagine any Government or any Legislature taking such a course?—No, I do not think it.

127. Do you not think that public opinion would denounce such a course?—I think so.

128. *Mr. Paul.*] You say the Trades Councils have helped to foster this desire for the freehold?—I have seen that deputations have met the Premier, with lists of resolutions passed, asking for the revaluation of leases. They did not state whether the revaluation was to apply to leases let in the future or to those let in the past, and I believe they were aiming at those let in the past.

129. Did you ever see a statement made or a resolution to that effect carried by a responsible body?—No, I did not; but I fancy the Trades Councils have carried it.

130. Did you ever hear that they carried a resolution to make the revaluation retrospective?—I think it looks like it when these resolutions came before the Premier asking for revaluation. It was a deputation some two years ago.

131. *Mr. Forbes.*] Otherwise this lease in perpetuity is quite satisfactory?—Yes, so far as I am concerned. I think the majority of the settlers on the settlement I am on are fairly well satisfied. So far as the Land Board is concerned, I have no fault to find with them, nor with any officer belonging to the Lands Department.

132. Is there any feeling on your estate that the tenants should have a representative on the Land Board?—There was a feeling of that sort, but still they did not ask for it.

133. You think you ought to have the right to take three crops in succession?—Yes. According to the terms of our leases, two are supposed to be white crops and one is supposed to be a green crop. Certainly, you cannot do without a green crop; but, supposing a man has 260 acres, as I have, according to his lease he has power to crop one-half in one year, so long as he does not take more than three crops in succession. If a man takes two white crops off 130 acres it is too much to expect him to put all that area down in green crop. I think he should be allowed to take another white crop off a portion of it, and lay it down at the same time in grass. Sometimes a turnip-crop does the land harm if you have a wet season and stock heavy on it.

134. Will the land on your settlement stand taking three crops off in succession?—Oh, yes. I notice some freeholders outside the district take five and six crops, and their land is cleaner than the land which three crops have been taken.

135. What sort of yield do you get on that estate?—The first year I only got 7 to 8 bushels of wheat to the acre, but that was a very dry summer, and 16 to 20 bushels of oats. The following year I got 25 to 35 bushels of wheat. The crops vary according to the season.

136. Is the land worth more to-day than when you took it up?—Yes.

137. But you would not be prepared to give that extra value to get the freehold?—No. I think it would not be fair to ask it.

138. You think the freehold would make you safer?—It would be more satisfactory in a way, but, at the same time, if the leasehold is let alone it is just as good a tenure as the freehold. I just wish to make one further remark. Some tenants work the land well and others do not, and no man knows this better than the Crown Ranger. I think notice of these things should be taken by the Ranger, and that he should tell the Land Board who are doing their work and who are not. So long as a man does his work there is no need for him to be interfered with. Since I have been on the settlement I have heard no dissatisfaction expressed with the Ranger or with the Land Board.

139. If you allowed the Ranger to put a black mark against a settler, would he not get himself very unpopular? Would that be a very desirable position for the Ranger to occupy?—I think it is only right he should have more power to see what the tenants are doing.

140. Do you not think if the Land Board visited the various estates sometimes they would be able to see for themselves?—Yes; that is a very good idea indeed.

141. *Mr. McCutchan.*] Have you had any experience of the Advances to Settlers Department?—Not much. I consider the advances-to-settlers policy has been a boon to the country, because it has regulated the price of money.

142. In your knowledge, have applications for loans to the Department met with success, generally speaking?—I think so.

143. Returning to the matter of revaluation, you say a good deal of uneasiness has been produced in the minds of the Crown tenants by the action of the Trades and Labour Council in asking for revaluation?—Yes.

144. If their applications for revaluation only had reference to leases to be issued in the future, would there be any cause for uneasiness?—That would be quite right.

145. Your objection is that they ask generally for revaluation without particularising as to whether it is to apply to leases issued in the future, or to leases issued in the past, or to both?—Yes. I consider the lease issued in the past is our contract made between the Government and the tenant. There would be nothing wrong at all in letting future leases with revaluation in them.

146. If a distinct pronouncement came from these large organizations in the towns that they have no intention of making such legislation retrospective, would that ease the minds of the tenants?—I believe it would.

147. *Mr. Matheson.*] Suppose that revaluation was brought in for future leases, do you think there would be a fear amongst the Crown tenants that that was the thin edge of the wedge and the beginning of something worse?—No, I do not think they would feel that; but I think that these Trades Councils and labour people are only wanting to get in the thin edge of the wedge at the tenant, and then they will go at the freeholder.

148. *Mr. McLennan.*] Do you belong to the Farmers' Union?—No.

149. You believe in giving the Land Board more discretionary power?—Yes, so far as cropping is concerned.

150. And do you think they should have power to decide other questions which have at present to be referred to Wellington, but which they are quite capable of settling themselves?—Yes.

151. *Mr. Hall.*] Do you think that the real distinction between lease in perpetuity and freehold is chiefly a matter of sentiment?—I think the leasehold is just as sound a document as a Crown grant. Of course, if the one is to be revalued I believe they intend to revalue the freehold.

#### EDWARD LEE ENGLAND examined.

152. *The Chairman.*] What are you?—I am a settler. I hold two sections comprising 20 acres under lease in perpetuity at Orari, about one mile from the railway-station, for which I pay 4s. and 5s. per acre rent. I have held the land about eleven years.

153. Are you satisfied with your land?—Perfectly satisfied, in every shape and form.

154. Is there anything particular you wish to bring before the Commission?—No.

155. Are you satisfied with your dealings with the Land Board?—Yes.

156. And with your tenure?—Yes, at present.

157. *Mr. Anstey.*] These small sections were cut up in order to give working-men a chance to better their positions: has that policy been successful in attaining that purpose?—I believe so.

158. How are the men getting on: can you live more comfortably now?—Yes.

159. You think the system is a good one?—Yes.

160. *Mr. Matheson.*] You said you are quite satisfied with the tenure at present: do you think that as time goes on and you prosper and save money the State would be wise if they allowed you to use these savings to pay off part of the capital value, and so reduce your rent?—I do not think so.

#### ROBERT THEW examined.

161. *The Chairman.*] What are you?—I am a farmer and member of the Timaru Harbour Board. I hold 578 acres of freehold and 1,240 acres under pastoral lease from the Crown in the Orari Gorge. For the leasehold I pay £210 16s. per annum.

162. It must be pretty good land at that rent?—No; it is very rough. It is only fair grazing-land. The rent is high because it was run up under the auction system. I think the auction system is detrimental to the settlement of the land. It is very unsatisfactory, in my opinion.

163. How would you let the runs?—I think there should be a sufficiently long lease, so that the tenants could improve the land to a certain extent by sowing grasses, and so on. I have had considerable experience at sowing grasses. If you get the proper kind of seed and burn off and sow at the proper time of the year the grass does fairly well. My grass has taken very well.

164. What is the term of your lease?—Ten years, and I have had it about five years.

165. You have sown grass during that time, and already you can say it has had good results?—Yes. Of course, some two years ago we had a very heavy snow-storm, and they sent round land officers to ascertain our losses, and I went to a lot of trouble in collecting information in regard to losses in the snow. It took some time to estimate our losses, and I think my estimate of my losses was very accurate. It was somewhere between £600 and £700, direct and indirect. They led many of us to believe that they intended to do something, but after a lot of correspondence between myself and the Minister of Lands and the Land Board they told me they did not intend to do anything. All I asked was that they should reduce the term of my lease. The upset price of my land was run up from £90 to £210 16s., and you will therefore understand I am paying a great deal more than the value of the land. It suited me very well, because I had a family of boys growing up and I had no other means of occupying their time, and it adjoined my freehold property. I did not ask for any monetary assistance, but that the Department should terminate my lease so that I could apply for it again at a lower rental. However, I have got over my trouble with the snow, and as prices are going now I can get along very well.

166. What is the height of your land?—I think, over 3,000 ft. at the highest point. There was an average depth of 2 ft. 6 in. of snow all over the ground. I did my best to save the stock.

167. *Mr. Anstey.*] Is the Timaru Harbour Board composed wholly of elected members?—Yes. No members are nominated by the Government.

168. Has the Timaru Harbour Board any endowments?—None whatever.

TEMUKA, TUESDAY, 11TH APRIL, 1905.

JOHN TALBOT examined.

1. *The Chairman.*] What are you?—I am a farmer farming about 2,200 acres of freehold and 1,000 acres of leasehold, which I hold from the Timaru Borough Council. I am Chairman of the Geraldine County Council.

2. Is there any particular point you wish to bring before the Commission?—The question that seems to be most agitating to the people's mind, and probably the reason why this Commission was set up, is whether the Crown tenants should have the option of the freehold. So far as my opinion and my observation go, I certainly think it would be advisable that the option of the freehold at the original value should be given. I think the State has parted with the land in any case, and in most cases at its full value at the time, and any value that has accrued since through better times or increased price of produce or the settlers' improvements I think the settlers are entitled to. If that is not so, the selling-out that has taken place should not have been allowed, for I presume that the people that are selling out are taking away with them any additional value there may be in the land.

3. I suppose you would not allow the freehold until after a certain time of residence?—I do not see any reason for fixing a particular period of time. I suppose the object of the State is to get the best out of the land, and, so long as too large estates are not held, I take it that that object is accomplished whether it be under freehold or leasehold.

4. Would you put any restriction against aggregation?—That seems to be guarded against by taxation. I think it is almost a pity to stop enterprise during a person's lifetime. A man will soon find out what it is advisable for him to hold under the present or any other system of taxation. During the time a man's family is growing up it may suit him to aggregate, but after a time the land becomes distributed again.

5. Is there any aggregation going on in your county?—Not a great deal, I think. In some cases there may be a joining of farms, and in other cases they are being broken up. From my experience over a considerable time, I should say that segregation is going on rather than aggregation.

6. How long is your lease for?—Fourteen years, without improvements. It is in the Raincliffe Estate. It seems that one of the objections raised to a person being allowed to acquire the freehold at the original value is that of the unearned increment. I hardly think that such a thing exists. For the last two or three years there has been a great improvement in the price of farm produce, and that is accountable largely for the increase in the value of land. Like any other class of property, farming land will fluctuate. It is hard to say who owns what is called the "unearned increment." Take the case of the Levels Estate, which was purchased only a couple of years ago. If the market had not been favourable that land would be dear enough at its price. When first I came here there were no roads or railways, and it is possible that those settlers who paid for the roads and railways might have increased the value of land alongside which was not being utilised; but, at the same time, that land was taxed heavily.

7. *Mr. Anstey.*] Is there any unearned increment in the towns and cities?—I could not say.

8. You do not know whether any sections which have been lying idle for many years have been sold at a large profit?—I do not know of any special case of the sort, but very likely there are some. Nevertheless, that land has been taxed all along.

9. Do you think, as a matter of public policy, that all the leases on reserves ought to carry compensation for improvements?—As a lessee, I would say Yes; as a lessor, I would probably have a little hesitation about it. The compensation clauses in a lease have a tendency to check competition at the end of the leases. I have known cases where houses and improvements have been put on, and it has been known that the lessees did not want to go out, and through the amount of compensation that had to be paid there was practically no competition. I have known a considerable difference in rent to be obtained in competition where there were no improvements.

10. Where there is no compensation do you feel justified in expending large sums in improvements?—No.

11. With compensation, would you?—Certainly.

12. Then, the absence of compensation retards improvements?—Yes. As a matter of policy in regard to public lands it would be the best thing to give compensation.

13. Education leases are public lands, and therefore there would be no objection whatever, I presume, for granting full compensation?—I think not.

14. We have had a complaint that on estates which have been obtained by the Government the value at which they were purchased has been adhered to as the valuation for local rating purposes, notwithstanding the fact that freehold land in the neighbourhood has been revalued and the value put up: has anything of that sort come under your notice in the county?—I do not think in the road district there is any complaint in that respect. Latterly, at all events, I think values have been put up evenly.

15. Have you any knowledge of the Advances to Settlers Office?—No.

16. Can you tell us from your knowledge of commercial transactions whether the lease-in-perpetuity settlers suffer under any disadvantage owing to the nature of their holding in negotiating for advances from private firms?—I do not think the security would be considered as good as freehold.

17. Is it as good as an ordinary leasehold?—I do not think it is.

18. Is it as good as a freehold whereon there is a mortgage equal to the rent that is being paid under lease in perpetuity?—I do not think so.

19. What is the particular quality of the security that makes it not so good?—It is the risk that a transfer might not be obtained. So far as I can understand, very few cases have occurred in which a transfer has not been granted; but still there is the feeling that it might not be granted, and, I suppose, where people get into trouble they would not facilitate the granting of a transfer very much.

20. Is there any reason why a lease-in-perpetuity holder should not be able to give adequate security the same as any other leaseholder?—At present they cannot.

21. Is there any reason why this difficulty should not be removed?—No; I suppose it is purely a question of the conditions of the lease.

22. *Mr. Paul.*] Do you agree with the present constitution of the Land Board?—Yes; I think nomination is the right principle.

23. Have you formed any opinion as to the wisdom or otherwise of dual control over public lands—Land Boards, School Commissioners, and so on?—So far as primary-education reserves go, there is no object whatever in keeping them separate, because the rents derived from them go in reduction of the amounts the Government hands over to the Education Boards; but in the case of endowments for high schools, &c., where the people want to make as much as they can out of them, they should be left as they are. They are for specific purposes.

24. Would you favour selling these endowments?—Not those for high schools.

25. Would you sell the others?—There is no reason why they should not be sold; the State has to find the money for primary education in any case. Parliament would have to vote a larger sum of money; that would be the only difference.

26. Those lands that should be leased, do you think it should be under the lease in perpetuity?—I think there should be a shorter tenure, unless there is revaluation. With regard to Crown tenants, if their improvements are properly valued and a liberal allowance made for the same, would there be any injustice in putting that land up to public auction?—I think it would be an injustice to turn the tenants out of their holdings. The question, in my mind, is whether anything would be gained by it. Why should you turn out one settler in order to put in another?

27. Do you not think there is a value accruing to land from the general prosperity of the colony above what the settler has bestowed on it?—I do not think there is any value in the land apart from the produce derived from it. Possibly an increased number of people in the towns might give an increased value, but at present we are entirely dependent on outside markets.

28. We have had evidence that the goodwills of sections have been sold for several hundreds of pounds. Do you not think a portion of that should go to the State, seeing that you think the option is worth something?—That goodwill is due to the increased value of produce since the land was taken up. If wheat fell back to 2s. a bushel and wool to 3d. a pound you would see a slump again.

29. Do you think it would be fair to ask the tenants to pay the original capital value if the selling-value was under that?—I think the price on which they are paying interest would be a fair value.

30. In the event of the option being extended those sections which are of good value would be taken up and the bad ones would be left on the hands of the State. Would that be fair?—It would only be the option that would be given, and it would not be made compulsory. There may be something in what you suggest, that the eyes of the estates might be picked out; but it was supposed that the State had made fair bargains, and I do not see why there should be anything in that.

31. Do you think it would be unwise if the worst of the sections were left on the hands of the State?—I think it would.

32. In the event of estates bought at too high a price?—That is not the fault of the tenants. It is not the fault of the Levels settlers that Pomahaka was bought. They would pay sufficient for their land in any case, I take it.

33. The general taxpayer would have to pay where there was a loss?—In that case, I suppose, he would.

34. *Mr. Matheson.*] You think the lease in perpetuity was introduced with the idea of settling people on the land?—Yes.

35. Do you think the State had any idea of making a profit out of it?—I do not think so.

36. Therefore, if they get the amount they expended in granting the freehold that should be sufficient?—Under the present system there is not a chance of the State getting more out of it, unless the option of purchase is given.

37. You think it would be reasonable for them to be satisfied with the return of the expenditure they have incurred?—Yes.

38. Have you noticed the tenants under the lease in perpetuity overcropping and going beyond the regulations?—It has not come under my notice. In advocating the freehold my idea would be to give the settlers freedom in their operations. If under the lease there must be cropping conditions.

39. *Mr. Hall.*] Did you mean the option of the freehold to apply to estates that have been purchased by the Government?—Certainly.

40. Do you think it would be fair for the State to purchase lands and sell them again?—I take it they were purchased for the purpose of putting good settlers on the land, and the State has parted with any chance of getting any further interest from it.

41. If the present leases are to be cancelled and new conditions altogether fixed, would you limit that to the present holders of the lease?—Not necessarily.

42. You think there might be a fresh ballot with new conditions?—No; I see no reason for a fresh ballot. Why not give the option to the present holders.

43. That should have been done at the first ballot, so that every one would have the same chance?—I think it is a matter which has only come up now.

44. Would not those outside the present lessees who took part in the ballot think they had a right to come in under the new conditions?—They might; but I do not know that it affects the question very much.

45. *Mr. McLennan.*] From your own observation, do you think the Crown tenants are prosperous under the lease in perpetuity?—Yes, I think so.

46. Is there any demand amongst them for the option of the freehold?—I do not know. I take the stand that it is for the benefit of the State that they should be given the option of the freehold, and that they should be encouraged to take it. I regard the freeholder as the man who in times of trouble the State will look to, and I regard the leaseholder as the man who in times of trouble will look to the State.

47. Do you not think that if there was any desire among them for the freehold they would come to the Commission and express that desire?—I cannot offer any opinion as to whether the tenants themselves want it. I do not know whether they do or not.

48. Do you belong to the Farmers' Union?—I was for a while.

49. Do you represent them here?—No, certainly not.

50. Supposing I leased a farm from you under conditions that I had to put on certain improvements. Good years came and I found that I could do better with the freehold, and I asked you for the freehold of the farm you had leased me, would you give me that freehold on the capital value?—The State's interest is to settle the land with the best class of people. It is quite another thing what I would do with my own land. The State is in quite a different position from the individual.

51. *Mr. Johnston.*] Do you approve of the present constitution of the Land Boards?—Yes. I think election by tenants would create trouble.

52. Do you think the Crown tenants are treated fairly by the Land Board?—So far as I know they are.

53. Has the value of Crown settlements about here increased or decreased since they were taken up?—I should say there has been an increase generally; but, of course, it would be difficult to assess what would be due to the settlers' individual improvements.

54. Do you think if the price of produce went down the tenants would be paying too high a rent?—It is quite possible that would be so. In the case of the Levels that was purchased at a fairly good rate a couple of years ago, and if the price of produce had gone down from that time instead of going up, it is quite possible that they would not have found themselves so easily situated.

55. Is there any Californian thistle in this district?—Yes; but I do not think there is a great deal.

56. Have you had any experience of it?—No.

57. Is it increasing at all?—Undoubtedly it is.

58. In your opinion, will it do harm if allowed to increase any further?—I am doubtful if it will be found very troublesome on land that can be cultivated, but on some lands which cannot be ploughed it would become troublesome. At the present time it is one of those things that cannot be worked out how it will affect us. For the last thirty years every weed that has come along has been held up as a thing that will ruin us.

59. *Mr. McCutchan.*] Can you say whether there has been any variation in the valuations between the lands under the Land for Settlements Act and freehold lands in the last few years?—Any examples that I have looked into I have found that the valuation was as high for the leaseholder as for the freeholder.

60. Has there been any variation in the past?—I cannot say that there has been.

61. Have you any experience of the expenditure of "thirds"?—Yes.

62. You are aware that "thirds" have to be spent on giving access to the lands from which they accrue?—Yes.

63. In what way has that been safeguarded in your county?—In all cases the proposals for the expenditure of the money are sent to the Land Board and approved.

64. In Geraldine a settler complained that £46 of the "thirds" that had accrued from his land were in the possession of the Road Board, and that he had been unable to get that money

expended?—It may be that that £46 may be of no use towards any expenditure that may be required

65. Is it not the custom to send in a schedule for the expenditure of the money, and that the money will not be granted by the Land Board unless they are satisfied that the money will be expended on the matters mentioned in the schedule?—Boards are allowed to hold the “thirds” that have accrued, I think, until more or the whole amount has accrued. I heard of this case, and it would appear that the whole amount has accrued and been handed over. I cannot understand how it has come about.

66. Would the fact of giving the freehold of the best sections in any way injure the position of the colony with regard to the worst sections?—I do not see how it could. It has nothing to do with one settler what has been done in another place. The land-for-settlements policy has turned out remarkably well, but it has to be borne in mind that it is a system that has been in force ever since the province came into existence.

67. Assuming that there is an increase in the value of land outside what the settler has done, and supposing that such increase has been made by the whole colony, and in view of the individualisation of this increase, would not the unearned increment as it is called legitimately be the settlers’ portion?—I think it would. I have not been able to bring my mind to consider that the public has any right to it.

68. *Mr. Forbes.*] The money that has been invested in buying these estates for cutting-up purposes has been raised by the Government at 4 per cent., and the Government are receiving 5 per cent. on that from the tenants: if the Government allowed the tenants the right of purchasing the freehold of their holdings at the original price, would not the State lose that 1-per-cent. profit they are making?—I do not think the State went in for the settlement policy for the purpose of making money out of it. For the sake of the sentiment, as between the leasehold and the freehold, I would be prepared to pay more for the holding myself.

69. *Mr. Anstey.*] Supposing a large number of the tenants availed themselves of the right of the option to purchase their holdings, what would the State do with the money?—There might be trouble over that, but I presume the purchase of estate would still go on.

70. Would you suggest that the money should be invested in the purchase of other estates?—Certainly.

71. I suppose there is a fairly large margin of profit over and above what the State gives?—Yes.

72. Do you think the Government could invest that money in other estates with the same margin of profit as they have at present?—That would depend on the trial. If the people were willing to give them 5 per cent. again it would work out all right.

73. You think there are plenty of estates to be bought at the same profit as those that have been bought?—I think the time is past unless there is a change in the outlook. I think the land will rise yet if the price of produce is maintained.

74. Are there plenty of estates to be bought at any price similar to those which have already been bought?—At present, no.

75. Then the Government would have to look for some other investment for the money?—That is another consideration.

76. *Mr. Paul.*] There are several sections on Pomahaka that the Government cannot find tenants for. Would you be agreeable to reduce the rent on those sections and give the option of the freehold?—Yes; the Government made a bad bargain there, and, like a private individual, should make the best of it.

77. The State should stand the loss?—I do not think the State stands any risk of loss in the long-run if they get the settlers there. There would be an immediate loss, which would be nothing in the general principle.

WALTER ACTON examined.

78. *The Chairman.*] What are you?—I am a farmer holding 163 acres under education lease, which I have held for about five years. The original lease was for twenty-one years and it has three years to run. The rent is 10s. per acre, with valuation for buildings put up with the consent of the Board. I think the Board should pay for other improvements besides buildings. It is swamp land, and they should pay for draining and plantations. I wrote to the steward of reserves two years ago and asked for some allowance for a plantation of timber, which in time would become valuable, but he wrote back to say that the Board had no power to grant such a request.

79. Have you a right of renewal?—Yes, by arbitration.

80. What do you think of the lease in perpetuity as a tenure?—I think it is absurd for either the Crown or a private individual to sign a lease for 999 years.

81. Do you favour the freehold?—Yes, lease with the option.

82. *Mr. Anstey.*] Do you want the freehold of the education lease?—No, not as at present.

83. You do not think you have any right to the freehold?—No.

84. Still, you think the lease-in-perpetuity holders should have the freehold?—Without a doubt.

85. What is the difference that gives one class of settlers more right to buy the land than another?—Every one knows that if bad years set in Crown tenants would have to get a reduction.

86. Does that not apply to other settlers?—No, the education tenants have had their reduction from time to time. The original education leases were tendered for, and have had to be reduced several times.

87. From the point of view of the tenant, the 999-years lease or one terminable in twenty-one years?—The latter.

88. What are your cropping regulations?—We are allowed three white crops.



89. Is that sufficient for the land?—Plenty; we never take it. It is more than the land will carry.

90. Taking the land in the neighbourhood, do you think that two white crops in six years are sufficient generally?—Yes; but if a man has the misfortune to lose his crop, he should be allowed to take another.

91. With a right of renewal on an arbitration rent and allowance for all improvements, would your lease be satisfactory?—Yes.

92. Would you favour a revaluation clause being put in lease-in-perpetuity leases in future?—No.

93. A twenty-one-years lease with renewal on an arbitration rent is practically a revaluation?—Just so; but I hold that a lease expires with the man.

94. But the dead man can leave it?—Yes, but the lease ends with the death of the man who signed it.

95. You think the State has no right to give a lease covering a longer period than a man's life?—Yes.

MICHAEL O'LOUGHLIN examined.

96. *The Chairman.*] What are you?—I am a farmer holding 110 acres under lease in perpetuity on Arowhenua, for which I pay 9s. per acre rent. I have been there for about seven years. The place is too small to keep a team of horses, and I am only allowed to crop half the land. If I was allowed to crop the whole of it I would take off three crops, and then put it in grass for three years and sell my horses and get sheep. There is no chance of getting more land around my farm as it is all taken up.

97. Do you dairy-farm?—No.

98. *Mr. Anstey.*] On that class of land what would be a suitable area?—200 or 300 acres. I could not go in for a ballot for another section so long as I hold this section.

99. *Mr. Paul.*] Do you favour the present constitution of Land Boards?—Yes.

100. *Mr. Matheson.*] What is the value of your buildings?—I could not say.

101. Is there any danger that after you got off the three crops and sold your horses that you would sell out and look for another place?—No.

102. Is there no contract ploughing in the district?—I might as well throw stones at my own window as take contracts at 5s. 6d. per acre.

103. What is the highest price you have paid per acre for cropping?—£2 10s. per acre. I was getting from 20 to 60 bushels of wheat an acre. Wheat was then 4s. a bushel. It is now 2s. 8d. to 3s.

104. What do you reckon you will get this year?—30 bushels, I think.

105. Has your rent proved too high?—No, I am quite satisfied.

106. Are the rest of the tenants satisfied?—I hear no complaints.

107. Would this land bear three crops?—Yes, two crops would be of no use, as it is too heavy.

108. How much do you reckon it takes to keep a team of horses per year?—I could not give any idea, but I know what a horse will eat in a week. He will eat 4 bushels of oats with straw chaff.

DANIEL ANGLAND examined.

109. *The Chairman.*] What are you?—I am a Government settler on Albury. I hold 282 acres, and pay 5s. 7d. per acre. I have been there since the commencement of the settlement six years ago. I am satisfied with the section and the rent, but I think there should be some modifications as regards cropping. I think when a man has been five years on his land and has fulfilled the conditions he should be allowed to use his own discretion. I think also that when he has resided ten or fifteen years on his leasehold he should be allowed to purchase the freehold. It would be good for the settler and for the State as a whole that he should have the option of the purchase at the original price. I also think that the settlers should elect two members to the Land Board, and that more power should be left in the hands of the Ranger. Where a dirty paddock requires cleaning or a man loses his crop the Ranger should have power to say whether the settler is wrong or not.

110. *Mr. Anstey.*] Do you think it would be better for the tenants that they should get the option of the freehold?—I think it would, for the reason that he would have an end in view. He would be more cautious in working his land if he had a chance of making it his own than if he was to be always a leaseholder.

111. You are aware that if a condition were put in your lease giving you the right of acquiring the freehold that would involve an alteration of the lease?—No; that would be an addition.

112. If that alteration were made do you not think alterations might be inserted in your lease?—No; I do not think that is necessary.

113. Is the Albury Settlement fairly successful?—Yes.

114. Are the rents fair?—Yes.

115. But you want a little more latitude in regard to cropping?—Yes.

116. *Mr. Paul.*] Do you agree with the present nominative constitution of the Land Boards?—No.

117. How would you vary it?—I have had dealings with the Land Board. I think the present Commissioner is a very good man, but I think we ought to have a voice in the election or nomination of members to the Land Board.

118. How would you elect those men?—I think it is very probable the present members would be elected.

119. Under what franchise would you elect them?—By a vote of the Crown tenants.

120. If you had an estate would you allow your tenants to elect two men to sit with you in arranging what conditions should govern that estate?—A private individual and the State are

two different things. I think that an election in the way I suggest would result in better men perhaps being elected to the Land Board. Persons who are not interested in the land question should not have a voice in the election of the Land Board. Nobody but a Crown tenant is interested in the Land Board.

121. Has the Ranger ever harassed you?—No; the Ranger is a very reasonable man.

122. *Mr. Matheson.*] In asking for the right of purchase are you aware that you are asking for something which the tenants in Great Britain under the Crown already possess?—I think that all people who hold land should have the option of the freehold.

123. *Mr. Hall.*] You say that the holders of lease-in-perpetuity land should have the right of converting their holdings into freeholds?—Yes; and I think the money derived from that source might go to acquire other land for closer settlement.

124. If the tenant was allowed to pay off a portion of the capital value and thus reduce his rent would that not answer the purpose?—It would go a long way towards it.

125. Do you mean granting the right of freehold in the case of existing leases?—I would not allow it to any leaseholder until he has been from fifteen to twenty years on the settlement. I mean it to apply to present leases and also to future leases.

126. Seeing that that is a complete departure from the terms of the present lease, do you think the price should be fixed by arbitration?—I do not think the land has improved except in so far as the tenant has improved it.

127. Was the Albury Block loaded for roading?—I think so, slightly.

128. Has the expenditure on the roads been satisfactory?—I think so.

129. Do you think that the right should be given to the settlers of the redemption of the loading—that is, as the Government is charging 5 per cent. on the loading, the total amount for loading should be extinguished within a reasonable time?—Yes, I think so.

130. The loading is for roads; it is put on to the value of the land, and the local body strikes rates not only upon the value of the land but also upon the loading: do you think that is equitable?—I do not think that is right.

131. *Mr. Forbes.*] You said you thought the Crown tenants ought to elect one or two members to the Board. If a candidate for the Board came round and said he would allow you to take two crops out of your land do you not think you would support him?—He could not alter the law and the regulations.

132. Do you not think there would be that danger?—Any man who has made the necessary improvements and complied with the regulations—there is not much fear of his being a burden on the State.

FRANK GREEN examined.

133. *The Chairman.*] What are you?—I am a farmer, and farm 152 acres at Arowhenua. My rent is 8s. 6d. an acre. I have been there since the beginning of the settlement. I am not satisfied with the cropping regulations. I think we should be allowed three white crops. I may say that I have taken out three white crops and the Board has warned me.

134. Do you think the Land Boards as at present constituted is satisfactory?—Yes, to a certain extent. But I would like to say this: that too much capital is required to be possessed by applicants before the Board will accept their applications. At present it does not give a man a show unless he has ample means.

135. *Mr. Anstey.*] Are you generally satisfied with the conditions of your tenure except in regard to cropping?—I am quite satisfied with the lease-in-perpetuity tenure and with the rent, but I think my section is rather small, and that I should be allowed to ballot for an adjoining section or to buy out an adjoining section. I want about 300 acres in order to keep my family together.

136. *Mr. Paul.*] Do you not think it would be better if the law were altered so as to allow you to ballot for a larger holding on condition you sold the smaller holding?—When a man has improved a place and made a home on it he prefers to stop there. I would not like to sell my own property and take the chance of drawing another section.

137. Have your dealings with the Ranger been satisfactory?—Yes, very satisfactory; and I have not heard one complaint made against the Ranger. I think the Ranger should have more discretionary power in respect to details as to dealing with the land. There is too much trouble and delay in sending to the Board about details.

138. Do you not think you would have some trouble if you were a Ranger in pleasing the settlers?—You could not please everybody, but the present Ranger seems to do so.

139. *Mr. Matheson.*] In respect to the cropping regulations, instead of forfeiture, do you think it would be wise if the Board were allowed to increase the rent?—I do not think so. A man does not crop to ruin his land; he crops to improve it.

140. But do you not think there should be a milder form of punishment than eviction?—Certainly; but I do not think there should be any punishment of a man who is a good farmer and who farms, in his opinion, in the best way.

141. *Mr. McLennan.*] Did you apply to the Board to get permission to replough the land and grass it?—No.

142. Did you see the Ranger?—Yes, and he said the best way would be to make inquiries and see if I could not plough it again.

143. *Mr. McCutchan.*] In reference to getting a second section, do you think that at the ballot married men should get any preference over others?—Yes.

MAURICE LAWLOR examined.

144. *The Chairman.*] What are you?—I am a farmer, and farm 40 acres at Rakepo, three or four miles from Temuka. I pay £1 1s. 6d. an acre rent. I have been there nine years. The land has too much twitch growing on it. It grew to about 4 ft. high this year with the crop. I

am only allowed to take two crops off the land. The cropping restrictions are not satisfactory and should be altered. If the land is laid down in grass for three years the tenant should be given liberty to take three crops. In the third year the grass is very little good. You cannot make your rent out of third-year grass on dear land. I understand that there is a complaint before the Land Board against me for overcropping. I think the settlers should be allowed to work the land as they like when they have made the necessary improvements. The tenants should also be allowed to pay off a certain amount of the capital value, so that in bad times they will not be crippled with the rent. I think they should be allowed to pay off at least two-thirds of the capital. We will not have good times always, and in bad times the tenants will have a difficulty in paying their rent. My land yields from 7 bushels to 40 bushels an acre according to the season. For two seasons I only got 7 bushels an acre.

145. *Mr. Anstey.*] What would be the yield this year?—I cannot say; I have not threshed yet.

146. *Mr. Paul.*] Was it anticipated that you would be able to make a living out of the produce of 40 acres?—I cannot do so if I am only allowed to take two crops off the land.

147. Was it not the intention that you should get work outside your land?—I am getting an old man now and I cannot work outside.

148. The 40 acres is not large enough for a man to make a living out of?—Not if he has a big family. The cropping conditions are too severe. The tenant should have more liberty to crop as he likes.

149. Do you not think there are a few Crown tenants who would crop and ruin the land?—Yes, poor land; but anybody should be allowed to take off three crops from good land if he chooses.

150. Have you ever asked to be allowed to take three crops off?—No.

151. Will it not be time enough to complain when the Land Board refuses?—There are numbers of people who have been refused.

152. *Mr. McLennan.*] Have you ever tried turnips and fallowing?—Yes; but we cannot grow turnips without ridging and hoeing. That costs a lot of money.

JAMES DAVIS examined.

153. *The Chairman.*] What are you?—I am a small farmer. I hold 20½ acres at Arowhenua, and my rent is 8s. 6d. an acre. I have been there seven years. I am satisfied with my holding and with the lease-in-perpetuity tenure, but I do not approve of the way in which small tenants are rated by local bodies. We are compelled by the Government to put on so-much improvements on our land, and we are rated by the local body on those improvements. I think there should be a little more give-and-take so far as the regulations as to root-crops are concerned, and where a crop has been a failure I think the Ranger, through the Land Board, should allow the settler to crop again.

154. *Mr. Anstey.*] That settlement was a settlement for working-men?—Yes.

155. How are the working-men getting on there?—Very comfortably, so far as I can hear.

156. Can they get plenty of work?—Generally.

157. You think that, generally speaking, these small farms are useful to enable working-men to become settlers and get into a better position?—If it were not for these small settlements there are hundreds of people who would never have gone on the land.

158. Do you think they ought to be allowed to ballot for another piece of land?—Yes, up to a fair size.

159. If you balloted for a larger section and got it would you be prepared to leave your present holding for another workman?—I would not part with my section. I have a home there and I am going to keep it.

160. *Mr. Johnston.*] Are all the rest of the settlers contented?—Yes, so far as I know.

161. *Mr. McLennan.*] Would you be in favour of giving more discretionary power to the Land Board as to cropping?—Yes.

B. HORGAN examined.

162. *The Chairman.*] What are you?—I am a farm labourer, and have 11 acres of land at Rukepoa. My rent is £1 3s. an acre. I have been there about five years. I am satisfied with my section, except that it is too small. My sister has a section of 50 acres close by, and I want to know if it is possible to make the two sections into one. I have been informed by the Land Board that they could not allow me to apply for any more Government land while I hold my present section. My sister's section is under lease in perpetuity.

163. *Mr. Anstey.*] If you were allowed to ballot for a larger section and were successful would you be prepared to transfer your present section to some one else?—Yes.

164. You think that as soon as a workman is able to take up a larger section he should be allowed to transfer his present holding?—Yes.

MICHAEL SCANNELL examined.

165. *The Chairman.*] What are you?—I am a threshing-machine proprietor and farmer. I have 269 acres of freehold and a similar area of leasehold adjoining on the Rosewell Settlement. I pay 7s. per acre rent for the leasehold. I have held it twelve months, and I bought the freehold about six months ago. I am newly settled on both sections.

166. You have not had much experience of the place, but, so far as you have gone, are you satisfied?—So far I have no reason to grumble, except that in going round the country as a threshing-mill owner—I work on all the Crown settlements south of the Rangitata—I find there is a good deal of uncertainty in the minds of the Crown tenants as to how they are going to be treated eventually in regard to revaluation. They are also hindered a good deal by the cropping regulations. There is a good deal of desire amongst them that they should be allowed to acquire

the freehold. They reckon they would be more secure under freehold tenure. The opinion in their minds is that they do not know how soon there may be an alteration of the Act, and their improvements may be confiscated.

167. Do they really think so?—Any amount really do think so. They also think a man should be allowed discretionary power to a certain extent after he has put on his improvements and resided on the place to take more than two white crops off if he thinks it is wise to do so. In our view the man who is working the land knows better how to do it than the man in the office who draws up the regulations.

168. Would you not have some control over the tenant?—You have control enough so long as you hold his improvements. There is no man who farms his 200 to 300 acres who will not put from £800 to £1,500 in improvements on his section, and I fail to see how he could depreciate that land by taking an extra crop from it. I do not see that he is any more likely to do it even if he is not restricted. A practical farmer will not do it if he is restricted or unrestricted.

169. *Mr. Paul.*] You say the tenants are afraid of revaluation?—Yes; there is a feeling of uncertainty in their minds that things are not going to last like this always.

170. That things are too good to last?—No, but that their bargain will be varied by the Government.

171. Have you ever seen a proposal to apply revaluation retrospectively?—It has been hinted at amongst some of the trades-unions and town members.

172. Have you any definite knowledge of that, or is it just something somebody has told you?—It is what I have read in the papers, and I read them as intelligently as most people.

173. You are quite positive that in some papers you saw a proposal to apply revaluation to existing leases?—Yes.

174. *Mr. Hall.*] Do you think that any one seriously considers that the Government would ignore a title to land issued and acquired legally and honestly?—I do, sir. Considering that the Government can commandeer the freehold, why should they not vary their leases. One deed is no more binding than the other, and the lease is not nearly so much so.

175. Well, if they can repudiate a lease they have entered into they can repudiate the freehold, and where would be the advantage in changing the tenure, so far as security of tenure is concerned?—That is the impression amongst the Crown tenants generally. They feel they will be more secure under freehold or part freehold.

176. Then, they will be out of the frying-pan into the fire if the Government could contemplate such a thing?—I do not think so.

177. *Mr. Johnston.*] What did you pay for the freehold?—I bought at £4 5s. an acre.

178. What do you pay for your lease?—7s. per acre, or equal to £7 per acre.

179. I suppose in paying that you do so because you think the land is worth it?—I am satisfied it is worth it.

180. What is the average yield of grain?—39 bushels of wheat on the Government sections.

181. How long have you been a threshing-mill owner?—Close on thirty years.

182. What is the general yield in this district for oats averaging the last five years?—It would run from 50 to 80 bushels, and wheat from 25 to 55 bushels to the acre.

183. Have you ever known wheat below that?—Yes. About seven years ago I knew it to be no more than 12 bushels to the acre. It was an exceptional year.

184. Are the settlers doing well on the Government land here?—A lot depends on the class of people who take up the land. Some are doing well and some I do not think will ever do well, and would never do well under any conditions.

185. The good settlers are doing well and are satisfied all round?—Yes.

186. *Mr. Forbes.*] You have a freehold section and a leasehold section side by side?—Yes.

187. Do you pay the land-tax on the freehold section?—I will do so. I have only held it six months.

188. Do you pay anything on the lease in perpetuity?—No.

189. Do you not think that if you converted that into a freehold you would have to pay land-tax immediately?—Yes, and I think quite right too.

190. You think the tenants are willing to change the lease in perpetuity into freehold, and come under the provisions of the land-tax?—I would not object at all. I think it is only right. I think also there should be only one regulation for all people occupying land. The tenants should pay land-tax as well as the freeholder.

191. You say the trades and labour people in the towns want to get at the Crown tenants: do you not think if the tenants get the freehold and the trades and labour people cannot get at them that they will then be likely to put a heavier tax on the freehold?—My opinion is that after they have worried the freeholders and made them all Crown tenants they will then worry the Crown tenants.

PATRICK MITTEN examined.

192. *The Chairman.*] What are you?—I am a farmer. I hold 174½ acres under lease in perpetuity on the Arowhenua Settlement. I pay 8s. 6d. per acre rent. I have been there eight years.

193. Are you satisfied with your tenure?—Yes, with little improvements.

194. What modification do you suggest?—I consider the cropping regulations are not right. I reckon that when a settler has been on the land for four or five years, and has put the required improvements on it, and is living on it exactly the same as though it were freehold, he should be left to use his own discretion. That is my opinion. I consider, too, that if a settler has done well in a few prosperous years and has made, say, £100 or £200, or whatever the sum might be, that there is no reason why he should not be allowed to pay off equal to, say, 50 or 75 per cent. of the capital value of his section. I do not say that the Crown should part altogether with the land. I have been speaking to a lot of the settlers, and every one of them has agreed that it would be very

satisfactory if we were allowed to pay off 50 or 75 per cent. of the capital value. My reason for asking that this should be done is that I am a young man to-day and I am fit to battle along. If I should make a bit of money is it not better that I should put that money in the land on which I am living rather than put it into some other speculation and run the risk of losing it. If bad health or bad seasons come along I have something to fall back on, and the Crown has also something to fall back on. Again, is it not well when the settler has money to part with that the Government should take that money from the settler and keep the interest in the colony, rather than borrow more money from the London money-lender.

195. *Mr. Anstey.*] Have you had any trouble with regard to your cropping regulations?—Not a bit.

196. Have you ever exceeded the regulations?—I have. The first year I came I put a lot of land down in grass with one crop, and some of that land was laid down for four years. I had some very twitchy paddocks to contend with, and I took three crops out of them because I had to do it.

197. Did you ask the permission of the Board?—No. I think it is a great mistake to bind a man to two crops.

198. Are two crops sufficient to take out of the ground in the ordinary course?—No, I do not think so. I consider that the oftener the Arowhenua land is turned up and worked the better chance has the last crop.

199. *Mr. Paul.*] Why would you not allow the settlers to obtain the freehold?—I will tell you the reason. I would not really say I would go against it or go for it, but I say I would be satisfied with 75 per cent. The Crown in starting the land-for-settlements policy did a very good and noble act, and a lot of good to the country, and I do not think it would be fair or just to the country that the land should depart out of the hands of the Crown.

200. Were not the cropping conditions clearly set out in the pamphlet that was issued when the estate was opened up?—That is true enough, but I do not think the people who issued the pamphlet could know that such-and-such a paddock was full of twitch and other weeds. I never believed the land was like what it was until I had to contend with it.

201. You think the cropping restrictions are not practicable?—I do, indeed.

202. *Mr. Hall.*] When the tenant has paid off a portion of the capital value as you suggest, do you think that all restrictions should then be removed and that he should be as free as though his land was freehold?—Yes.

ASHBURTON, WEDNESDAY, 12TH APRIL, 1905.

JOHN CHARLES NATTLE GRIGG examined.

1. *The Chairman.*] You are the proprietor of Longbeach Farm?—Yes. I am a freeholder. There are 10,000 acres in the estate.

2. I understand this is part of a much larger estate that belonged to your father at one time, and that he brought what was called an impenetrable swamp into a high state of cultivation. We also understand that a portion of the estate was cut up into large farms and successfully settled. It would be a great advantage to us to know from you how your father accomplished this great work, and the principles upon which that settlement was conducted?—My father purchased the first 2,000 acres of Longbeach in 1864, and when he was going to buy those first 2,000 acres the Government map showed no survey whatsoever, but right across the country that is now Longbeach was simply written in large letters, "Impenetrable swamp." He at once started a large open drain to let the water off. I may say that the estate by the time he and Mr. Thomas Russell had finished buying consisted of somewhere about 30,000 acres of freehold. After partially draining and clearing a considerable extent of the estate in 1875 my father began to sell portions of the land he had drained, and continued to do so until the year 1892, when he had sold about 15,000 acres. Most of the farmers paid a certain amount down and paid interest on the balance, and they were allowed to pay off the balance as they could. The paying-off period extended for a great many years in some cases. Most of the original settlers held the farms until the purchase was completed. The purchases are all completed now. Since then many of the farms have changed hands. My father kept, roughly speaking, about 13,000 acres for himself, of which 10,000 acres now belong to me and the balance to my brother.

3. What was about the average size of the farms sold?—A lot of land was cut up into small holdings for men working on the place, and, leaving them out of consideration, the farms ran from 50 acres to 400 acres.

4. I suppose these men came from all parts of the country?—Yes. A lot of them came from Southbridge, and from the earlier districts around Christchurch.

5. Did they farm their land well?—Yes, the bulk of them did.

6. You use your farm partly for cropping and partly for sheep?—Yes. The cropping is now confined to the very best part of the property, as where you pay for labour wheat must yield 40 bushels or over to leave any profit as against stock.

7. I suppose your average yield is up to that?—Yes, of late years.

8. How many sheep per acre do the paddocks laid down in grass after cropping carry all the year round?—So far as the expression "carrying sheep all the year round" is concerned, I do not think there is any expression more misleading or used in such a casual manner and without a proper understanding of its meaning. There is some land that sheep will just live on, and it is said that the land is carrying that sheep, but, in the real farming sense, to carry sheep ought also to include fattening it. I might say that keeping the plough going for three years the land in the summer-time will carry from two to four ewes to the acre on new pasture, and fatten a fair proportion of their lambs.

9. What class of sheep suits this process of farming best?—On such land as I own I prefer a good second cross—a Leicester ewe and a Shropshire Down ram.

10. For how many years have you been actively engaged in farming operations, both pastoral and agricultural?—Since 1883.

11. *Mr. Hall.*] I suppose you have a knowledge of the country generally in this part of the island?—Yes, I think I have a fair knowledge.

12. Have you any knowledge of the higher pastoral runs?—Not very much.

13. I suppose you have given some study to the different tenures of land?—Yes. I have thought over the matter pretty frequently.

14. Have you given some consideration to the question of the tenure for the settlement of ordinary Crown lands, and for the settlement of the improved estates purchased by the Government?—Yes. I think the resumption of some of the properties that have been taken over has been a good thing for the country.

15. Keeping in view the interest of the State and the interest of the occupier of the land, and the interest of the community, what class of tenure do you think would be best for the country?—I have given this subject some consideration. I wish to put aside party politics and personal interests, and simply to look at the question from a broad point of view—namely, that which is most profitable to the country as a whole. Surely no man living wants more than that. I take it that because large estates in the past were lying idle, or were not being worked at top and have been resumed and let on lease in perpetuity, there is no reason why in the future people should go too far in the other direction. I mean by that, to my mind, and speaking without any bias, the lease in perpetuity is really a false lease, for this reason: you have only got to extend that system fully along the line to prove it one way or the other. Just think what would be the result if the whole of New Zealand was put under lease in perpetuity. Politics would simply be town *versus* country. All the electors would be able, virtually, through their members, to vote reduction in rent, or, if need be, the resumption of the freehold back again, because Parliament has shown in the past that the freehold grant from the Crown can be taken. Therefore, I take it, any other tenure can be taken if Parliament so chooses. Another bad point in this lease in perpetuity is that as soon as it becomes Government land, whoever gets it by the ballot ceases to pay any tax of any kind towards keeping up the State, whereas if the land were freehold it is an asset to be taxed for all time to raise a fair revenue for the State. Then, to come to the question of productiveness, which is the main thing after all, I think it cannot be gainsaid that men under freehold on an average produce 25 per cent. more than leaseholders, and, from a business point of view, that ought to be enough to justify the freehold. But you can add to it the fact that the freeholder is always more anxious to keep his land clean and free of pests, and make a home for himself and his children. There is one more point. Supposing hard times come, which tenure will stand the test of adversity best? I fancy the freehold, and for this reason: that when it comes to a pinch the man on the freehold will first of all cut down his expenses and strive very hard in his farming, and otherwise to make ends meet; but the leaseholder, I think it is fair to say, having regard to the evidence of the past, will, directly hard times come, agitate for a reduction of rent. Now, the State in the case of freehold has got a revenue all along the line by taxation, but the leaseholder under lease in perpetuity has his rent fixed to-day and virtually for all time, so far as we are concerned, and therefore his land does not in any way whatever bring in anything to recoup the State. I want you to understand that I do not for one moment wish to interfere with any system or any holding at present in force; but supposing instead of the lease in perpetuity the perpetual lease with revaluation at certain periods has been adopted, then at the end of each period the increased rent from these farms would bring in a large revenue to the State and virtually recoup to the State the money originally paid for the land. At least that increased rent would be to some extent equal to the land-tax, which is now levied on freehold. Then, if I might just add one word: To my mind, the model country of the world and the one whose policy is worth imitating, so far as land-tenure is concerned, is Denmark. With half the size of Scotland and half the population of Scotland the people of Denmark, besides living well in every possible manner, export twenty million pounds' worth of produce from the land. What is the tenure in the country that does that? It is the freehold. The Government for many years past have put aside large sums of money to help the farmers to buy the freehold, and it is under that system and by advancing them cheap money to make the farms their own that Denmark has developed to such an extraordinary extent. I think honestly that if the Government wishes to help, there is no other way by which the country can be so well and profitably farmed as under the freehold. I think by far the safest policy is for the Government to help the settlers to get on the land with a small amount of money. There are six men on the land in Denmark to four in the towns, and if Denmark can do this with the land under snow and ice all the winter—and it is really a hard winter—what cannot New Zealand do with the splendid climate she possesses. There is another point. I maintain that the freehold tenure alone makes a people far more patriotic. I think there is no doubt about that. There is that feeling which cannot be described when a man sits on his own land, and, after all, all the towns want is that the land be thickly populated and produce the greatest possible amount, and bear its fair share of the taxation of the colony. The freehold answers these purposes best.

16. As regards existing leases under lease in perpetuity, would you consider it a sound policy to allow the tenants to pay off a portion of the capital value and so reduce their rent?—I think that the land in many cases has gone up very considerably in value since the Government purchased some of the properties, and in that it was by no sweat of their brow or their work that these men went on to these sections but simply by ballot, and by the State finding the money and running the risk. To my mind, the only way by which they should become owners of the freehold would be at a fair revaluation. But I would allow every settler very full compensation indeed for all improvements.

17. And you would give the tenants the right to purchase after fresh valuation?—I would give them the right by the payment of instalments or as they could to become freeholders, feeling certain that this is far better than carrying the lease in perpetuity along for all time. There is a true saying in regard to farming, and it was said by my father, that if people do not oust the weeds the weeds will oust them. I think I need only recall to your mind the Californian thistle and other weeds to emphasize the truth of that saying now, and I think that the freehold would make people very much more careful to keep down weeds and pests of all kinds than the leasehold. I say so for this reason: weeds such as the Californian thistle depreciate land £5 or £6 an acre. If it is freehold land that loss falls on the owner; if it is leasehold it falls on the Government, and if on the Government back on the bulk of the people in New Zealand. They have to pay for that loss, and that loss means reduced rent.

18. Assuming that the present leases are to be kept intact for 999 years, would it be a good thing if the tenants were allowed to pay off a portion of the capital value, thus reducing their rental and giving them a greater interest in the land?—Yes, anything that would give them a greater interest in the land would be an advantage.

19. In future leases would you approve of the rent being fixed on a higher scale, to include a sinking fund that would wipe out the capital value, say, in forty years, and thus allow the tenant to become the owner of the freehold?—That is virtually deferred payment. Yes; I am in favour of deferred payment. That is the best system.

20. *Mr. McCutchan.*] In reference to the question of revaluation, do you think that if a clause was inserted in future leases, providing for periodical revaluation, it would be detrimental to settlement? I am speaking now not only of lands settled under the Land for Settlements Act, but also of the Act under which the ordinary Crown lands of the colony are disposed of?—I do not think you could get such a good class of men on the land. There might be a certain amount of hardship under revaluation, and for myself I should say there is no comparison between that and the deferred-payment system. I should make it optional, and allow a man to acquire the land under deferred payment or for cash, but I would not allow him to mortgage it in order to buy.

21. You expressed the fear that if bad times came the State would not be recouped for its outlay: these tenants are now paying 5 per cent. on the capital value of the land, and since money at 5 per cent. compound interest repays itself in twenty-six years, do you think there is any real danger to the State in that direction?—Not at 5 per cent. on the present value. The bulk of the properties bought by the Government are worth the money paid for them, and therefore there is no danger at 5 per cent. But I will say this much in reference to that question: I do not consider that the Government—it may be presumption on my part—have allowed a wide enough margin for expenses. I think they ought really to have loaded the estates a little more to allow for surveys and miscellaneous expenses that now have to come out of the Consolidated Fund. I am told on good authority that there is hardly one property taken over by the Government the loading on which has really paid fully for the cost of roading, bridging, &c.

22. There is a good deal in that argument, but is it not a fact that from year to year the Government are borrowing money for reproductive works, and these estates are entitled to a portion of that money, seeing that it is being expended in the development of the country and they have to pay their share of the interest?—I think the man who pays taxation to keep his country going has a right to receive a share of the benefit arising from the expenditure of borrowed money; but if a man is put on the land by the State and ceases to pay taxes in any form whatsoever I do not see why he should benefit equally with those who do pay taxes.

23. Is it not the case that the tenants upon these estates contribute as largely as other settlers in the colony through the Customs, and, further, that they are really subject to land-tax? Their exemptions are the capital value of the land and their improvements, but there is often a wide intermediate value, generally termed the “unearned increment,” and as soon as that unearned increment exceeds the exemption, which, I believe, is £500, all these tenants are liable to land-tax?—I would like to know if any of them have paid land-tax up to the present time.

24. There are several Crown tenants in the colony paying land-tax at the present time simply because the intermediate value of their land to which I have referred is much greater than the three exemptions—namely, the exemption on their own improvements, the exemption on the State's interest in the land, and the £500 exemption?—Then, I would like to know whose duty it is to revalue these properties, and whether they are revalued from time to time for taxation purposes.

25. Of course, they are assessed just the same as the freehold adjoining. I suppose you have heard that several of these properties have changed hands at very considerable premiums over and above the value of the tenants' improvements?—I know that.

26. Up till last year scarcely any lease-in-perpetuity land paid land-tax, but, as a matter of fact, the land is subject to land-tax when a man's interest over and above his improvements exceeds the exemption?—It will all depend on how many lease-in-perpetuity tenants there are. If the country was wholly under lease in perpetuity, I say again—I do not want to accuse any body of dishonesty or anything of that sort; it is only the survival of the fittest—the chances are that these leaseholds will not pay land-tax to the same extent as freehold. I must say that, if what Mr. McCutchan has told me is correct, that the settlers under the Government are paying equal land-tax, it is news to me.

27. I do not go so far as to say that, but when their interest exceeds the exemption they are subject to land-tax, though, as a matter of fact, very few are paying it?—I understand that.

28. Whilst the Commission were travelling through the pastoral areas in Southland, Otago, and South Canterbury they saw the difficulties of settling that country: I would like to ask your opinion, as one at home in the open country and a buyer and breeder of sheep, in view of the fact that the products of the sheep—namely, wool, mutton, and lamb—bulk larger in value than any other single product from the colony, and also in view of the fact that statements, apparently



well founded, have been made that the merino sheep is a factor which largely governs the success of that great industry, do you or do you not consider that the maintenance and, if possible, the increase of the merino flocks should be a primary consideration in fixing the area and other conditions under which the rough pastoral country—which is the merino country—should be worked?—I would like to say, in reply to that, that I am a farmer born and bred on the flat, and I cannot say definitely what is the wisest policy for the hills; but I have this evidence close at hand: that two or three of the largest station-proprietors on these hills are going out of merino and going in for inbreds. I think I value the merino as much as most people, but if the bulk of the owners holding these leases find that the inbred halfbreds and other crosses are more profitable and bring them in a larger revenue we must allow them to do as they think best, especially as what the Canterbury Plains want most of all is a ready supply of good breeding-ewes to produce fat lambs for export. It is the duty of the hills and the downs surrounding the plains to produce these ewes for the farmers on the plains, and that this will be done to a very large extent and quickly seems certain by the fact of the £1 to £1 10s. apiece given for breeding-ewes this season. There will always be a supply to meet a steady demand at a high price for anything in the world. I think that is the future of the hills. I do not honestly lay such very great stress on the merino as some do. If it is decreasing so fast there is still a way by which the Canterbury Plains can keep up the quality of its mutton to a great extent, and that is by using first-class rams, either Southdowns, Shropshire, or English Leicester. Any of these three will produce splendid fat lambs. I do not, therefore, lay such stress on the merino. I would let the runholders do what pays them best, and the crossbred, I understand, has been a very great success up to the present. I know a man who has been breeding inbred crossbreds, who this year sold his entire flock for £1 8s. apiece and lambs for 18s. That is a more profitable class of sheep than the merino.

29. If that goes on on these hilly stations to a greater extent it will practically mean the elimination of the merino ultimately?—There, I should certainly say, you have made a good point, but there is no fear of our running out of merino blood while we have Australia, with its thousands of better merino rams than we have here. We can import very easily and cheaply first-class merino rams from Australia to keep our inbred halfbreds from deteriorating. I do not wish to be misunderstood, and I want to say that there is a certain class of country in New Zealand where the merino will always exist, but it is of comparatively small area.

30. *Mr. Paul.*] Do you believe that the land-for-settlements policy should be pursued further?—Not under lease in perpetuity.

31. You think the tenure should be changed to deferred payment?—Yes. At present, I think the State is giving too much and receiving too little.

32. Then, it is as a citizen of that State that you object to lease in perpetuity?—Yes.

33. You told us that your father settled a large part of his estate on deferred payment: do you think the State could follow similar lines to advantage?—Yes, certainly.

34. Could the State give them as liberal conditions as your father gave?—No. I do not think any Government should give such liberal terms as a private individual, because a private individual can watch the business far better and take greater care as to who goes on the land than the Government can.

35. Is not the case of Longbeach exceptional? That was not the way the large owner generally dealt with prospective farmers?—Well, many have. Glenmark has been cut up into small holdings lately and sold on the freehold system at a price far above what the Government could have taken it up at. Of course, I know it is only of recent years this has been done.

36. You are afraid if all the land is held on leasehold tenure that the tenants would see that their rent was low enough if they were in the majority in the country?—I think so. I will put it this way: I think they would take care that the rents were not too high.

37. Then, if all the country was settled under freehold in small holdings would the people not see to it that they escaped their share of taxation as much as possible?—No, because the Government valuer goes round and decides in a perfectly independent manner what the value of the land is, and it is assessed accordingly.

38. The land-tax is levied at so-much in the pound: do you not think that if all the land were freehold there would be a reduction in the rate to be levied? Is there not just the same danger in the case of all freehold as in the case of all leasehold so far as taxation is concerned?—Yes; it is everybody for himself, but not to such a great extent, I think, in regard to the freehold.

39. You raise the objection that the lease-in-perpetuity tenant does not pay his equivalent to the general taxation: do you not think there is an equivalent in the small profit that is made by the Government over and above expenses?—I do not think 1 per cent. is sufficient as against the freehold.

40. As a practical man, can you conceive of a 999-years leaseholder allowing his property to go to ruin with weeds or other pests?—Yes; and then, as I said before, it is a State asset, and the loss by the depreciation of the land falls on the colony more than it does on the individual. He would throw it up, and go away from it.

41. I understand you object to the 999-years lease, but if you had a lease in perpetuity and it was conserved to yourself and your heirs do you not think you could farm that just as well as freehold and put on just as good improvements?—I would feel nothing like so secure. I would not spend the enormous sums of money that are wanted sometimes to reclaim land under any leasehold. Rightly or wrongly, the leasehold is not looked upon anywhere in the world as such safe security as freehold, and if you are going to spend, as my father did, £6 or £7 an acre in improvements and draining, &c., I think you would require to know that your holding is pretty safe before you would do so.

42. You think the present lease-in-perpetuity holding is not safe?—I do not say it is not safe. It is an entirely new thing. It is certainly a bad thing, but its safety simply depends on the honesty of the voters in the future.

43. Is not the freehold in somewhat the same position?—Yes, it is. I may be wrong, but I think, in that we get our freehold from the Crown, if any violation was attempted it is possible to appeal.

44. Is there any aggregation of estates going on around here?—Yes. I think a certain number of farms, mostly light country, are being bought by neighbours.

45. I notice some correspondence in the Press: is that a fair indication of what is going on?—Well, it really amounts to this: on a certain class of land one homestead and one man can work a certain area very much cheaper, or at the same expense, as he can manage a smaller area. Hence, when an adjoining piece of land comes into the market a man says, "It will be no more expense for me to manage it, and it will be all net profit to me, and therefore I can afford to give more for it than any other man."

46. Do you think that reaggregation is in the interests of the country?—It may or it may not be; but I think, in most cases, too much is made of this reaggregation, for this reason: in many cases that I know the farmer has grown-up sons, and he is virtually providing a home for his boys when they marry and settle down, feeling, naturally, that he would rather have them around him than a hundred miles away. That is really at the bottom of this aggregation of estates. The father is willing to buy—I might almost say at an abnormal price—any property adjoining his own for the sake of having his married sons or daughters around him.

47. It has been advocated by several witnesses before the Commission that a law should be brought in to prevent a man holding more than a certain area in fee-simple, such amount of land to be fixed either by area or value, and to apply, of course, only to future transfers: do you think that would be a wise or an unwise step?—In the matter of the resumption of estates by the Government, I would again quote the case of Denmark. In Denmark when the Government has helped to put a man on the land there is a law providing that no two farms that have been bought by the Government for settlement can ever be put together in one holding. It is impossible by law for any man to add an adjoining section to his own.

48. Do you think in the case of further land-settlement of estates bought by the Government there should be a simple law of the kind you have just referred to?—Yes. I believe in the land carrying as many people as it possibly can, but it is very hard to make a universal rule. I think where the Government step in and take property they remove all risk of too much land being held by any one man, and I take it that is their object.

48A. And outside that would you or would you not interfere with private barter of the freehold?—No, I would not.

49. *Mr. Anstey.*] Do I understand you to say that you generally approve of the Government resuming large estates and cutting them up for settlement?—Yes; but not under the land-for-settlements system. The policy has been an advantage to the country.

50. Holdings should be in fair-sized areas?—Yes.

51. Would you mind giving your opinion as to whether your estate, which is a large one, would be more profitable to the State if held in smaller areas, say, of 100 to 200 acres?—There is only one way in which it would produce more. I do not think I am biassed at all, but I think it would be more thickly populated if it were cut into dairy farms. If dairying was not carried on I honestly do not think that any more would be taken off the land than is being taken off now.

52. Do you think that the purchase of estates should be confined to estates not fully developed?—Yes; and not only that, but there are so many estates offered to the Government to purchase that there is no need to take them by force.

53. Do you object to the compulsory acquisition of estates?—Yes, unless the owners get extraordinary full compensation. If they get a very full price and it is urgent that the Government should have the land for some very strong reason, I should say it is right. The law already exists, and any piece of land can be taken by the Government under the Public Works Act if it is to the advantage of the colony generally.

54. Are there any lands about here settled under the Land for Settlements Act?—Not about Ashburton, but there is the Highbank Estate at Rakaia.

55. Are there any educational reserves?—Several.

56. Do you know what the terms of the leases are on those reserves?—They run for twenty-one years with no right of renewal, and no valuation is allowed for improvements.

57. As these are public lands, do you think that the lessees should get valuation for improvements?—Certainly. I think every man ought to get valuation for improvements.

58. Do you think the law should be altered to compel every landlord to give the tenant valuation for improvements?—Certainly I do.

59. You think that improvements created by the tenant belong to the tenant and to no one else?—I do.

60. Do you think it would be wise if these reserves, instead of being let, were sold?—Education reserves are so wrapped up with the education system of the colony that Boards before they sold would require to have a guarantee of the same amount of income as they have a possibility of getting at present, for the reason that the interest on money may fall, and if these properties are sold and the Education Boards get the money they might make a bad investment, or the price of money may fall and the education system would suffer. I think the Government ought to be very, very careful in dealing with the freehold endowments for education purposes.

61. You say that there is a gain of 25 per cent. under the freehold: that means that there is a waste of 25 per cent. going on all the time that these lands are held under leasehold. Do you not think it is time this enormous waste was stopped and these lands turned into the freehold at once?—Education is most important, and if the Government resume these estates they ought to give the controlling bodies debentures bearing 5 per cent. for all time.

62. If your statement is correct, that a loss of 25 per cent. is going on, should not that loss be stopped?—Yes, if the Boards get very full value. Take the case of the Canterbury College: it would suffer very much if its revenue was interfered with.

63. They would get the capital value?—Just the bare capital value is not sufficient. Land may go up in price and the properties increase in value very considerably, and as population becomes thicker the expense of education will become greater.

64. Is it not a fact that the Canterbury College is getting too much revenue now, and is investing some of its money in mortgage instead of expending it according to the conditions of the trust?—I cannot say. I would interfere with nothing that affects education.

65. Conditionally on getting 5-per-cent. debentures, you think they might be turned into freehold?—Yes; if they got 5-per-cent. debentures up to the full value of the land I would allow the reserves to be turned into freehold.

66. Would you apply that to harbour reserves, and so forth?—Yes, I would. I believe the land would produce more.

67. You said you carried two to four ewes on new pasture in the summer: is that ewes and lambs?—Yes.

68. *Mr. Johnston.*] Have you had any dealings with the Land Board?—Only once.

69. Have you been on the Land Board?—No.

70. Do you approve of the Board as at present constituted?—I do not say that the Land Board is not properly constituted; but no matter what Government is in power I would like to see the Land Board in a perfectly independent position and not elected too frequently.

71. If the members are not appointed by nomination by the Government how do you suggest it should be done?—I am afraid I cannot answer that. Nomination by the Government has been very good and is very good; but I can imagine that they ought to be trustees for the State virtually. It is a very important office, and I am not prepared to say in what way there should be a change, if any.

72. Do you think the Land Boards have done their duty in the past?—As far as I know, they have.

73. Do you know anything about the Advances to Settlers Office? Have any of your tenants got advances from it or made application?—I could not say.

74. You think the Government have a perfect right to go and buy up large estates at practically a lower value than a private individual could, because very few individuals are in a position to buy a large estate, and that they should put that land on the market, and that the lucky tenant who got it should have the right to get it at the price at which it was bought plus the roading and other expenses?—Yes; but they must be well loaded, because the State takes all the risk.

75. Would you approve of a 999-years lease with a valuation, say, every forty years?—I would rather not have the leasehold myself.

76. You would rather have deferred payment?—Yes.

77. In the case of a place like Longbeach is there a large sum of money that is sunk in the property that would not be taken into account at all in a valuation?—Yes, a very large sum.

78. Do you know anything about high country at all?—No.

79. You do not know of any of the high country being regrassed?—I think a certain class of country can be improved by surface-sowing—the best of the hill country—more valleys and low spots than the steep hill-sides. I would not have much faith in surface-sowing steep hill-sides. I think that possibly the best surface-sowers are small cattle which graze in the valleys and walk up over the hills, and wherever they travel they drop seed, and it grows better that way than any other.

80. Do you think the feeding of sheep from boxes on the refuse of seed-cleaning machines would have a detrimental effect on the land?—Certainly. I think it is a criminal act.

81. *Mr. Forbes.*] Do you think that two white crops and one green crop and then the ground to lie three years in pasture is a reasonable regulation to put into a lease?—I really think that the Government could hardly do anything else. If there was not something of the kind the leases would require too much looking after. There is very little land in New Zealand that could stand more than two crops of wheat running. It would not be good farming. I would not, however, absolutely compel a man to lay down his paddock for three years in grass. I do not do it myself. I would allow him to take two green crops, or catch crops, and then a crop of grain again: but with the green crops he should sow manure.

82. You do not think it necessary to lay the ground down in grass for three years? If the stipulation was made that the land should be three years in green crops would that be just as good for the land as if it was sown down in permanent pasture?—Yes, except that I think it would get a great deal fouler. Three green crops in New Zealand does not mean cleaning the land as it does at Home. In New Zealand it means that the land gets dirtier. On the whole, I think the Government rule for three years' pasture is the best for the majority of the land that has been taken. Where the land is very strong and good and the holdings are small it would be a hardship to compel the settlers to sow down in grass for three years.

83. We have had evidence that on some of the rich land which is taken up in the grass the first crop on the furrow is not a good one, and the second crop has too much straw, and then they have got to sow down again according to the regulations. They think they should be allowed another crop, because they have not had a benefit from the crops they have put in, and they might get a profitable return from the third crop?—I would not break away from the regulations too much, for the reason that that is a hypothetical case. You must have a large rainfall to do that, in any case, and in Canterbury the bulk of our summers are fairly dry, and I think seven crops out of ten will stand up most seasons in any of the land I know. The Waikakahi land is very rich and heavy, and, very likely, has never been cropped at all, and, naturally, the initial crops will be very heavy, but when it comes round again that will not occur.

84. Do you not think that a man who is paying, say, 15s. rent should be allowed greater latitude than a person who is paying, say, 5s.? The best of the land generally goes at the highest rental. Do you not think the State would be safeguarded?—I would not break the regulation.

Taking the bulk of the land the Government has taken, I do not think I would give a very great license. It is plausible enough, but, at the same time, a man who has 15s.-an-acre land can easily make £2 an acre out of a crop of rape.

85. The excuse they give is that they cannot clean their land without the extra crop?—I never heard of cropping being a system of cleaning land before.

86. All the evidence we have had is that they can clean their land with white crops, and want the third crop for that purpose. Is that reasonable?—No. I shall learn it for the first time to-day if growing wheat is a system of cleaning land.

87. When the lease in perpetuity was brought in by Sir John McKenzie one of the reasons given was that there were a great number of freehold farmers in this country who were heavily mortgaged, and the interest they were paying was equal to a rack rent, and it was to have a tenantry free from mortgage that the lease in perpetuity was introduced. Has the lease in perpetuity accomplished that object and made a more independent class of farmers?—Of course. The Government has taken the responsibility from the settler. It is certainly making the settler freer—almost too free. I believe in letting a man get on to the land as cheaply as possible, but, at the same time, the State should be protected.

88. You think the settlers are in a more independent position than they would be if paying mortgage interest as in the past?—The lease in perpetuity is too free.

89. Then, there is the question of paying off the capital value. If settlers sink their capital in paying off their land and bad seasons come and they have to mortgage, would not they be again in almost the same position as farmers were before the lease in perpetuity was introduced?—If money has to be advanced let the Government advance it.

90. There is a large section of the community who believe that the remaining Crown lands of the colony should be held as a large national endowment, so that the increased value could be used for keeping down taxation. Is that a wise provision to make?—No, I do not think it is. I think the prosperity of the community as a whole is what the State has got to look to, and not make a revenue out of one class more than another.

91. *Mr. McLennan.*] How many farms were sold on your estate some time ago?—Roughly speaking, I should say sixty or more.

92. How many families are on those farms now?—Pretty well the same number as there were at first. Though some farms have been sold and joined to others, others have been divided.

93. *Mr. Matheson.*] It was suggested to you that Sir John McKenzie brought in his Act in order to people the land with farmers free from mortgage: do you not think he must have been disabused of that idea when he introduced the Advances to Settlers Act offering inducement to people to mortgage?—I think if Sir John McKenzie were here now he would change his mind regarding many things. The abuse he was carrying in his mind from the Old Country made him try to carry out a system here, which in a young country was not applicable.

94. Was not your proposal that if the option of the freehold was given it should be at a re-valuation, and that the Government should take the profit that accrued—the incoming tenant should pay to the Government the increased value?—That is right.

95. So that the State would be making a handsome profit out of the land sold?—No. I am taking it for granted that the man who has got the lease in perpetuity wants it for his freehold.

96. The State took the property at its value ten years ago: if they are recouped all their expenditure why is that not sufficient, seeing that they acquired the land for settlement and not to make a profit out of it?—Looking at it as a citizen, I say that the Government borrowed the money and the rest of the citizens paid the interest for the land-settlement.

97. They have achieved that by putting the men on the land, and the men have proved their *bonâ fides* by staying there for ten years, and if they are given the right to purchase you say the State should make a handsome profit or whatever profit does accrue?—As a matter of principle, something of that sort should be done, but every improvement would have to be allowed for. When the man went on the land there were no improvements at all, and I would allow him very adequately for everything, so that the difference between the improvements and the value would not be very great.

98. Supposing all these improvements which come from the farmer's own efforts and those of his neighbours in the erection of dairy factories and freezing-works were allowed for, what is the cause of the further value? Is it any more than the London market?—Mainly, that is so.

99. You think the State is entitled to the increase due to the London market?—No. The land belongs to the State, not to the man, and, to carry your point along, a man might hold the land for 999 years and then buy it at its original value.

100. You do not think that would be right?—No; of course, not.

101. In Britain under the land-settlement policy a man pays rent for forty-nine years, and then the land becomes his freehold. Do you think that would be a sounder policy for us to adopt in the future, or would you have the settler pay the interest on the State's expenditure, with the right to pay off the value when it suited him?—When it suited him, otherwise he would have money lying idle.

102. *Mr. McCardle.*] The matter of noxious weeds has just been touched upon. In Southland we saw thousand of acres under ragwort and thistle: do you not think there should be some restriction against persons with these weeds on their land cutting for seed?—I think it should be criminal on the part of anybody offering seed full of weeds for sale; but I do not see how you can stop a man cutting his crop because there are weeds in the paddock.

103. Is it not possible, as far as most weeds are concerned, to eradicate them or isolate them so as to prevent them going to the public?—I am afraid the weeds you have mentioned are of so determined a nature and so persistent that once they take possession eradication is difficult.

104. You think that machine-dressing would extract all these noxious weeds?—Most of them, but not all; and that is one of the greatest dangers at present. I will give you an illustration.

Dodder, which is one of the greatest pests in America, has a seed just the same size as the red-clover seed, and is not rejected by the seed-dressing machines, and therefore comes out here. I could name other weeds the seeds of which are of the same size as in the crop amongst which they are, and which do not come out in the dressing.

105. Is it possible for a person to make a living on a 50-acre or 100-acre section on the light country Hinds way?—No.

106. In the case of a person holding such a section which is too small for him do you think he should be allowed to go in for a ballot in another settlement, and dispose of his other section afterwards—at present the fact of his holding that section debar him from participating in any other ballot?—If a man is put on such poor land that he could not possibly make a living on it I would treat him as almost landless, and if the Land Board was satisfied that it was a genuine case he should be allowed to go in for another section.

DEAR MR. MCKERROW,—In thinking over the land-tenure, I am in favour of a holder being allowed to turn a lease in perpetuity into a freehold either by a 1-per-cent. sinking fund or on deferred payment if acted on within ten years; but if a lease is held for a greater number of years the freehold should be obtained after revaluation on deferred payment. From this date I would like to see the lease in perpetuity stop.—J. C. N. GRIGG.

GEORGE WILLIAM LEADLEY examined.

107. *The Chairman.*] What are you?—I am a farmer, holding about 2,400 acres of freehold in the Wakanui road district, where I have been for twenty-eight years. I carry on mixed farming.

108. Is there any particular point you would like to bring before the Commission?—I wish to speak first as an official of the Farmers' Union. I am colonial vice-president of the union, and I wish, first of all, to give a public denial to the statement that has been frequently made to this Commission, that the Farmers' Union was responsible for promoting the petition amongst the Crown tenants asking for the freehold of their holdings. The colonial executive of the Farmers' Union some little time ago communicated with the provincial executive of the North Canterbury district asking them to take charge of and circulate a petition from the Crown tenants with regard to this matter. I moved a resolution in the provincial executive that before acceding to that request we ascertain whether the petition was being promoted by the colonial executive and was recommended by them, or whether it came from the Crown tenants spontaneously. The reply to that communication was that the Crown tenants had by letter approached the colonial executive, asking for assistance to circulate the petition. The petition was sent round amongst the various settlements, and when I was in Wellington at the last colonial conference I asked the colonial president, Mr. J. G. Wilson, what had become of the petition, and he held up a roll of papers and said, "It is here." I asked him what number of signatures had been obtained, and he said about five hundred. That petition was afterwards presented to Parliament, I believe, from the settlers. I make that as a denial to the statement made before the Commission that the union were the authors of the petition and originated it. I would also like to speak on the subject of the reaggregation of estates in this district. It has been freely said that a very large amount of aggregation is going on in the Ashburton County, and it was stated in the House last year by Mr. T. E. Taylor that he believed there was less *bonâ fide* settlement in the Ashburton County to-day than there was twelve years ago, owing to the reaggregation of estates. In order to disprove that statement and to show the real position of affairs, the local branch of the Farmers' Union obtained from the Land Office a statement as to the respective number of holdings in this county in 1898 and 1904. The return was supplied by Mr. R. Hepworth, officer in charge of the Valuation Department, and is as follows:—

	1898.	1904.	Increase.	Decrease
Number of owners of freehold rural land in Ashburton County	1,736	1,892	156	...
Number of Government leaseholders under all tenures	371	393	22	...
Number of rural landowners owning 20,000 acres and over	1	1	...	...
Number owning between 10,000 and 20,000 acres	6	3	...	3
Number owning between 5,000 and 10,000 acres	15	11	...	4
Number owning between 1,000 and 5,000 acres	132	161	29	...
Number owning between 500 and 1,000 acres	138	163	25	...
Number owning between 100 and 500 acres	437	474	37	...
Number owning under 100 acres	1,007	1,079	72	...

I would also like to add to that by saying that in my own neighbourhood the land was originally held by G. H. Moore in a large block, and what was known as the Wakanui Homestead Block of 5,600 acres was sold about twenty-eight years ago to eleven different people and occupied by them, and that piece of land of 5,600 acres which was originally held by eleven people is now held by fourteen. In cases where occupiers have increased their holdings it has been, to a large extent, by men who held what we might call the better class of land going in for pieces of light land in order to indulge in mixed farming. Twenty-eight years ago large areas of the lighter plains land were taken up by men of limited capital and in rather small holdings, and when bad years came they found they could not make a living on the small piece of the plains, and they sold out to others. Those are cases where reaggregation of land has gone on. Within the last two or three years quite a number of large estates have been cut up in this district and sold in smaller blocks. I might instance the Coldstream Estate, where I believe there are now thirty holdings where there was previously one. The Acton Estate has been cut up, Alford Forest, portions of Lagmore, Cracroft, Winchmore, and other similar runs, and in many instances where farmers already

holding land have bought pieces of these runs it was for the purpose of settling their sons on it. I would like to make a remark with regard to the clamour for the freehold amongst the Crown tenants. I move about the country a good deal and come into contact with these men, and know what they are thinking about. I think that the reason why the great majority of them are so anxious to obtain the freehold is partly on account of the amount of agitation that is being carried on in the big centres in regard to the land-settlement system. There is a feeling of insecurity notwithstanding the fact that the State has made a contract with them. These men really have a feeling of insecurity, and they think there is nothing so safe and secure as the freehold. Another reason is they are continually hearing about this revaluation, and they want to secure what they have got in order to escape that. Another cause is the Fair Rent Bill. I would also like to say a few words with regard to the compulsory acquisition of land near populous centres. In this centre there are numbers of working-men who would be very glad to have a few acres of land on which to occupy their time when they cannot get work elsewhere. Under the present conditions of the law this town would have to increase in population till it reached fifteen thousand before the Government could buy a single acre of land near it, and I think that time will come in the very remote future. Even if they did not take the land compulsorily they could only purchase 100 acres a year under the law as at present, and in that an amendment is urgently required. There is land immediately around the town which would cut up admirably into small lots, where men could settle comfortably and make homes for themselves and their families, and occupy their time when not working in the town or elsewhere.

109. *Mr. McCutchan.*] Can you say whether many tenants under the Land for Settlements Act signed that petition to which you referred?—I was told by the president that there were five hundred names of Crown tenants on the petition.

110. He gave you no information as to the tenures of those who signed the petition?—No.

111. The evidence that we have had has been largely in favour of the lease, but we have come into contact mostly with tenants under the Land for Settlements Act, and, so far as we could gather, there is a good deal of indignation felt by them in regard to this agitation, and I was anxious to get from you a definite opinion as to the tenures of the tenants who signed the petition which originated the whole of the agitation. You are not in a position to give that information?—I am not in a position to say what class of tenants signed the petition. So far as our district is concerned, it was circulated amongst the land-for-settlements tenants.

112. You cannot say definitely whether it was the land-for-settlements tenants who signed the petition?—I never saw a single signature.

113. Is it not a fact that there are very few of these settlements in the North Island?—I do not know.

114. It is largely a policy that has been exploited in the South?—Possibly.

115. Can you speak definitely from your own knowledge as to whether there is any difference in the conditions of the tenants in the North and South Islands—conditions of settlement, roads, and so forth?—I should say that the tenants in the South Island have far the best of it for many reasons.

116. If it is shown that this petition originated from the Crown tenants under the Act of 1892, would you say that the agitation was justified in order to better their position?—Yes, I should say it was. They are satisfied it would be an improvement of their position if they had the freehold.

117. With regard to this sense of insecurity that the Crown tenants labour under with regard to the threat of revaluation, do you think that that sense of uneasiness in the minds of the settlers is justifiable?—It might be with men of a certain class of mental calibre; but if I had a 999-years lease I should not fear at all, because I would look on the contract as binding for the full term.

118. You have sufficient confidence in the Government to think that they would not vary a contract entered into with the tenants?—They have varied a contract, and what has been done in the past may be done again.

119. Do you mean the contract in regard to the estates which were freehold and were compulsorily taken?—By the acquisition of large estates, and also in the case of the Rotokare Domain, in the Hawera district.

120. That is a very minor matter?—It is an example of the principle.

121. Is it not the rule in England and every progressive country that under the Public Works Act the Government is right and justified in making the individual give way in the public interest, and is any injustice done, seeing that the people interfered with are compensated?—That is quite true in the case of a public work. But there is a great difference between taking a piece of land for a public work and taking away the whole of a man's holding.

122. Seeing that it is justifiable in the case of a public work, is it not more so if it is in the interests of the masses?—It is a moot point whether it is in the interest of the masses.

123. *Mr. Paul.*] There has been some correspondence in the Press in reference to the aggregation of estates: does that correspondence give a fair statement of the case?—No, it is most unfair, because no particulars are given as to the size of the holdings or anything else.

124. I notice amongst the names those of several large landowners?—I do not think it is at all detrimental to the district or of settlement that there should be some large holdings.

125. From your evidence I gather that there is subdivision going on on the one hand and reaggregation on the other?—Yes.

126. With reference to the petition circulated by the Farmers' Union, I would like to know the exact position taken up by the local branch?—It was sent to the various branches, but before putting our imprimatur on the petition I wanted to be quite clear that the colonial executive of the Farmers' Union was not at the bottom of the petition—that they were not simply inciting the tenants to agitate for the freehold, and I therefore moved to refer the matter back to Wellington for further information, which information was given to us, and we acted on it and sent copies to the branches in the district.

127. Then, it is quite true that the petition was circulated by the Farmers' Union?—Yes, the petition was sent to the branches.

128. On that petition after it was circulated there were five hundred signatures?—Mr. Wilson, the president of the union, held up a bundle of papers comprising the petition, and I asked the number of signatures, and he said five hundred.

129. Do you not think if the clamour on the part of the Crown tenants had been so great there would not have been more signatures?—Possibly, but that would depend on the time allowed for getting the signatures.

130. In that petition it is mentioned that "in and out of Parliament revaluation is being advocated"?—Yes; I believe it was.

131. Do you know of any responsible body which has advocated that revaluation should act retrospectively?—No.

132. Do you not think the Farmers' Union is conveying the idea to the Crown tenants that there will be revaluation?—No, I do not think so.

133. Do you not think that the statement which has gone abroad, that people in the cities wish to harass the State tenantry by periodical revaluation, has been a factor in unsettling the minds of the tenants regarding their leases?—I said so.

134. And that statement has been circulated by the Farmers' Union?—It has been circulated by the newspapers, and has been included in the reports of the meetings of the Trades and Labour Councils and Conferences for many years past.

135. The Farmers' Union: in what it has circulated leaves that inference to be drawn?—No, I do not think it does. We have not put the question of retrospective revaluation to the people.

136. When you say that a certain party is in favour of harassing the State tenantry do you not think that has lead the tenants to the conclusion that revaluation will apply retrospectively?—My saying so would not affect the minds of the tenantry.

137. I am referring to the official pronouncement of the Farmers' Union?—The Farmers' Union has never made an official pronouncement on the question of retrospective revaluation.

138. They have simply drawn attention to the fact that a certain party is advocating periodical revaluation, and they further say that it is the intention of the Government to harass the State tenantry?—I do not think the Farmers' Union has ever gone so far as that. I am not aware of any official document or utterance in which the State tenantry are given to understand that revaluation will be of a retrospective character. I said that the agitation in the towns by the Trades and Labour Council, by socialistic organizations, Progressive Liberal Associations, and bodies of that kind, in reference to revaluation, had created in the minds of the State tenantry an uneasy feeling that revaluation was going to take place.

139. But you have said that it was not to be applied retrospectively?—I stated that we said nothing about it applying retrospectively.

140. You admit that the Farmers' Union has circulated a document drawing attention to periodical revaluation?—No; I denied that most emphatically.

141. Here is a clipping from a newspaper that has been circulated by the Farmers' Union, and these words occur: "It is opposed to the freehold tenure of the soil, and is in favour of harassing the State tenantry by periodical revaluation"?—It speaks of "a party." That is not the Farmers' Union, is it.

142. The Farmers' Union circulated this; this is a copy of a manifesto issued by the Farmers' Union throughout New Zealand?—This document or paper purports to be an official communication from the general president of the Farmers' Union.

143. In the petition that was circulated these words appear: "No tenant can feel any security while certain people in and out of Parliament are agitating for revaluation"?—Yes, that was in the petition.

144. Then, it appears the Farmers' Union has been the means of making public and circulating this revaluation question more than has been done by any other party?—No; I cannot admit that for one moment. I said that the petition originated amongst the Crown tenants, who requested the Farmers' Union to give the Crown tenants the use of their machinery—the branches of the Farmers' Union—in order to get the petition into the hands of the Crown tenants. I emphatically denied that the Farmers' Union circulated or originated the petition.

145. What section of the Crown tenants drafted the petition?—I do not know, but I think it came from settlers holding sections under the Land for Settlements Act. I think it originated in one or two settlements in Wellington and Taranaki—chiefly Taranaki.

146. *Mr. Anstey.*] This petition bearing five hundred signatures—did it originate in the North Island?—Yes. It had not received any signatures when I saw it.

147. Did you circulate it amongst the branches of the union?—We sent copies to the branches in the North Canterbury district.

148. Did you send a copy to each branch?—Yes, I believe so—where there were Crown tenants.

149. What was the response from the branches?—I could not say. The petition came back and it was forwarded on to Wellington. The petition was never in my hands after circulation. The idea occurred to me that we would be charged with fomenting this agitation, and I got the resolution passed which I have referred to.

150. If I were to tell you that there was not a single name signed to this petition in Canterbury you could not deny that?—No, I could not.

151. You say that the reason why the settlers feel that they are not secure in their tenure is in consequence of the agitation in the towns?—Yes, partly that.

152. Supposing this agitation could have the effect of altering these leases, might it not also have the effect of increasing the taxation in respect to the freehold?—Yes.

153. It would be easier to put another screw on the land-tax than to alter the existing leases?—Certainly.



154. What profit would it be to these leaseholders if they altered their lease?—A great many of them would not pay very much land-tax under any circumstances. I am aware that they are liable to taxation now—that the chattel interest in their property is liable to taxation—but owing to the £500 exemption, the allowance for improvements, &c., the land-tax they would pay would be very small under any circumstances.

155. Would you be in favour of altering the lease at all?—Yes.

156. You do not think that the bargain made should be considered to be sacred?—I think it is a very bad bargain.

157. And therefore should be altered at any time?—No; but I think that in any case where an alteration is made it should be purely voluntary on both sides to begin with—that there should be absolutely no coercion or compulsion by either party, and that a Board or Commission should be set up, consisting of members of the Land Purchase Board on one side and a committee of tenants in each district where they seek to make these holdings freehold on the other side, and that these men should settle the question as to what the values of the land are and as to the terms on which the lease should be altered.

158. Do you think it would be wise to give the lease-in-perpetuity tenants the right of purchase?—I think it would be a very good thing for the State if they did so.

159. Do you think it would be wise and that it would be favourable to the tenants?—I believe it would be favourable to both parties, and more favourable to the State than to the tenants.

160. Upon what terms do you think that should be done—upon the original purchasing price, or on what terms?—I am not very clear. If it were on the original purchasing-price there would be an element of injustice to the State, because many of these holdings have very largely increased in value already; but I think a right result could be got at by actuarial calculation, and that would be the simplest way of arriving at the solution of a very difficult problem. I realise that the State has parted with its interest in the land for 999 years, and if we can get out of a bad bargain in a way favourable to ourselves the sooner it is done the better.

161. You are favourable to amending the lease if both parties are willing?—Yes.

162. You mean that if there is to be an alteration in the lease both parties will have to consent?—Yes.

163. Is there any chance of workmen's homes being successful near Ashburton? We have been told that the workmen's-homes settlements near Christchurch have not been a success?—I cannot say anything as to that.

164. *Mr. Johnston.*] You approve of revaluation?—As a general principle, I think it is better at stated periods than the 999-years lease. It is better, at any rate, than the bad bargain we have made.

165. If the Crown tenants are to get the freehold you think there should be revaluation?—Yes.

166. You believe in revaluation?—Yes. I mean revaluation with a view to purchase, not with a view to letting again.

167. Do you not think that the circular sent out by the Farmers' Union has caused dissention amongst the Crown tenants owing to the way in which it was worded?—I do not admit that it was sent out by the Farmers' Union, in the first place.

168. Is the Farmers' Union a political organization?—Yes, it is, within certain limits.

169. Have you ever known the Crown tenants to be harassed by the Land Board?—Yes; some of them have told me some peculiar things.

170. What settlements do you know?—I know a number—for instance, Highbank, Marawiti, Ruapuna, and Hekeoa, in this county.

171. Have the settlers in those settlements been harassed by the Government?—I did not say that.

172. How do you know so much about the feeling of the Crown tenants?—Because they have told me.

173. You make it your business to find out whether they are properly treated or whether they are ill-treated?—No.

174. Do you make it your business to find out whether they wish the freehold or the leasehold?—No.

175. Would you be surprised to know that the Crown tenants have expressed themselves perfectly satisfied with the Rangers and with the Land Boards, so far as the Commission has yet gone?—I am not at all surprised to hear that.

176. You do not think that the Crown tenants in the South Island want the freehold?—I think a great many of them do want it.

177. How many?—A very large majority.

178. Why did they not sign the petition?—There might be a hundred reasons for that.

179. *Mr. Forbes.*] There is a large section of the community who believe that the remainder of the Crown land should be set aside as a large national endowment, which would increase in value, and thus keep down the general taxation?—I am aware that a section of the community is of that opinion.

180. Do you think that is a wise thing to do?—Not if it applies to all the remaining Crown land. When I say that I am not speaking of purely pastoral country. I think that should remain as it is in the hands of the Crown, because it can be best worked as it is now.

181. You believe in setting aside endowments for special purposes, such as education?—Yes.

182. Would you allow tenants of educational endowments to have the same rights as are given to lease-in-perpetuity tenants? Would you give them the right to make their holdings freehold?—No; I do not think that would be wise on the part of the community as a whole, because the education endowments are part and parcel of our education system, and not of the land system.

183. But they are still the lands of the colony, and do you not think the State is interested in seeing that they are worked to the best advantage?—Yes; but the tenants of education endowments are not subjected to the same amount of espionage as Crown tenants are.

184. What is the difference in the terms of the lease?—In many cases there is very little difference.

185. Do education leases carry the right of compensation?—Mine did.

186. Do you not think a provision for reasonable compensation should be made, and that that provision should be inserted in the lease?—Certainly. I do not think it would be wise for the State to interfere very much with the management of these endowments; but I think an ordinary sense of justice would show that it would be quite right and proper to give compensation for improvements.

187. You think that condition ought to be made?—Yes.

188. *Mr. McLennan.*] Do you approve of the present constitution of the Land Boards?—I think the constitution could be improved by the tenants having the right of electing one or more members.

189. Under what franchise?—I have not thought that out.

190. Would you be in favour of giving the Land Board more discretionary power in reference to cropping?—I think that the Crown leases are too arbitrary in regard to the cropping restrictions in many cases, and I think also that it was a huge mistake to make one form of lease and provide for one kind of management of the land to apply to the whole colony, because the conditions and the productive powers of the various districts vary so much.

191. Do you think one Board might administer both the education reserves and ordinary Crown land?—No; I think the Land Boards have more than they can well manage already.

192. *Mr. Matheson.*] If both parties agree to an alteration in the lease would you call that upsetting the lease or amending it?—I do not know what term should be given.

193. Supposing the colony were divided into the most suitable areas for farming, do you think the colony would be more prosperous if the land were altogether freehold or if it were altogether leasehold?—I do not think any one tenure would suit the whole colony. I think we should have various kinds of tenure. The leasehold is a very good system of settling a man on the land, and the freehold is a very good tenure to keep them there.

194. Do you think in the case of education reserves that they would be better worked if the lessees had the right of making them freehold?—It is always to a man's interest to work his holding to the best advantage. I believe he would spend more money on improvements if it were freehold.

195. Seeing that the money received from education endowments is principally part of the general revenue, do you think it would be wise for the State to grant the option of the freehold?—No, I would not be in favour of surrendering those endowments. I think they should be regarded as part of our education system, and should be held as such for all time. I am aware, however, that the endowments are not yielding the revenue they might be made to yield.

196. *Mr. McCardle.*] Can you state the membership of the Ashburton Branch of the Farmers' Union?—About four hundred.

197. You have already admitted that it is a political organization?—Yes, up to certain limits.

198. You are not all of one "colour"?—Not by any means.

199. Have you any Crown tenants who are members?—Yes.

200. Do they share in the views you have expressed in regard to the lease in perpetuity?—I believe a good many of them do.

201. Did you call a meeting of the members of the union before you met the Land Commission?—Not a special meeting. The question of the Land Commission was discussed at our ordinary monthly meeting.

202. If any amendment of the Land Act were proposed in regard to the lease in perpetuity— if it was proposed that there should be periodical revaluation, would that work—I mean in respect to future tenants?—I think almost any system would work under which you could induce men to go on the land. The desire for land is so great that they would take it up under almost any tenure.

203. Men have taken up land under the Land for Settlements Act and now they are asking for the freehold. If other tenants took up land with revaluation would they be satisfied, seeing that the greater number of the Crown tenants were not subject to revaluation?—They would have to accept the conditions of the lease they took up.

204. From a statesman's point of view, do you think it would be fair to the landless of to-day that they should take up land under different conditions to those enjoyed by the greater number of Crown tenants?—I think, having made a mistake, there is no reason why the State should continue to perpetuate that mistake for all time. I am not in favour of breaking contracts; but I would make a contract applying to the future that would be better for the State. If a man did not care to take up land under the new conditions he need not do so.

205. *Mr. Anstey.*] What is the distance of the nearest lease-in-perpetuity settlement to Ashburton?—About twenty-five miles.

STEPHEN S. CHAPMAN examined.

206. *The Chairman.*] What are you?—I am a farmer. My brother and I farm 4,600 acres of land in the Longbeach district. It is partly pastoral and partly agricultural. Part of it grows grain, and the other part of it is light grass land for sheep. I have been here thirty-one years. It has been stated that aggregation of estates has been going on here to a large extent, and that that is detrimental to the district at large. I am here as a member of the Farmers' Union. There has been aggregation in some measure, but the full truth has not been stated. In the Longbeach district some properties have been added to others, but they have been in most cases where the sons have been brought up on the farm, and the parents have bought additional land for them. In respect to the leasehold and freehold question, that is a matter that has occupied a good deal of attention, and, personally, I am of opinion that it is an advantage to have both systems. Any one working on the land likes to have a freehold. A farmer will do more to

improve the freehold than a leasehold. I think, however, it is an advantage to have the leasehold tenure for men starting with small capital.

207. *Mr. Paul.*] You think the aggregation that has been going on in this particular district is in the best interests of the district and the country?—I think it is for the time being, because in a great many of these cases a man starts, say, with 100 acres, and he subsequently finds he can take up a larger block, and he acquires a neighbour's section, or a portion of it.

208. There is a great demand here for land?—Yes.

209. Is the demand on the part of the landless?—It depends on what you call the landless. My experience is that if a man wants to get land he can get it, but there is a type of man who say they desire to acquire land but who have not the nerve to take it up.

210. Do you not think it is in many cases a question of money rather than nerve?—It might be in some cases.

211. Do you think there are any suitable estates that could be cut up with advantage for close settlement?—I certainly think the more settlement the better, but it is not always an advantage to men to be put on to small sections.

212. Are there any estates about here that could be cut up for closer settlement with advantage?—I do not think so, with the exception of Longbeach.

213. Do you approve of the lease in perpetuity?—No.

214. What is your idea of the best leasehold system?—I think the State has got the worst of it in regard to the lease in perpetuity, but I am not in favour of breaking it.

215. What improvement would you make in the future?—I should only give a lease for twenty or twenty-one years. I believe in a fair lease.

216. With revaluation at the end of the term?—Yes.

217. *Mr. Anstey.*] You are not in favour of giving the present lease-in-perpetuity settlers the right of acquiring the freehold?—I think if an agreement could be come to between the settlers and the Government it should be done. I think it would be an advantage to the country, for the simple reason that the present settlers have got the property for 999 years at an almost nominal rental.

218. If every one acquires the freehold there will be no leaseholds left?—Yes. I would consider that a most satisfactory system.

219. *Mr. McCardle.*] Do you know a property called Springfield?—Yes.

220. Is it suitable for cutting up for closer settlement?—Yes. It is a fine property.

WILLIAM HARDING examined.

221. *The Chairman.*] What are you?—I am a farmer at Willoughby. I farm 145 acres of first-class land and 240 acres of second-class land under freehold tenure. I have held it since 1888.

222. I think you are a member of the Farmers' Union?—Yes. I was until a few weeks ago provincial secretary for the North Canterbury district. I resigned the position because the work was too much for me. I am here to-day on my own motion. I am not a delegate from the union.

223. Is there any particular point you wish to bring before the Commission?—I wish to speak in regard to the petition business which has been mentioned, because, as secretary, I had the execution of the work. The petition came to the North Canterbury executive and the executive considered it, and a resolution was passed that if the Crown tenants did not wish it it was not wise for us to touch it. I correspond with the headquarters of the colonial executive, and they informed us that the motion came by letter from the Crown tenants themselves. Accordingly, I wrote a circular to each branch. I cannot remember the exact wording of it, but, speaking from memory, this was the gist of it: This petition has been put before us, and we present it to your branch; if you have any Crown tenants invite them to sign the petition if they wish. I had replies, some to the effect that there were no Crown tenants in the branch, that some objected to sign, and that some did sign. I returned to the central executive a batch of signed petitions from North Canterbury. I cannot tell you which particular branch gave them to us, and I cannot tell you which particular branches refused, but I know I made up a fairly good-sized batch. I asked them to return them to me by a certain date, and as soon as they came to hand I forwarded them to headquarters. That is the whole of our connection with the business. In regard to the acquisition of small areas for working-men and for people in a small way, I think that policy is most desirable. I have done a little in that way on my own account. I had 300 acres of land, and I cut 100 acres into four pieces, and these four pieces remain with homesteads on them to-day. They were highly appreciated. One of them has just changed hands now. The holder has gone from it on to a lease-in-perpetuity section, and his place was bought immediately by another man privately. It did not go into the market. I put my own boy on 50 acres, so I have 150 acres left, and by disposing of 150 I have done a little towards close settlement. If the Land for Settlements Act could be made available to provide in agricultural districts small areas like that of first-class land of 50 acres and under, I know from experience it would be highly appreciated and be extremely valuable. A good many working-men have spoken to me in that direction. On the subject of aggregation, I may say there is only one large estate remaining intact in this country. All the rest are sold or are in process of sale, owing to the demands of the time and by their own weight. The exception is Longbeach, and that, you see, is being divided by family arrangements. People are saying that there is not enough land for those who want it. Well, speaking of this district, I do not think there are many genuine persons looking for land who cannot get supplied. I have had a good deal to do by advice and so on with helping various people to get on the land, and I have found that wherever a man really wants land some can be found and terms can be made by which he can get on it. With regard to the form of tenure, I would prefer in the leasehold tenure to have something like the perpetual lease, with periodical revaluation for improvements,

and the option to the present tenant to renew, which we used to have. Mr. Rolleston, I think, was the father of it. I think that is more satisfactory than any other system I have met with.

224. Are there any other landed proprietors in the district who have done anything towards closer settlement as you have?—Mr. John Studholme has on the Coldstream Estate. I do not know whether Mr. Leadley has done a little.

225. You found all these people satisfactorily fulfilled their obligations to you?—Yes. They were people with a little money who wanted to make a start. All but one have changed hands since then.

226. You took the money by instalments?—It was the deferred-payment system—the ordinary way of getting on freehold land.

227. *Mr. McCardle.*] You say you prefer the Act brought in by the late Mr. Rolleston: do you approve of all the principles contained in that Act?—Not necessarily. What I meant to say was that I would prefer not to see the State dispose of its rights for a lease in perpetuity.

228. You would not give the right to purchase?—I would give the option.

229. Do you know the Springfield Estate?—I only know it by repute. I think it is highly suitable for settlement.

230. You say that the demand for land can always be met by private persons at reasonable terms?—Yes.

231. Do you not think that the Land for Settlements Act would be a much more convenient method by which farmers' sons and others in the district wanting land could obtain it?—I believe that one of the easiest ways of getting on the land is by the leasehold.

232. Have you had any experience of the Advances to Settlers Act?—No and Yes. I looked at it when I had an idea of getting money on a mortgage, but it seemed to me to be out of my reach and I left it alone.

233. Is it, to your knowledge, working beneficially in the interests of the small settlers?—I do not know anybody who has obtained any benefit from it.

234. It is generally admitted that it has been a great benefit in bringing down the value of money in the colony?—I question that personally. I think the abundance of money brought down the price without any Government action.

235. *Mr. McLennan.*] Have you any idea how many Crown tenants signed the petition for the freehold?—I could not give you any idea. I did not look at it. I took the whole bundle of replies and passed them on without taking any practical interest in them at all. I cannot say whether there were fifty, sixty, or a hundred.

236. You have no idea how many Crown tenants there are in the colony under lease in perpetuity?—I have no idea. I know very little of the properties that are held under lease in perpetuity.

237. Do you know that there are eighteen thousand?—There may be eighty thousand for all I know.

238. *Mr. Matheson.*] We have seen one or more settlements on Crown lands on such areas as you speak of—from 30 to 50 acres—and in some cases, after a while, these men have wanted to acquire adjoining sections because they found their first holding too small: do you think the State would be wise in allowing them to increase their area in that way?—I think that should be done very cautiously. My idea is rather that such men should be encouraged to look afield for more land, and so enable other people to come on to the small areas on these easy terms.

239. *Mr. Anstey.*] You say you know a large number of people in North Canterbury signed the petition circulated by the Farmers' Union?—I said there was a batch of petitions returned to me and that I passed them on. I would have replies from branches to this effect: "Ashburton Branch: No Crown tenants. Greenpark Branch: We have some signatures," and so on.

240. Did you send any petitions to the South Canterbury branches?—I did not go south of the Rangitata River. I know nothing of them, and I cannot tell you what branches sent signed petitions.

241. According to the law now, if a man has got a section under the workmen's-homes system he is not allowed to ballot for any other section, notwithstanding that he may be a man of sufficient means to take up a larger section: do you think it would be wise to allow that man to ballot for a larger section?—I do, away from home.

242. And do you think it would be wise to make it a condition, in the event of a man getting a larger holding, that he should then give up the smaller section, in order to give another working-man the same chance as he had himself?—I think that would be a fair alteration of the Act.

243. You said you were in favour of the perpetual-lease system being applied to land-for-settlements estates? Would it be wise to apply the perpetual-lease system to workmen's homes and so prevent what has taken place in connection with one workmen's-homes settlement that was settled under the system giving the right of purchase—namely, the aggregation of four or five holdings by one man and the reduction of the original number of the settlers from, say, thirty working-men to a dozen or perhaps less?—I think it would be a pity to allow that. I think it would be better to give the men a chance to get a larger area outside.

244. You said there were no large estates suitable for cutting up: what about Laghmore?—That is being cut up.

245. Is it quite unnecessary for the State to interfere?—The State had an offer and refused it some three or four years ago.

246. What about the Coldstream Estate?—That is cut up and disposed of.

247. I think you said you are in favour of lease-in-perpetuity settlers getting the option to acquire the freehold?—I said I would recommend that in future the lease in perpetuity be abolished.

248. Do you think that the existing lease-in-perpetuity holders should be given the right of purchase?—I do, but I see a difficulty in regard to the financial aspect of the question. A certain

amount of money is now invested in these lease-in-perpetuity lands, and the colony is responsible for it. If that money were liberated piecemeal could we be sure that it would go back into land-investment, or would it be frittered away.

249. We know, in regard to the estates already purchased, that there is a large margin of profit behind them. If the present tenants paid off the capital value could that money be invested in other estates to secure an equally large margin of profit?—I think it could. I think I know estates in North Canterbury that would be extremely good buying, and in connection with which there would be room for the improvement that has taken place in Cheviot in the same number of years.

250. *Mr. Johnston.*] Do you know anything about the Land Board?—No.

251. As late secretary of the Farmers' Union, do you think the Land Board is properly constituted at the present time?—I have heard complaints from members of the union who were under the Board, and, speaking of other people's opinion, if I am allowed to do so, I may say a desire has been expressed several times at the provincial conference of the Farmers' Union that the Crown tenants should be directly represented on the Land Board in some form or another. I know that feeling is abroad amongst the Crown tenants.

252. Do you not think that would be simply making the lessees lessors?—It is difficult for a man to be buyer and seller too.

253. Have you heard any complaints about the Board?—I cannot call any to mind just now.

254. In your official capacity, have any complaints been lodged with the Farmers' Union in connection with the Land Board?—If I remember rightly, I think I can recollect at one or two conferences of delegates from all branches between the Rangitata and the Hurunui one or two complaints as to the conduct of the Land Board in dealing with Crown tenants. But I cannot state the complaints.

255. Do you know where the Crown tenants came from?—I cannot remember.

256. Were they under the Land for Settlements Act?—I do not know.

257. Have you heard any complaints of the tenants being harassed by the Land Board or by the Rangers?—I have heard a good deal of complaining, but I know of nothing I could rely on.

258. Would you approve of the lease in perpetuity being done away with altogether and the land made freehold entirely?—I would prefer to see the two systems—leasehold and freehold—side by side. I would not do away with the land-for-settlements policy, and I would not do away with the opportunity that people possess of getting on the land under the leasehold tenure.

259. Do you think one-half of the people on the land now would have been there had it not been for the Land for Settlements Act?—I think the majority would, because when I went on the land in 1888—I think I am right in saying Sir John McKenzie's Act was not passed then, and there was not the same easy opportunity of getting on the land—my experience has been that it was quite as easy for a man with small capital and knowledge to get on the land on freehold terms as on leasehold terms. I know a case that occurred when Waikakahi Estate was going to be balloted for. The man, I knew, had not much money, but he was a practical man and had the makings of a splendid farmer. He could not produce sufficient cash to satisfy the Land Board, and he was not allowed to go into the ballot. In my opinion, if it is at all possible, the Land Boards should give such men an opportunity of getting on the land. I do not know how you could work it, but it is most desirable it should be done.

260. *Mr. Forbes.*] As a practical farmer, you know about the cropping regulations laid down by the Government in connection with the Crown tenants: do you think they could be altered in any way to work to the better advantage of the Crown and the tenants?—I do not think so on good land. I think the cropping regulations should be classified according to the quality of the land. I have rented land in England under good leaseholders, and on one farm in Wiltshire we had what is known as the four-field system. The rotation was—Break up out of grass; first rape; next roots, preferably swedes; then wheat, barley, or oats, and sow down; and go round the same way again, thus giving two crops in four years. The grass would last two years; but in England there is this difference: you must not sow clover more than once in eight years or the land will go clover-sick. Then, the other system was—two years white straw-crops, and then three years grass and green root-crops. That was the five-field system. I have farmed under both systems, and I think, in connection with our better land, the Government might allow something like the four-field system. I think that system might apply to such land as the best of Waikakahi and the best of Cheviot.

261. That would not overcome the difficulty they complain of at Waikakahi—namely, the first two white crops are practically failures, and it is the third or perhaps the fourth crop on the heavier ground that they get the yield of grain from?—You can work it either way. You could begin with white straw crops off the grass. I have a piece of land that I cropped this year. It was in excellent order, and I have had three wheat-crops off it running, and the last crop this year went about 54 bushels to the acre of Hunter's wheat. It is a splendid sample and a satisfactory crop. I do not think that land has been harmed. In starting the good land at Waikakahi, say, below Willowbridge, I do not think for one moment that anybody would be injured by allowing even three white crops to be taken off land of that weight and class. I think the Land Board or the Ranger, or both of them, should have some liberty in that direction.

262. *Mr. Paul.*] You believe that settlement would have gone on independent of the land-for-settlements policy?—I think so.

263. Would you advocate the repeal of that policy?—Certainly not. My reason for believing so is that a large number of the farmers in Ashburton County, to go no further from home, as far back as 1884 were farm labourers, and to-day are farmers in very good positions. We were sitting round the table at an agricultural conference in Christchurch one year, and nearly every man said, "I was a farm labourer to begin with." This is how I have known men to get on the land: they have been working on farms for several years, and they have then gone to some land

agent and deposited a certain sum and taken land up under deferred payment. They have been able to get hold of the land, and they are to-day successful men.

264. But if these large estates had not been burst up would there have been enough land for these men to get?—Well, the large estates have not been burst up in the Ashburton County. They they have burst themselves up.

265. Do you think they would have burst themselves up if there had been no compulsory clause in the Land for Settlements Act?—In 1875 we were told that Mr. Grigg disposed of 15,000 acres. I came out to manage the Flemington Dairy Factory, and I was one day talking to Mr. Grigg about land, and he said he would let me have some land any day I wanted it. There were other men who were prepared to sell in those days, and, speaking of the Ashburton County, I say that estates have been broken up by the market for land. I am not prophet enough to say what would have happened if Sir John McKenzie had not come into power and had not done the work he did, but I believe we are not absolutely dependent on the land-for-settlements policy for the breaking-up of estates. I think that policy has done a good deal towards it.

266. Can you say what pressure was brought on the colonial executive by the Crown tenants to have this petition circulated?—We were informed that a letter was sent to the executive from the Crown tenants.

267. From an association of Crown tenants?—It was not stated.

268. I notice by the local papers that two or three men have stated there is an aggregation of estates going on round here: do you think that is so; and, if so, do you think it is in the interests of the district?—It is so. I have aggregated. After I sold 150 acres of my land I found that the balance of my land was wet and I had trouble with my sheep's feet. I had to buy 240 acres of second-class land for the benefit of my sheep. I do not know whether I was a terrible sinner in doing so. I may state that the Coldstream Estate has been sold in areas ranging from 2,000 acres to 1,000 acres. It is light land, and it has been mostly bought by adjoining farmers with wet land.

269. Is there any systematic aggregation by large landowners?—I do not think so. The men who have enlarged are men with a considerable number of sons, and I should imagine their idea is to find a home for their sons.

270. *Mr. McCutchan.*] You got a letter from the head of the Farmers' Union in the North Island, stating that a request had come from the Crown tenants to have a petition circulated in favour of the freehold: do you remember the wording of the letter?—I do not. It did not come to me, but to the then president, and it was read at the executive meeting. Speaking from memory, the wording was that the petition was not the work of the Farmers' Union, but was the result of a letter from the Crown tenants.

271. Can you say if a numerously signed petition from the Crown tenants, both under "The Land Act, 1892," and the Land for Settlements Act, went to the Government independently altogether of the Farmers' Union?—I do not know at all.

272. *Mr. Johnston.*] Was this information got from the Crown tenants through the organizing secretary, do you know?—I do not think there was an organizing secretary in those days when the petition went round. Unless I am greatly mistaken, Mr. Glass had resigned and Mr. McCurdy had not been appointed.

273. How long is it since the petition went round?—I think, two years ago.

#### CHARLES REID examined.

274. *The Chairman.*] What are you?—I am a farmer, and I hold 600 acres of land, comprising education reserve leasehold, County County leasehold, and private leasehold. The education lease is for fourteen years, with no valuation for improvements. I have held it fourteen years, and it is just about running out now. I have a County Council plantation reserve under a fourteen-years lease.

275. What is your opinion of the lease in perpetuity under the Government?—I think it is a very unfair one to the State. I think it is too one-sided. I think the tenant has the best of it. In a large number of cases the tenants are making an enormous amount of money by selling their goodwill. There is hardly an original tenant left on the Highbank Estate. I think more have sold out than have remained.

276. Have you any knowledge of what has been paid for goodwill?—I know that £1,000 was given in one case.

277. Did that include improvements?—Yes, but the improvements would be probably only worth £400. The area was about 240 acres. I know of other lands which were taken up under deferred payment and the holders were offered a reduction in rent to exchange into lease in perpetuity, and they did so. That land was originally taken up at £1 10s., and it is now readily selling for £7. It is in the Rangitata district. It was stony and some people did not care to stay on it, but it has turned out good land.

278. Regarding the future disposal of both ordinary Crown lands and improved lands under the Land for Settlements Act, what do you think should be done in the way of amending the present system?—I am afraid that is a very difficult question to settle. I think the deferred-payment system is one of the best systems ever invented. It has enabled an enormous number of people to go on the land.

279. That gives the freehold ultimately?—Yes; but I think it is the fairest system. A large number of persons thought the lease in perpetuity best, but I think from the evidence put before you it is not a very popular system at the present time.

280. *Mr. McCurdle.*] How long ago is it since the land that is now selling for £7 was sold for £1 10s.?—I think fourteen or fifteen years ago.

281. You say you prefer the deferred payment to lease in perpetuity?—Yes.

282. At the same time you say giving the tenant a lease for 999 years does the State out of something, whereas if he was under deferred payment I gather by inference from your argument that nothing would be lost to the State?—I pointed out that the deferred-payment system seemed to be a fair one for settling people on the land. I would not like to say that somebody did not make a profit.

283. You agree that the main object is to get the people settled on the land successfully?—That is very important, no doubt.

284. It has been successful so far under the 999-years lease?—Yes.

285. Do you propose to change that and grant these tenants the deferred-payment system instead?—It is a hard question to answer, because, notwithstanding the fact that the lease in perpetuity is unprofitable to the State, looking at it from one point of view it has been profitable. It has enabled all these men to go on the land and cultivate it, and enormously increase its productiveness. By this means it has enabled the Government to increase their railway revenue.

286. I gather from your remarks you are anxious to save the unearned increment for the State?—I do not think there is any unearned increment. My argument was that the people were entitled to the increased value of the land, because it was their money that settled them on the land.

287. Do you think the tenants should have the increased value of the land?—The tenant is entitled to a good deal, because he has taken up the land and made it habitable.

288. *Mr. McLennan.*] Do you think it would be advisable to prevent the tenants who have sold out at a big profit from competing in other land ballots?—Yes.

289. Do you know anything about the Land Board?—Nothing but what I have heard.

290. Do you think the present constitution all right?—No, it is not all right.

291. What would you put in its place?—I think in a democratic country some of the members ought to be elected by the people. But I think some should be nominated as well.

292. Do you not think so long as they control Crown lands they should be nominated by the Crown?—I think half should be nominated by the Crown and half elected.

293. Would you be in favour of giving more discretionary power to the Land Board?—I do not think so.

294. *Mr. Hall.*] Do you say that the improved estates under lease in perpetuity are a loss to the State?—I have already said that the tenants under lease in perpetuity are selling out at a great deal more than they have put on in the way of improvements. I think that is a loss to the State.

295. Has it not been a gain to the State to settle people on the land who could not have otherwise got on the land?—If course it has.

296. Does not the State get full interest by rentals on the money these estates have cost the colony?—The State does. My point is that you may load the land too much by selling it two or three times over, and if the tenant has to pay the original rent and a large sum for interest on the money paid for the goodwill, the land may be loaded to such an extent that if bad times come the State will be a loser.

297. *Mr. Anstey.*] Whom do you have your lease from?—The Ashburton High School Board.

298. Do you think you should have valuation for improvements?—Yes. There are some leases in which valuation is given now and they are encouraging it, but I have not applied for improvements.

299. You are getting near the end of your lease: are you going to apply for it again?—No. It went to tender and has already been taken. I knew that the other man was going to offer more than I was prepared to offer, and I did not go in for it.

300. Do you think that all these lands should be weighted with improvements and submitted at an arbitration rent?—Yes.

301. Supposing you had been offered a renewal under lease-in-perpetuity conditions or on the terms which you now hold, which would have been the best tenure for you?—I would prefer the lease in perpetuity, without a doubt.

302. Do you know the name of the settlement at Rangitata?—It is not a settlement. It was taken up under the deferred-payment system. There are between ten and twenty settlers. Arundel, Carew, and Ruapuna are parts of it. Some of the areas are 640 acres and 1,200 acres. In some cases the freehold has been secured, and in others they are now held under lease in perpetuity.

303. *Mr. Paul.*] You hold land under three different leases: which do you think is the best, from your point of view?—They were very much the same. The long lease is, of course, the best, for by putting up certain improvements we have a chance of getting it again.

304. What system of tenure is best for the State?—The best thing for the State is the freehold, pure and simple.

305. Would you apply that to land-for-settlement lands?—That system was introduced for men without capital, and it is necessary to have some system to enable those people to get on the land, but it wants to be a system very different from that now in vogue.

306. Under an optional system of purchase would you allow a man to make the land his at the original value, or would you have a revaluation for selling purposes?—If they gave the option of purchase it should be revalued.

307. *Mr. Anstey.*] I suppose if you had farmed your education leasehold badly you might have got it again?—Yes.

308. Owing to your farming it reasonably well you lost the chance of getting it again?—Yes.



METHVEN, THURSDAY, 13TH APRIL, 1905.

JOSEPH LEGGETT examined.

1. *The Chairman.*] What are you?—I am a farmer, and was formerly a builder. I hold 140 acres under lease in perpetuity in the Highbank Settlement, and pay 6s. 8d. per acre rent. I have been there since the beginning of the settlement eight years ago, and I am quite satisfied with my holding. I have no desire for the option of the freehold; I consider I am in a better position without it.

2. Have you had any experience of the Advances to Settlers Office?—Yes. They did not grant me what I asked for, but I consider it was wise on their part not to do so, because it prompted me to rely on my own resources. I overcame the difficulty, and I see nothing out of the way in the Advances to Settlers Department. They kept on the safe side, and I do not blame them.

3. Do you think the present constitution of the Land Board is satisfactory?—I should very much object to any other system, because I should not like any man who is at all biassed to be on the Land Board. I would sooner put up with the judgment of a nominated Board than I would with that of an elected Board, especially if the members were elected by the settlers, because in that case they would be more or less biassed.

4. Was the Highbank Estate allotted under the single ballot?—Yes.

5. You have no experience of grouping or the second ballot?—Yes, I have. I think that the grouping is a bad system. I have known men who would rather forfeit their deposit than take up the section that has been allotted to them through the grouping.

6. *Mr. Johnston.*] Are the settlers on these estates satisfied with their tenure?—Most of them are.

7. What is the yield of oats in this district?—I have averaged 70 bushels of oats and 35 bushels of wheat.

8. *Mr. Paul.*] Is the land of the settlement increasing in value?—Yes.

9. Have any of the settlers sold out their holdings?—Yes.

10. Did they sell to advantage?—Yes, but I do not agree with it. I think it is a very bad system which allows the settlers to do that. I take it that the primary object of these settlements was settlement, and instead of that it is becoming a mere speculation. For my part, I cannot see on what principle at all the tenants have a right to the unearned increment—that is, the increased value in the land from the time it was taken up until now. The country put the settlers on the land and the general taxpayer is liable in case there is any deficiency, and I consider that each settler's right in the unearned increment is one-eight-hundred-thousandth part.

11. You mean to say that settlers are selling out at hundreds of pounds above any improvements they have effected?—Yes.

12. Have they been long on this land?—I could refer you to one who has only been on it two seasons.

13. Have you any idea what that man got?—I understand that he got somewhere between £7 and 8s an acre goodwill. I can refer you to another case. My son and I bought a man out last year and we gave £6 per acre, including improvements. It was Section 34, containing 73 acres.

14. What was the value of the improvements?—I suppose they were worth from £150 to £200. Complaints are being made in some quarters about restrictions, but if there were no restrictions there are some men who would crop all the good out of the land. Land cannot be cleaned by cropping.

15. Do you wish any variation in the cropping conditions?—None whatever. I think the matter of obtaining the option of the freehold is a very serious one. I think the only thing that would cause us to go for the freehold is a revaluation Act being passed.

16. You do not think that would apply retrospectively?—No, I feel quite contented in that respect myself. I do not think it would be done. I do not think the Legislature would overturn existing arrangements.

17. You think the State should keep to their part of the bargain and the tenants to theirs?—Certainly, I do. With the freehold how could you restrict one man selling out to a larger owner.

18. *Mr. McCutchan.*] You think it is a wrong thing for the unearned increment to be disposed of by the tenant, and that it should belong to the State?—Yes.

19. If your dictum is right and carried into practical effect, what will your position be in regard to the goodwill you have paid? Would not that goodwill belong to you?—No. I do not care for the principle of the thing, but at the same time the law allows it. The boy wanted the land and he got it, but for all that I do not think it is right.

20. If a movement was set on foot to give the unearned increment to the State would you give that your support?—Certainly.

21. Even though it confiscated the £6 an acre your son had paid for goodwill?—Yes, I would.

22. You say the Crown tenants should have no direct representation on the Land Boards: have not the Crown tenants a direct interest in their improvements?—Yes.

23. Should not those improvements have direct representation on the Land Boards?—I think the fact of having unbiased men on the Land Board outweighs that.

24. Is it not a fact that the Government has sometimes nominated Crown tenants to be members of Land Boards?—Yes.

25. Do you not think that if Crown tenants had a right to elect a member they would be just as anxious to appoint as good men as the Government would?—If they elected one of their own number he would be biassed in their favour.

26. The Government are nominating them now; why are they not more biassed than any other?—I do not know; but, for my own part, I would sooner trust to a nominated man if he was a practical man.

27. Do you not think if the Crown tenants had the right they would appoint a practical man to look after their interests?—That is the case at present.

28. You say that the freehold is a thing a man can do what he likes with, but the freehold is subject to taxation just the same as leasehold in this colony?—I was referring to selling out.

29. But is there anything to prevent the Government passing legislation fixing the limit of holdings under freehold?—I do not think they would do it.

30. But is there anything to prevent them?—I think the voice of the country would prevent them. It is an impossibility. If I cannot sell my land to a man how can it be a freehold.

31. *Mr. McCardle.*] What was the number of the section sold for £8 an acre goodwill?—Section 18, 323 acres.

32. Do you know the Springfield Estate?—Yes.

33. In your opinion, is that suitable for subdivision for closer settlement?—I should say so.

34. Do you think it is desirable that the Government should purchase it for close settlement?—There is no doubt that there are a great number of people who are asking for land and who cannot get it.

35. Is not the high price of land due to the fact that people cannot obtain land in the district?—There are continually dozens of farms offered for sale.

36. Are they at a higher price than you paid?—Certainly.

37. They are at a prohibitive price, then?—That is so.

38. *Mr. McLennan.*] Would you be in favour of preventing these men who sell out going to the ballot again?—Yes, I would. If they are not satisfied with the leasehold let them go out and get a freehold. I would bar them from taking part in a ballot for some six to ten years.

HENRY DYKE ACLAND examined.

39. *The Chairman.*] What are you?—I am one of the trustees of the Mount Peel Estate, and a pastoral tenant of the Crown. I signed the petition presented by Mr. Tripp at Timaru, and I want to indorse everything that appeared therein and Mr. Tripp's remarks as published in the papers. I should like to say, as far as the present leases are concerned, that they do not seem to me to be suitable, either for the Crown or the tenant. There is nothing to stop us for the two or three years before the lease expires overstocking the runs, and, as far as the tenant is concerned, there is nothing to encourage us to put on improvements. We only get three times the value of the rent, and from what I have seen of the runs and know about them from people who have held them for many years it seems to me that the more improvements there are in the way of fencing the less likelihood there is of the loss of stock. With fences we know where the sheep are, and we are enabled to keep them off bad country during the dangerous time of the year.

40. Between what altitudes is the Mount Peel Run?—From 1,000 ft. to 6,000 ft.

41. In that high country have you ever tried surface-sowing?—A little was done, I believe, in the eighties, but I do not think any has been done recently. I have no personal knowledge of it.

42. Do you know what the result was?—There is a certain amount of English grass along the creeks, but whether it simply spread or is the result of the sowing I do not know.

43. Are we to infer that you would like a renewal of your lease?—If there was a system of renewal I would suggest that concessions should be made, both by the Crown and by the tenants. The tenants, for the right of renewal, should enter into more onerous conditions as to the working of the properties, in the interests of State and tenant. They should be prevented from overstocking and overcropping.

44. I suppose you would not think it advisable on the part of the Crown to sell these great mountain areas?—I have never considered that question. A lot of the country is practically worthless. On Ben McLeod the Government map shows 16,000 acres as barren land. There is a great deal of shingle on it, and that land is absolutely worthless.

45. How are you affected by rabbits?—Poisoning seems to keep them down. If you happen to have dry cold weather during May and June you can practically make a clean sweep of them if the work is done properly.

46. *Mr. Anstey.*] If you had sufficient security of tenure would you do anything in the way of surface-sowing?—We would be prepared to try it. I think we would undertake to spend money on permanent improvements which were considered best in the interest of the properties if any recompense was to be got for it.

47. In your petition you asked for three-fourths of the "cost" of all improvements: do you not think it should be "value"?—It would be better to substitute the word "value."

48. Is there any desire on the part of the runholders to purchase the freehold of these runs?—I think everybody wants to get the freehold if they can.

49. Would the runs be more productive under freehold than they are now?—I think they would in some ways. More permanent improvements would be put on them.

50. Have you any right of renewal?—No.

51. If you put a lot of improvements on the run would that effect you getting a renewal of the run again?—If we improved the runs now we would be increasing our rent when next put up, or encouraging some one else to come in. If we put on a thousand pounds' worth of improvements and we are paying £100 a year rent we can only claim £300 for those improvements, and the prospective tenant has got that margin of £700 to work on in making his offer for the run.

52. The more you improve now the less chance there is of getting it again?—Yes.

53. And the worse it is farmed the better chance there is of getting a reduction in rent?—I think so.

54. *Mr. Johnston.*] What is the total area of your leasehold?—About 100,000 acres in the two places. That includes 16,000 acres of barren land. There is a certain amount of barren and bush land on Mount Peel which does not appear on the Government maps.

55. What is the amount of freehold?—Between 5,000 and 6,000 acres.

56. Is that low land?—It is largely on the Rangitata, and is practically all flat land.

57. Have you enough flat land to work the station to advantage?—We lost a block in 1900, which has prevented us from carrying the number of ewes we had, and, of course, that loss of land made it more risky than formerly. The area was 2,700 acres.

58. Would you have given the same rental as is being paid for the block you lost?—I think so, if we had been allowed to. We never competed for it.

59. Has the carrying-capacity of the run increased or decreased of recent years?—We do not shear anything like the number of sheep we did several years ago.

60. What is that due to?—To want of stock, and also the fact that we cannot carry as many crossbreds as we did merinos.

61. Is that your own fault or the fault of the run?—The fault of both, I suppose. We have had three bad seasons, and it has been troublesome to keep up our stock. Runholders cannot afford to buy stock at the present time.

62. If you could afford to buy the stock could you run the same number of stock now as formerly?—I do not think so.

63. Have the rents decreased or increased during the last twenty-five years?—Our rent was reduced by the Pastoral Tenants' Relief Act in 1890 to £300 per year, and we are under that now.

64. Is your run under a lower rent than previous lessees paid?—I am not prepared to say. I think it would probably be increased a bit. In 1891 or 1892 we were paying more rent than now, and we were shearing ten thousand more sheep.

65. What altitude do you winter your sheep on?—We winter our sheep right up to the top of the sunny faces of the Rangitata. We winter up to 5,000 ft.

66. What is your average loss?—Something over 5 per cent. This last two years, of course, the loss has been nearly 10 per cent.

67. What is your average lambing?—This year we had about ten thousand lambs from over sixteen thousand ewes. Anything over 70 per cent. we consider a good lambing. This year the lambing of the merinos was very bad in consequence of the storm.

68. If you got an extended tenure and valuation for improvements you think it would be an improvement to the runs?—Yes.

69. *Mr. Matheson.*] Do you think that the Tenants' Relief Act was wise, or would it have been a more statesmanlike thing to have allowed you to struggle through on your bargain?—I am satisfied that the bulk of us would have been elsewhere, and our stations have been in the hands of residents in England.

70. If the colony was divided into the most suitable areas for farming do you think it would prosper most under freehold or under leasehold, with Rangers to supervise?—My opinion is that the freehold is the better tenure, because when a man gets a place as his own he works harder and tries to improve it. He then is working for himself, and not for some one else.

71. Do you think it would be wise on the part of the Crown to allow lease-in-perpetuity settlers to gradually acquire their freeholds with their savings?—I think it would.

72. Do you think it would be wise to allow them to clear their sections at the original price?—Yes, plus the cost of administration.

73. In the case of estates which have been bought at too high a price, do you think the State should make a loss on them?—In cases where the State has made a bad bargain they would have to be dealt with on their merits.

74. Do you not think it would be more equitable to take the whole thing in bulk, and in the case of the bad bargains to put them against the bad bargains?—Then you make the man who has made a good bargain suffer for those who have made bad bargains. If I was a man who had made a good bargain I would be against such a proposal, and if I had made a bad bargain I would probably be for it.

75. You think the freehold is better than the lease in perpetuity?—Yes; but the lease in perpetuity is an excellent thing for men starting.

76. The Government gave the lease-in-perpetuity holders leases on a certain capital, and you think they should pay for it?—I do not think the Government can lose anything. The Government are paying 4 per cent. at the present time, and it would be simpler for the Government to take the money and use it for purposes for which they are now raising money—railways.

77. There would be a loss on the estates which have been bought at too high a price?—To allow the option is the best, it seems to me, for in those cases the Government would be bound to lose in any case. If the land goes up the Government would get no good out of it, and if it goes down the Government is bound to lose, because the tenant would throw it up. It is a bad system.

78. You think the State should bear the loss where there is a loss?—We have to stand that in any case.

79. Have many tenants thrown up their sections in this district?—I should say not, because the land has gone up in value around here.

80. Are you satisfied with the constitution of the Land Board?—Yes, so far as I know about it.

81. What was your loss in 1903?—Five thousand out of thirty-seven thousand.

82. You are not sure whether this country is depreciating or improving?—I think that the hills have undoubtedly gone back.

83. What is the best method of bringing the country back to its former state?—The only thing to do is to try and improve it by surface-sowing, if possible, and allow certain blocks to seed off, keeping stock off the country if you can during certain times of the year.

84. Are there any weeds on your run?—Very few.

85. Are the weeds bad in the district?—Not on the station.

86. *Mr. McCutchan.*] The land policy is a national policy?—I believe so.

87. You were asked some questions about the probability of loss if the right of freehold was conceded: are you aware that a rebate of 10 per cent. on prompt payment was granted to tenants?—I am.

88. If that rebate, instead of being paid to tenants in good years, was put into a guarantee fund against bad times, would not that obviate danger of loss?—It would.

89. Would you approve of that being done?—It would be a good suggestion.

90. Do you find that you get proper representation on the Land Board under the present system?—We come before the Land Board so very little that I have not considered that. I am perfectly satisfied with the present Commissioner.

91. *Mr. McCurdle.*] Do you think it is fair and reasonable that a man who has sold out a lease-in-perpetuity section should not be allowed to take up another?—I do not think it would.

92. In your opinion, does the State suffer any loss by allowing one man to transfer his interest, so long as the man coming in is a good man?—It does not make any difference to the State so long as the places are well farmed.

93. All this talk about men being allowed to change their properties is really fudge, so far as the State is concerned?—Yes.

94. *Mr. Hall.*] You think the manner in which these big runs have been leased in the past has not been satisfactory, either to the tenant or to the State?—I do not think it has.

95. In what manner should they be leased in order to be satisfactory?—I think the men in possession should be given the option of getting them back. If a private landlord has got a good tenant he is generally satisfied to keep that tenant. If the land is put up again the tenant has no better chance than any one else of getting it under the present system. He has associations which attach him to the property; and if he improves it he has to go to the hammer the same as any one else. I think he ought to be given some right of renewal, or, instead of putting the properties up to auction, they might adopt the New South Wales system, where the rents are fixed by the Land Board, and the man in possession has the first chance of getting it.

96. Do you think that if better conditions were made more improvements would be effected on the runs?—Yes.

97. Have full experiments been tried for surface-sowing?—We have not tried for many years.

98. Do you think tests have been made to find out the best kinds of grass to sow?—I could not say what would grow best, except grasses that will stand cold weather and heavy frosts.

99. As regards lease-in-perpetuity lands, I understood you to say that the weak point in the system was that British money had to be obtained to purchase the properties?—Yes; it makes the Government of the day agents for the English money-lender.

100. Do you infer from that that there is too much capital in the country?—I think it is a bad thing to have money going out of the country. I would sooner have our own money used and the interest retained in the colony.

101. Assuming that all these lands were bought by the tenants, the money would then all go back to pay off the lender at Home?—Yes.

102. Would not that mean that other money would have to be received to replace that sent out?—I think the money would ultimately be made in the country. At first people who bought might borrow money some of which might be English, but ultimately, I think, the small loans would be obtained from local people.

103. Do you think it would lead to money bearing a higher rate of interest?—The insurance companies in New Zealand have plenty of money to lend, and if the rate went up in New Zealand money would soon come in from the A.M.P. and other societies.

104. *Mr. Paul.*] Do you think a settler is more likely to succeed at the original rental or when paying a goodwill of several hundred pounds, in addition to the annual rent?—It all depends on whether the land has gone up in value or not since the rent was fixed.

105. Do you not think the original lessee is more likely to make a good settler than one who has paid a good sum for goodwill?—The tenant's interest in that land was increased. When he got it there was no such thing as goodwill; that accrued subsequently. The produce coming off the property now might be worth £2 per acre as against £1 formerly. That is what has made it go up in value.

106. If that view is correct, do you think that increased value belongs to the tenant or to the State?—Under the present system I think it belongs to the State. If the perpetual lease had been adhered to the Crown would have got a revaluation after thirty years, and would get the benefit of any increase in value.

107. Do you think it is a good system?—I think they should have kept to the freehold or to the lease with revaluation. The lease in perpetuity is a bad system, for if the land goes up in value the State gets no benefit from that increase, and if there is a fall in price the tenant comes to the State for a rebate.

CHARLES FITZROY OVERTON examined.

108. *The Chairman.*] What are you?—I am a partner in a Government leasehold of 6,000 acres under pastoral tenure. The rent is £354 per year. It is called the Rockwood Run, and is about twenty miles from Methven. I would like the lease extended, or that some compensation be given to us to encourage us to put improvements on the leasehold. A lot of gorse was allowed to spread over part of the property for a good many years. That should be removed. Fencing is also required and surface-sowing. We have two years yet of our lease to run. We bought the run privately about two years ago. I think the run could be improved a good deal by surface-sowing and fencing. If we got the lease extended, or if compensation for improvements were given we would improve the farm.

109. Have you had experience of surface-sowing?—Yes, but not to a great extent, owing to the doubt which exists with respect to the renewal of the lease. Some of the grass has taken very well.

110. *Mr. Forbes.*] What compensation do you get now according to your lease?—Three times the rental. I have heard that some years ago the run fell into the hands of the Government, and therefore we are not entitled to valuation for improvements, owing to the neglect of a former tenant in not sending in a return of the improvements at the proper time.

111. You do not think there is any likelihood of a tenant putting on excessive improvements in order to retain possession of a run?—I do not think so, but there may have been cases.

112. In what way would you have the compensation allowed for?—A fair value for the improvements put on the place valued at the time the lease expires.

113. *Mr. Anstey.*] Supposing you got the right of renewal with valuation for improvements, would you undertake to make certain specified improvements?—Yes.

114. Is there any desire on the part of pastoral tenants to acquire the freehold?—I think a man always has an inclination to get the freehold.

115. Could you produce more off the land if it were freehold than under leasehold?—Yes, if we got it at a fair price.

116. *Mr. Johnston.*] How much stock did you take over with the run?—3,800 sheep.

117. You knew the conditions of the lease when you took it over?—Yes.

118. Did you object to them?—We hoped to make a fair thing out of it, but we lost a great many sheep this year, and have had rather bad luck in that way during the last two winters, and therefore we wish the lease extended.

119. What is the altitude of the run?—3,000-odd feet.

120. Is it facing the sun?—A good deal of it lies towards the sun.

121. How did you make such a big loss?—The snow lay very thickly, and we had a bad lambing.

122. How much of the land is ploughable?—200 or 300 acres.

123. Have you applied for a renewal of the lease?—Yes.

124. Have they treated you satisfactorily?—It has always been said that the matter would come before Parliament, and there would be some compensation.

125. You took up the land knowing that the gorse was there?—Yes.

126. Have you any Californian thistle?—No.

127. *Mr. Matheson.*] Have you had any experience of the land-for-settlement policy?—No.

128. *Mr. Paul.*] Do you think it would be wise to allow the runholders to acquire the freehold of these runs—that is, from the point of view of the State?—I think if they were taken over at a valuation made by the Government it would be a fair thing for the freeholder, and also for the State.

129. Do you think the area of freehold held by one person should be limited?—It all depends on the condition and nature of the land.

130. Suppose the limitation were by value, do you think there should be a limitation?—That is a question I have not studied much, but at a fair value I do not think the Government would lose at all if they did sell out to the present leaseholders.

131. Do you think one man should hold as much land as he is able to buy?—No.

132. You believe in a restricted freehold?—Yes, to a certain extent. I do not believe in a millionaire buying up as much land as he can.

133. At what value would you draw the line?—If I got about ten thousand sheep I would be satisfied.

134. You would like a freehold to carry that number?—Yes.

#### DUNCAN MURCHISON examined.

135. *The Chairman.*] What are you?—My brothers and I hold the Acheron and Lake Coleridge Runs. The area of Lake Coleridge is 18,000 acres, and is under pastoral tenure. The Acheron Run is about 12,000 acres. I also hold about 12,000 acres of freehold and about 800 acres on Lake Coleridge. Then there is the Canterbury College reserve. I am not sure what is the area of the reserve. We pay £260 a year for the 30,000 acres. Our country runs from 1,200 ft. to 7,200 ft. above sea-level. The leases run out in 1910. I signed the petition to the Land Commission which was presented by Mr. Tripp, and I agree with all that was said in that petition. We have had very bad winters lately, and I think we should be given a more secure tenure in respect to our lease. We have had two bad winters and two bad lambings, and we cannot keep our stock up. If we had a fairly long lease or if we had the right of renewal, I think it would be only fair, and if we had those terms we would do more fencing.

136. *Mr. Forbes.*] Have you done anything in the way of regrassing?—Yes, on Glen Thorne Run last spring. The grass is not coming so well as it ought to have done.

137. Has the pasture gone back of late years?—Yes.

138. What do you attribute that to?—To too heavy stocking. I think if a tenant had the right of renewal he would not stock quite so heavily. There is nothing to prevent a man now from overstocking and taking everything out of the ground, and leaving nothing for the incoming tenant.

139. If you had the option of getting a longer lease at a rent to be fixed by arbitration there would not be that danger?—No, a man would hardly spoil his place under such circumstances.

140. You think a perpetual right of renewal would be better than the present method of putting the runs up to auction?—I think so.

141. *Mr. Anstey.*] Is there any compensation for improvements at Glen Thorne?—I believe three times the rent.

142. Is not that sufficient to justify you doing more fencing?—It would not be worth it.

143. At the present moment you are fully compensated?—Yes; but if we had a right of renewal we would fence.

144. You have not got up anywhere near the value you are entitled to?—No; but I would not be prepared to put on any more improvements at present.

145. If you got compensation would you undertake to make certain improvements and regrass the land?—Yes, if I got proper security as to the right of renewal.

146. Have you tried grassing?—Yes.

147. Do you think it would be profitable?—Not on the rocky faces. It would only be profitable up to a certain altitude and in certain country.

148. *Mr. Johnston.*] What is the number of sheep on Glen Thorne?—We shored this year about 6,300, and the rent is £160.

149. What is your average loss on it?—I think about 12 or 15 per cent.

150. What is the loss on the other runs?—For the last two years on Acheron and Lake Coleridge it has been 15 per cent., but these have been exceptionally bad years.

151. What is the average result of your lambing?—About 47 per cent. on Acheron and Lake Coleridge.

152. And on Glen Thorne?—We lost heavily in ewes. Last year it was probably 72 per cent., and this year it will probably be 24 per cent.

153. Did your people try grassing these other two runs?—My father did, but it was not successful on Acheron.

154. Have you ever known screenings from seed-cleaning machines to be sown on these runs?—Yes, on Acheron.

155. What was the result?—Much noxious weeds.

156. Is it on the very high country?—About 2,300 ft.

157. How low do you winter your stock?—Up to 2,300 ft. We have no low country—only open facings on Glen Thorne. I think I could shear ten thousand sheep if I fenced the run.

158. *Mr. Matheson.*] What was your annual expenditure for rabbiting?—About £40 a year on Lake Coleridge and Acheron.

159. *Mr. Paul.*] You think in the interests of the pastoralists if not of the State there should be a fairly long lease with right of renewal, the rent to be fixed by arbitration?—I should favour a lease of ten years at an arbitration rental. I think that would be satisfactory to both parties. I hardly think it would pay the State to have a shorter lease or put up to auction as it is now. The man who holds the run will go perhaps beyond his valuation at auction in the heat of the moment owing to old associations.

160. Do you think a pastoral tenant would suffer under any disadvantage if he had a ten-years lease, with arbitration in respect to rent and with right of renewal?—I do not think so.

161. The native grasses are all being eaten out?—Yes.

162. Then the native grasses cannot be a permanent pasture?—Not by any means.

163. Then, something will have to be done to put in native pasture or allow the native grass to come back?—I do not think the native grass will come back in those places.

164. Supposing your run was subdivided, could part of it be fenced and spelled alternately with advantage in order to allow the grass an opportunity of growing?—In Glen Thorne I have spelled the country and I did so last spring, and I think that is an advantage.

165. *Mr. Anstey.*] Supposing the pastoral tenants in Canterbury were given a secure tenure, do you think they would all fence and put other improvements on the land, which would largely increase the carrying-capacity of the runs in respect to ewes, and consequently be better for the lambing?—All the runs I know of are stocked to their utmost at present.

166. By fencing you could keep ewes where you now keep wethers?—If we had a snow-line fence we could keep the ewes out all the summer, which we cannot do at present.

167. By so doing, you could largely increase the number of your ewes?—Yes.

168. *Mr. Johnston.*] How long have you been on these runs?—Five years.

#### CHARLES SPRAY examined.

169. *The Chairman.*] What are you?—I am a farmer, and I own 100 acres at Highbank. My section is No. 12, and I pay a rent of 6s. 7d. per acre. The tenure is lease in perpetuity. I am quite satisfied with the tenure. When I took up the land I was in a position to take up 100 acres, and I am compelled to keep at that 100 acres. My present area is not sufficient to maintain myself and family. I think it is only right that I should be allowed to take up another section. If I were fortunate enough to secure a larger section I would be quite prepared to give up my present holding to somebody else—of course, my improvements being paid. I have been on this run for eight seasons, and have been fairly successful. I have improved my section quite up to its full capacity. I have kept within the limits of the cropping regulations. I did not find any necessity to overstep them. Under the regulations we can take two grain-crops in succession, but I consider, under certain circumstances, I should have the privilege of ploughing and sowing down again. I never applied to the Board in respect to the cropping regulations. I have no complaints to make against the Land Board, but I think the Land Board should be composed of practical men who understand the needs of the farmer. I am quite satisfied with the Rangers. I have had no trouble with them.

170. *Mr. Forbes.*] The men who are applying for land to-day are supposed to be landless. Do you not think men without any land at all ought to have a preference over those who have land?—Yes; but I consider that a man who has served his apprenticeship on the land should have some privilege over a man who has had no experience but who may have more capital. I think the amount of capital required is far too large, and, as I have said, I think experience should count to a great extent instead of capital.

171. How are the settlers doing at Highbank?—Fairly well. I do not think there is a big percentage advocating the so-called freehold. I would not exchange my little piece for a so-called average freehold.

172. *Mr. Anstey.*] Do you know if there are any other large estates in this neighbourhood that would be suitable for cutting up in the same way?—Yes, Springfield Estate. It is the best land in the country.

173. Can you say whether all the small sections at Highfield are occupied?—Yes, they are; but I think some tenants hold two or three sections.

174. Are such a large number of small sections desirable in an estate like that?—Not at all. I think they are an encumbrance. There is no market for produce here, and there is no labour wanted on the Highbank Estate. A man cannot make a living off 10 acres. I think that from 50 to 100 acres is quite little enough.

175. You do not think it is necessary to have any workmen's sections there?—Not on such a place as Highbank.

176. *Mr. Johnston.*] Do you mind saying what capital you had when you started?—I had £35 after paying my first rent.

177. It is very much to your credit that you have done so well, and that you were able with a capital of £35 and your experience to make a success of it. Were you working about here before you took up this land?—Yes, I had been twenty-eight years in this county.

178. You want to impress us with this fact, that a steady man with experience does not require so much capital in starting as an inexperienced man?—Yes.

179. *Mr. Matheson.*] In regard to Springfield, did the land you have referred to adjoin that estate?—Yes.

180. Were the terms cash deposit and with the right to pay off gradually?—Yes. The terms were very liberal. It has been satisfactorily settled, but, unfortunately, it has been settled by men who already have land. The sections now are only got by people with money. Working-men have no chance to get sections on those estates.

181. *Mr. Paul.*] If you were allowed compensation for improvements, would you be prepared to surrender your present holding on condition that you got a larger holding in another estate?—I would be prepared to sell out my goodwill.

182. Is there not a difficulty that after you drew an allotment in another estate you might demand goodwill which would be too high for an incoming tenant on your present holding?—I think we should be allowed to transfer and sell out our goodwill. I have five in my family, and the holding is too small, and I consider that it is not justice to me to keep me on the bottom rung of the ladder. I have made a success of my present holding, and have brought up a large family. Of course, at first I had to go out and get work.

183. *Mr. McCutchan.*] Do you think that everything in your section belongs to yourself—that is, if you were to sell out, do you think that the tenant is entitled to the full value of the land?—I would not like to say that.

184. Then, you would sell out for more than the actual improvements you had put upon the land?—No doubt.

185. Do you think the farming community generally has been instrumental in increasing the value of the land?—No; I think it is Mr. Seddon's butchers' shops at Home that has increased the value of the land.

186. Do you think the increased value should go to the people who eat our meat at Home?—No.

187. Who should it go to?—It is going to the tenant at the present time.

188. Is it right that it should go to them?—I consider that if tenants were compelled to reside on their farms for a number of years before being allowed to transfer, it would stop a lot of land-jobbing.

189. The question is to whom the value over and above the improvements belongs?—To the party who bought the estate. I say the tenant has the biggest right to it. He risked something when he went in for it.

190. *Mr. McCardle.*] Do you know anything about the Advances to Settlers Department?—Yes; I have made an application to that Department. I have no complaint whatever to make against it.

191. And you think it has done good to the country?—Yes, a power of good.

192. And is it desirable that the State should further encourage settlers by giving an increased amount of advance for permanent improvements?—I think so.

193. What is the amount of your improvements?—Roughly speaking, between £300 and £400.

194. And you would get more than £600 for your interest in the place?—I would not like to sell it at less.

195. In selling out your interest, you think you are entitled to get all the value in the tenure?—Yes.

196. If the Land Board had discretionary power they might, in your case, have taken into consideration your experience and have let you go to the ballot?—I consider they should have that power.

WILLIAM CHARLES ANDERSON examined.

197. *The Chairman.*] What are you?—I am a farmer on Highbank. I hold 198 acres, and I pay 6s. 9d. per acre rent. I am an original settler. I go in for mixed farming.

198. Do you find your holding satisfactory?—Yes, only I could do with more land now. The difficulty is to get more, and I cannot hold more under the lease.

199. If you had an opportunity of taking up a larger holding would you be willing to relinquish your present section on securing the larger one?—Yes; but it would be better if I could hold both.

200. What would you require now in clearing out of Section 27? Would you be content with the value of your improvements alone if they were valued by a competent person?—Certainly not. I think the settlers there have made the district.



201. Then, you want both the value of the improvements and of the goodwill?—Yes. At the same time, I would like if a settler could buy his neighbour out, because if that was possible I could buy my next neighbour out and make my holding big enough.

202. *Mr. Forbes.*] There are a number of people wanting land who have no land at all at present: is it not the duty of the State to attend first to the wants of those who are landless?—I dare say.

203. Do you think it would be fair for the State to allow you to go into the ballot again with landless people?—Certainly not.

204. Is much money being given for the goodwills on Highbank?—Yes; some money is being given.

205. So your rent to-day is below the market price at the present time?—Yes; but it is the improvements we have put on our sections that make our rent below the market value.

206. You do not think the goodwill is worth any more than the improvements are worth?—I think it is worth a lot more.

207. *Mr. Johnston.*] Have you ever been threatened or annoyed or harassed by the Land Board or by the Ranger?—I have never had any trouble with them.

208. Then, it is not true that the settlers have been harassed by the Land Board or the Rangers?—Not in my case, and I have not heard of it.

209. *Mr. Hall.*] Are not 198 acres of land well farmed worth twice that area of land badly farmed?—Yes; but I could do well on a good farm of 298 acres; but the trouble is to get it.

GEORGE STOCKDILL examined.

210. *The Chairman.*] What are you?—I am a farmer on Highbank. I hold Section 2, of 359 acres. I pay 6s. 11d. per acre rent. I have been there nearly three years. I bought out another holder.

211. Are you satisfied with your holding?—Yes, quite satisfied.

212. Have you had any dealings with the Land Board?—Yes.

213. To your satisfaction?—Yes. The only thing I have to complain of is that a wrong report was put in about me by the Ranger. I was accused of cropping a paddock that I had not cropped.

214. Did you inform the Land Board to that effect?—I did.

215. I suppose they at once accepted your word?—I am not so sure, from the letter they sent me. They said the Ranger, who has since been shifted, would come down and see the paddock and make it right, but he never came. Mr. Williams was the Ranger.

216. Had the present Ranger anything to do with it?—No.

217. Is there anything you would like to bring before the Commission?—I would like to refer to a river-bed which lies at the back of the settlement, and which, I think, belongs to the Government. I think that land should be leased to the settlers adjacent, or that they should have the option of taking it up.

218. Have you made any application to the Land Board for it?—Not yet. I believe it is already leased, but the present lessee does not keep the fencing in repair nor keep the rabbits down.

219. Have you informed the Stock Inspector?—I have not, but I think some other people did.

220. *Mr. Forbes.*] You have heard the complaints of the previous witnesses: do you find your place large enough?—I think it is as much as I can manage at present.

221. You have heard that there is a great demand amongst the Crown tenants for the freehold: is that the feeling on Highbank?—I would not say it was. I do not think the majority want the freehold.

222. What is your own feeling?—I would rather have the leasehold. I would not like it interfered with at all, because if the Government break the trust we do not know where they will stop. I think it is a very good system as it is.

223. Are you satisfied to leave things as they are?—I cannot see the difference between this and freehold.

224. *Mr. Anstey.*] Did you pay anything for the goodwill of this section?—Yes.

225. Did you pay anything over and above the value of the improvements?—I might have. It would be hard to say. There was a lot of improvements on it.

226. *Mr. Matheson.*] Do you get a 10-per-cent. rebate if you pay your rent promptly?—Yes.

227. That was done by means of a special Act: do you call that an amendment of the lease?—I think it would have been better to have left the lease as it is.

228. Suppose a Bill was brought in to allow tenants to reduce the capital value of their holdings out of their savings, and so reduce their rent, do you think it would be reasonable to call that an amendment?—For my part, I would rather leave the lease as it is. You might die, and the Government might use it for you.

229. *Mr. Paul.*] When you received the rebate of 10 per cent. no alteration was made in your lease?—Not that I know of.

230. What was your particular quarrel with the Land Board?—It was in regard to a paddock of 30-odd acres, and they sent me notice to show cause why they should not forfeit the land. That is pretty rough when I never did anything. I never took a third crop off the land in my life. The Commissioner told me the Ranger had given him the information. I never saw the Ranger on my place except when I was carting away, and he said he would come back in a month and get the information from me. But he never came back. I never saw anything wrong with the Ranger, except that he never came back. It would have satisfied me if the Land Board had sent some one to examine the paddock and see for themselves.

231. I think you may take it for granted that the Land Board would accept your word?—Well, it did not seem so from the last letter.

232. *Mr. McCutchan.*] Have you had any dealings with the Advances to Settlers Department?—No.

233. Did you get the full 10-per-cent. rebate for the prompt payment of your rent?—Yes.

234. The Department had no power to give you that rebate under the Act of Parliament under which your lease was framed: a Rebate of Rent Bill had to be introduced in order to get that power?—I think so.

235. If new legislation had to be introduced is it not clearly an interference with the original lease?—That is what I say. I would not like them to interfere with the lease at all.

236. But in taking the rebate you have sanctioned that interference brought about by fresh legislation?—I do not understand your question.

JOSEPH GILPIN examined.

237. *The Chairman.*] What are you?—I am a farmer on Highbank. I hold Section 43, of 86 acres. I pay 7s. 2d. per acre rent. I have held it eight years.

238. Do you find this section satisfactory?—Yes.

239. Do you wish to bring anything in particular before the Commission?—No.

240. Have you had any dealings with the Advances to Settlers Office?—Yes.

241. Have they been satisfactory?—Yes.

242. Have your dealings with the Land Board and the Ranger been satisfactory?—Yes; I have never had any trouble with them.

243. *Mr. Forbes.*] Would you wish to exchange your lease for the freehold?—No wish whatever.

244. Do you think the cropping regulations of the Crown are satisfactory?—Yes. The only difficulty I see is that I would like to have three crops in succession.

245. Do you think that would improve the ground at all?—In my case it would. When I first went there the land was very dirty with twitch, and I consider you cannot properly clean it by two ploughings in two seasons. I reckon you want one summer's fallowing to get it in a proper state for sowing down, and I think I ought to be allowed to sow down with another crop.

246. If you got that concession at the first turning of the paddock you would not want the same concession every time you broke up the paddock, would you?—Not if it is not necessary. My experience of the land is that it grows a lot of Yorkshire fog, and by the time you have taken two crops out of it there has not been enough labour to kill the fog.

247. Is this heavy land?—It is medium.

248. Would the third crop be a good one?—I have seen fair crops outside the estate on equal land.

249. *Mr. Anstey.*] Is it necessary for you to take your three crops in succession, to begin with?—I do not think so. The rule is to take two white and one green crop in six years.

250. What is to hinder you taking one grain-crop and then one green crop, and lay the second grain-crop down with grass?—It could be done that way.

251. Have you ever tried it?—No.

252. Are 86 acres big enough for you to make a living on?—The section is not big enough, but I have to make it do. I would like to say, in regard to the river-bed mentioned by the previous witness, that I have often spoken to the present Ranger and to the Stock Inspector about the rabbits there, but the Inspector never seems to take any notice of it.

JOSEPH LEGGETT further examined.

253. *The Chairman.*] What do you wish further to bring before the Commission?—In reference to the river-bed referred to by the previous witnesses, I would like to say that if it could be a recommendation to the Land Board to let the section of the river-bed opposite each tenant's holding to that tenant in order that he might keep the rabbits down, it would be a good thing. At present the place is infested with rabbits.

254. Have the settlers made that known to the Land Board?—They have complained to the Inspector and one person and another, but there does not seem to be much notice taken of the complaints.

ANTHONY GEORGE THOMPSON examined.

255. *The Chairman.*] What are you?—I am a farmer on Highbank. I hold Section 45, of 372 acres, and I pay 6s. 7d. per acre rent. I carry on mixed farming.

256. Do you feel quite satisfied with your section?—Yes.

257. And with the conditions under which you hold it?—Yes.

258. *Mr. Forbes.*] You do not wish to have the option of the freehold?—No; I think it would be a pity to break faith or to interfere with the lease.

259. Do you think there is any necessity to alter the cropping regulations?—Not in my own case, but I think it would be only fair in the case of the last witness. He has better land and a smaller holding than mine, and, of course, he has got to struggle harder to keep his family. I think it is only reasonable in the case of people working twitch and fog that they should be allowed to take a third crop. I think several of the sections are rather small to make a living on. With regard to the river-bed frontage and the rabbit-pest, I think it would be an advantage to give the holders of the sections along the river-bed the section of the river-bed fronting them.

260. *Mr. Johnston.*] Are you satisfied with the Land Board?—Yes. I am very pleased with them.

261. Have you had anything to do with the Advances to Settlers Office?—No.

RAKAIKA, THURSDAY, 13TH APRIL, 1905.

RICHARD JOHN GEE examined.

1. *The Chairman.*] What are you?—I am a painter in Rakaika, where I have been for eighteen years. During that time the district has progressed steadily. The farmers in the neighbouring settlement are in a thriving condition. Most of the settlers have been there since the settlement was instituted, and have from 1 to 5 acres.

2. It was settled under deferred payment, and, as time went on, the settlers acquired the freehold?—Yes.

3. How are the men principally occupied?—Most of them work on the farms and stations, and fill in their odd time on their sections.

4. Is fruit-growing carried on to any great extent?—Yes, there are three very nice orchards. One man gets his living almost entirely from his orchard.

5. Is any fruit sent out of the district?—Not a great deal, but there is some.

6. Is there any hot-house fruit produced?—No.

7. Is there any dairying on these places?—Some keep a cow or two, and most of that goes to the stores and to private people.

8. Is there a dairy factory in the district?—No.

9. Is there a mill?—No. There was a flour-mill, but it was burnt down and not rebuilt.

10. There are several estates around here, are there not?—Yes, but I think they have been all cut up now. There are none nearer than Mr. Lyttelton's and Holmes's.

11. Is Holmes's a large estate?—Yes, it is managed by trustees.

12. Is Rakaika increasing?—The township has not grown much during the time I have been here.

13. *Mr. McCutchan.*] If other areas were placed on the market here would they be taken up?—I have not the slightest doubt that they would.

14. You are aware that the deferred-payment tenure is no longer available for land-settlement?—Yes.

15. What tenure would you favour for settling further areas in this district?—It would be presumption on my part to say what other people would prefer, but, for my own part, I think there is nothing like the lease in perpetuity.

16. Do you think if a revaluation clause was inserted in that lease it would meet with approval or otherwise?—It would meet with the approval of the great majority of the community, I believe.

17. Whether would it be more preferable, with or without a revaluation clause?—I think myself there is nothing to fear in a revaluation clause if it cuts both ways.

18. Would it not be more apt to cut in favour of the tenants' interests than against, unless values go up all over the colony?—There may be a time when they go down. I think myself it would only be fair.

19. *Mr. Anstey.*] Are you living on the settlement or on the township?—In the township.

20. Do you think there is demand for more workmen's homes in this neighbourhood?—I never heard such a demand expressed.

21. What is the most suitable size required?—I should say if a man could acquire 20 or 30 acres anywhere in the neighbourhood of the township he could get a living. A man cannot make a living on a 5- or 10-acre section.

22. There has been a good deal of increased settlement in the district since you have been here?—In the district, yes.

23. How does this increase affect your trade?—There is more demand for all classes of building trade now than there was eighteen years ago.

24. Are there more people engaged in it in the town?—No, I do not suppose there are. A good many tradesmen come from Christchurch and Ashburton.

25. *Mr. Hall.*] Is there any land in this district suitable for settlement that could be acquired by the Government?—I would not like to suggest any, but, of course, there is plenty of land that might be acquired. Land in this district would always be taken up unless there was some serious drawback.

26. The people generally are doing very well in their small holdings around here?—Yes; I think the Highbank and Mead Estates are very good evidence as to the success of cutting up land for settlement.

27. *Mr. McCardle.*] I suppose the real need in this district is properties large enough to maintain families?—Yes.

28. I suppose you see a marked increase in the volume of business since the settlements were established?—Undoubtedly.

29. We have had evidence that Springfield would be a desirable place to be taken over by the Government for closer settlement: is your opinion favourable to that?—I have no doubt it would be a very good place.

30. Do you suggest that the revaluation clause in the lease-in-perpetuity leases should be retrospective, or only to apply to lands to be acquired by the Government?—Certainly not to be retrospective, for that would be a breach of contract.

31. What you are desirous of seeing is a prosperous and contented people settled on the land?—Certainly.

ROBERT SHANNON examined.

32. *The Chairman.*] What are you?—I am a Crown settler on the Mead Settlement, holding 376 acres, for which I pay 7s. 6d. per acre rent. I am well satisfied with the place and with the lease-in-perpetuity tenure.

33. Have you done any cropping?—Yes. I do not think they need any restrictions on the Mead Estate. The land is rather thin, and we are not likely to overcrop. I have grown both wheat and oats, and carry some sheep.

34. How many thousand acres are there in the settlement?—About 6,000. The farms range from 700 acres to about 80 acres.

35. I suppose the roads are good?—Yes.

36. Have you a school?—That is the only drawback.

37. Have you a number of children of school-age?—There are over twenty, I believe.

38. Have you made any application in the matter?—Yes, we have tried our best, but cannot get anything done.

39. Was your land grouped and a second ballot taken?—The sections were grouped, but I think there was only a single ballot.

40. Were you the first settler on your section?—Yes; it was my wife who drew the section.

41. Did you get the section that was desired?—Yes.

42. *Mr. Forbes.*] You think the lease in perpetuity a good tenure?—Yes.

43. You have heard it stated that there is an agitation among Crown tenants to get the freehold of their holdings, because with that they would feel more settled: have you got that feeling?—No; I am a leaseholder out-and-out.

44. *Mr. McLennan.*] Have you sufficient children to get a school?—The Education Board does not think so. We cannot even get an aided school.

45. What was the reply from the Education Board?—That if we got twenty children of school-age they would grant us a school.

46. But you say you have twenty children?—The trouble is that the bottom end of the district will not fall in with the top end.

47. What is the distance?—About seven miles.

48. *Mr. Anstey.*] Do you think the settlers on the Mead Estate, generally speaking, are prosperous?—Yes, I think so.

49. What holding do you think is suitable for that class of light land?—600 or 700 acres.

50. Are there many sections as small as 80 acres?—Five or six, I think.

51. Are they large enough for a man to make a living on?—No.

52. Do you think they should be allowed to acquire another section and work the two together?—Yes.

53. Are there any smaller sections?—There is one section of 11 acres which is unoccupied.

54. Is there any water-race through the estate?—Yes.

55. You have to pay a water-rate, then?—Yes.

56. Is there always plenty of water in the sections?—I have not plenty at present, but hope to get it soon.

57. What do you do; cut branch races?—Yes.

58. What is a suitable cropping regulation on that land—two in six years or is one plenty?—It is patchy land, and some will stand cropping and other parts will not.

59. What do you do with the land that will not stand cropping?—We generally plough and sow down in grass. It will not pay to do anything else.

60. *Mr. Hall.*] I suppose you consider it is good farming not to overcrop land?—On that class of land anyway. It would soon go.

61. *Mr. McCarde.*] Have you any fear of revaluation?—No.

62. Have you had any experience of the Advances to Settlers Board?—No.

ROBERT CROSBY BURNS examined.

63. *The Chairman.*] What are you?—I am a settler on the Mead Settlement, where I have 450 acres at 3s. 9d. per acre. I principally farm sheep. So far I am fairly satisfied with the land-tenure. One of our greatest troubles is the want of school-accommodation. The trouble is that there was a school-site surveyed at the corner of the settlement, but the Education Board did not seem to think it a very suitable place, holding that the school should be more towards the centre, and, of course, the bottom end were not agreeable to the change of site.

64. Your settlement is long and straggling up the river-bank?—Yes; two sections in breadth.

65. *Mr. Forbes.*] I suppose you know of the agitation that has been talked about with regard to Crown tenants and the freehold?—I understand that something has been said about that, but I think the Farmers' Union has more to do with it than the Crown tenants. Of course, I have heard some of the tenants express the wish for the freehold, but, as a rule, there is general satisfaction with the leasehold. If it had not been for the leasehold a great many of us could not have been on the land.

66. Your wish is that the present contract be adhered to by State and tenant?—Yes.

67. *Mr. McCutchan.*] Is there a branch of the Farmers' Union in your district?—Yes.

68. You give it as your opinion that the Farmers' Union is fostering this agitation for the freehold?—The reason for that is that some member of the union—I think, the secretary—came round here some little time ago and tried to get the opinion of the settlers. In fact, he asked them if they would prefer the freehold to the leasehold, and asked them to sign a paper to that effect.

69. Are many of the settlers in your settlement members of the Farmers' Union?—I do not know of any, but there may be some, for all that.

70. With regard to the school difficulty, have you placed yourselves in the hands of the Board, and asked them to send a deputation to fix the site?—The Board was not requested by the settlers, but a deputation came and, after inspecting the place, shifted the site from where originally provided, but the people would not accept the change.

71. If the school is erected the compelling of the children to attend is a very easy matter?—I suppose all that is wanted is the school.

72. *Mr. Hall.*] Was the member of the Farmers' Union who came round to your district a Crown tenant?—I do not know.

73. Do you know his object in coming round?—No, no more than that he asked if we were satisfied, and if we would sign a paper saying that we wanted the freehold in place of the leasehold.

74. Do you think it was out of kindness to the tenants?—People do not do these things nowadays for kindness.

75. Do you think there was something of the political element in it?—Yes.

76. *Mr. Matheson.*] How did you hear of the meeting here to-night?—The Crown Lands Ranger informed me of it to-night.

77. Did he ask you to come?—No; he simply informed me there was to be a meeting.

78. *Mr. McCardle.*] What is the carrying-capacity of your land in sheep?—Three-quarters of a sheep to the acre.

79. You said something to the effect that if the land had been given with the right of purchase settlers could not have been there. Supposing it was under deferred payment for thirty years, would it have made any difference?—Yes; we would have had to pay a higher rent, and I know that most of us are paying as much as we can manage.

80. What is your view about revaluation?—I think it would be a fair thing; but, as far as that is concerned, we have now a 999-years lease, and a revaluation would be a breach of contract.

81. Do you not think it would be just as reasonable for the State to say they would revalue the freeholds as to say they would revalue the lease in perpetuity?—Yes.

82. *Mr. McCutchan.*] Can you say definitely that the action of the Farmers' Union official in bringing round the petition for the freehold was not done at the request of the settlers?—No, I cannot. The first that I heard of it was when that person came to the settlement.

83. *Mr. Anstey.*] Can you say there was no meeting previous to this man coming?—There may have been, but I did not know of it.

CHRISTCHURCH, SATURDAY, 15TH APRIL, 1905.

JOHN ALEXANDER McCULLOUGH examined.

1. *The Chairman.*] What are you?—I am a tinsmith by trade.

2. I understand you represent the Trades and Labour Council?—Yes, I have been asked to represent them. I am an executive officer and a trustee.

3. You might just shortly state what you wish to bring before the Commission?—The Council that I represent have affiliated to them three thousand five hundred members. They are of opinion that upon the right solution of the land question depends to a very large extent the future prosperity of the wealth producers of the colony. The conclusion is being forced upon us that increasing our wages is not, as was supposed, an efficient remedy against the evils that they have to contend with, but that other economic forces are at work counteracting the benefit of increased wages, and chief amongst them is the private ownership of land. That is very apparent where house-rent is concerned, and recently Mr. Coghlan, the statistician of New South Wales, in dealing with New Zealand, pointed out that during the last fifteen years wages had increased 8½ per cent., meat had increased in price 100 per cent., and house-rent from 30 to 50 per cent., and other items from 10 to 50 per cent. Mr. Tregear, the New Zealand Secretary for Labour, also indorses this so far as house-rent is concerned. There are other contributing causes, but, in our opinion, the main increase in the cost of living is the large increase in land values, instances of which I purpose giving to the Commission. We are also fortified in this belief by the well-known facts printed and given to the world of the conditions under which the workers in the large industrial districts of the older lands live, work, and die. We are told on undisputed authority that "out of one million babies born in the tenement districts of America at least two hundred thousand die annually. Out of one million babies born to the wealthier classes only about fifty thousand die annually," and that fifty to sixty thousand in New York City alone go to school every morning who have had no breakfast, or else have had but a crust of bread. The local officials of London report that fully one-fifth of the population of London are overcrowded, in spite of the law prohibiting it. That is, nine hundred thousand people in the City of London are in illegal occupation of rooms. There are nearly four hundred thousand living in what Mr. Sydney Webb calls "the soul-destroying conditions of the one-roomed house." There are three thousand living eight and more in one room; there are nine thousand living seven and more in one room; and there are twenty-six thousand living six and more in one room. This is by the most competent authorities attributed to the private ownership of land. Therefore, to prevent this iniquitous overcrowding from ever overtaking us in the colonies, we advocate the nationalisation of land in New Zealand. I am, of course, aware it is a large subject, but I do not think the largeness of it should prevent us discussing it, and the necessity for it and the possibility of it being consummated in our time. I will not dwell upon that, except to pass an opinion and offer the suggestion that the State might immediately pass legislation giving it the right at any future time to purchase at to-day's valuation any land in the colony. Such a measure would render speculation in future increases in value improbable, if not impossible, and make it almost certain that the State would in a very few years become the possessor of the enormous profits which accrue as population increases. But I would like to dwell upon, and emphasize as an absurdity, the fact of the State under the Land for Settlements Act repurchasing large estates with a view of settling people upon the land and while so doing selling the fee-simple of the Crown land. We are of opinion that no language can be too strong to use in this connection, and, as a labour party, we have urged upon the Govern-

ment that no further Crown lands should be sold. We contend that that is a reasonable request, and that to continue such a course is not statesmanship, but idiocy, and we have never heard any person who could logically defend the action of the State in repurchasing land and selling its own land at the same time. There may have been a time in the history of the colony when to sell land was necessary, but that time has gone by years ago, and should have ceased immediately the first estate was purchased. We look upon the proposal to obtain the freehold as one of the most natural requests for a greedy, grasping individual to make. I am pleased, however, to see that the officials of the Farmers' Union disclaim all connection with having originated the petition for presentation to the House to secure the freehold, and we trust that the originator of so impudent and so dishonest a proposal will never be discovered, for the sake of his good name and the reputation of any family he may leave. Such an one's name deserves to be handed down with those enemies of the race who have been found in all ages to set their own selfish purposes against the good of the people—the Jabez Balfours, the Whittaker Wrights, and that class of individual—only he has not the same excuse that these notorious individuals had, seeing that his share and the share of the five hundred who signed the petition must be small in comparison with what these worthies receive. The sum of £864,975 which they propose to steal from the community should not compensate them for the loss of their good name. As a reason for urging that no further Crown lands be sold, I submit the following facts:—

“When constitutional government was established in Canterbury the Provincial Government took over the property of the Canterbury Association, including the town reserves of Christchurch and Hagley Park, the total area of these two being 897 acres, which, five years previously, had been considered of the value of £2,700. The association had got into debt to the extent of nearly £29,000, which the Provincial Government paid with money raised on debentures, and proceeded to sell the reserves situated inside the belts. To prevent any misunderstanding as to the then estimated value of these town reserves, it is desirable to state that for the £29,000 mentioned the association transferred to the Provincial Government all the property it possessed in Canterbury, which included other reserves than those in Christchurch, also plant, tools, survey-maps and field-books, which must have been value for a considerable portion of the sum named.

“By the deed-poll of the association these lands were to be held in trust for the purposes for which they were reserved, but a special Act of the Assembly was obtained to permit of their alienation. It has been truly said that the price of liberty is eternal vigilance. It is equally true with regard to reserves of land made for the benefit of the public; the people (every individual) should be ever on guard and watchful that no tampering with public reserves be allowed.

“At the present day it is particularly interesting to consider what would now be the position of Christchurch if the reserves inside the belts had not been sold. What income would now be derivable therefrom? Excluding 12 acres which were set apart by the Provincial Council as endowments for various religious bodies, the frontages of the reserves on the main streets of the city, as originally laid out in the extensions of these streets to the belts, amount to about 92,400 ft., after deducting  $1\frac{1}{4}$  chains at each corner to avoid reckoning double frontages at corners. At 4s. per foot the rental would be £18,480; at 5s. per foot frontage it would be £23,100. Bearing in mind that more than half the frontages have a depth of  $5\frac{1}{2}$  chains, it is estimated that if these lands were now let on building leases they would average a return of not less than 4s. per foot, possibly more, and it is probably safe to say that the income therefrom would be £20,000 a year.

“The statement of accounts of the City Treasurer shows that for the year ending the 31st March, 1901, the rates assessed amounted to £28,526: General rate (omitting shillings and pence), £13,680; special drainage rate, £1,983; charitable institutions, £1,370; Waimakariri, £686; district drainage, £10,807: total £28,526, obtained by a total assessment of 2s.  $7\frac{1}{2}$ d. in the pound, whereas had the town reserves not been alienated all the municipal services rendered would probably have been obtained for a modest rate of less than 9d. in the pound.

“This is surely an object lesson which should be laid to heart by every inhabitant of the colony, as well as by the citizens of Christchurch, and should demonstrate how very desirable it is in the interests of the people as a community that all land should be owned by the community, seeing that increased values of land are derived from the exertions and sacrifices of society. It will serve to show what enormous sums society thus pays to individuals to state that it is estimated that the value of land in London is increasing at the rate of seven millions and a half annually; under the system of private ownership of land this large sum is accruing yearly in London alone to private individuals, and the public who must use the land necessarily pay interest on that sum.

“The Progressive Liberal Association earnestly commends these facts to the consideration of the people of New Zealand in the hope that they will insist upon a stoppage being put to the sale of Crown lands; and as regards the granting of leases in perpetuity, which, in parting with the possession for 999 years at a rental based on present value, hands over to individuals the unearned increment for that unconscionably long period, it is hoped that a mandate will go forth from the electors of the colony insisting upon a periodical revaluation of the unimproved value. When these have been accomplished there will be the question of the nationalisation of all the lands in the colony to be dealt with.

“That which was created for the use of all, the use of which is absolutely necessary for the existence of every individual, should be owned and controlled for the benefit of all. The private control of land is dead against the common welfare. That which is against the common welfare must be removed for the common welfare. Justice demands this, and what justice demands must sooner or later be conceded.”

I have a few instances of the enormous increase in value in specific town properties which may be relevant to your Commission. What is known as Garrick and Cowlshaw's estate consists of Town Sections 843 and 845, situated in Hereford Street and Colombo Street. I am informed this land was purchased in 1874 for £5,000, and the present unimproved value is

£33,000. There is another estate—Watson's—on which Black, Beattie, and Co.'s buildings and Strange and Co.'s buildings are now erected, and with a frontage to High Street up to and including Ashby, Berg, and Co. It was bought between thirty-five and forty years ago for £560 by Mr. Robert Watson, who was a working tailor. The total unimproved value of these sections now is £34,200. The widow, son, and daughters of the late Mr. Watson are now living in Bath, England, on the rents received from the estate. Every one of the buildings erected on this property have been erected not by the owner of the land, but by the persons who are now leasing the land. They are paying rent now to the heirs of the lucky individual who paid £560 for the land thirty-five years ago. Then, there is the Triangle, Christchurch, which was bought at public auction, on Wednesday, the 16th April, 1850, by Mrs. A. M. Buchanan and a Major Bulkeley at the upset price of £24 and £12 respectively. Mrs Buchanan bought two quarter-acre sections and Major Bulkeley a quarter-acre. Mr. W. Wilson bought Mrs. Buchanan's half-acre section some years after at, I understand, £65. The unimproved value of that property is now £36,950, and the unimproved value of the total block, including Major Bulkeley's quarter-acre, is £47,450. Major Bulkeley or his heirs are and have been receiving rent from this property. Nearly all the buildings have been erected by the tenants. Major Bulkeley also owned Town Section 844, in Cashel Street and Colombo Street, which is now valued at £24,045. Some of the buildings on this section were erected by Mr. J. D. Fisher, but I am not sure whether the whole of the buildings were erected by the tenants. I have got the increased values of land in Linwood, Sydenham, Ashburton, and Christchurch. The unimproved value of Linwood in 1898 was £171,361, and in 1904, £237,991, the increase being £66,630; in Sydenham in 1898 the unimproved value was £288,514, and in 1904, £331,993, the increase being £43,479; in Ashburton Borough the unimproved value in 1897 was £86,328, and in 1904, £177,795, the increase being £91,467; and the City of Christchurch, within the belts and including Richmond, the unimproved value in 1897 was £1,520,017, and in 1903, £2,167,755, the increase being £647,738. I know of a sale of land which has taken place at the back of my own home within recent years, which I think strikingly illustrates the increase in values in suburban land. It is in the Riccarton district. Some 50 acres of land there were sold nine years ago at £120 per acre, in quarter-acre sections, or at the rate of £32 10s. per quarter-acre section. Now you cannot buy any of the quarter-acre sections, which are being held for speculative purposes, for £90, or at the rate of £360 per acre. In the Spreydon district, which adjoins Riccarton, Lord Lyttelton in 1857 bought 700 acres of land, and gave £3 per acre for it. It is now valued at £150 per acre. A man named Roberts bought 12 acres of this estate about seven years ago at £60 per acre, and he is now selling it at £70 per quarter-acre, or at the rate of £280 per acre. In the Halswell district, which is a purely farming district in the vicinity of Christchurch, a relative of my own in the early days bought land at £3 per acre from the Canterbury Association. I understand he had a town section thrown in, which he still holds. He sold 11 acres of this land a few years ago at £45 per acre, having done nothing in the way of improving it except to plough the tussocks and take out a few nigger-heads and that sort of stuff, which are usually found on swamp land. He did nothing in the way of artificial drainage. The land all round that vicinity, which was bought at the same price, is being rented at from £2 5s. to £2 10s. per acre for farming purposes on short leases. I would like to give just one case of household property increasing in value, to illustrate how rents affect the worker. The house next to the one I am living in was let some five years ago by the owner at 5s. a week. It is now being let at 8s. per week, and nothing has been spent in any way on the place to improve it, except that, I think, the house has been given one external coat of paint. It was sold some five years ago for £90, and within six months it has been resold at £145. I mention that case because I know the facts are as stated, and the position comes home to me because it is next door to my own place. I do not know that I am in a position to review in any way the statement that leaseholders are not working under better conditions than freeholders; but I would like to state that a relative of my own bought some land some time ago and paid a good price for it. If I may state the particulars, he bought 1,280 acres, and paid £4 5s. per acre. He thought he had got a "nibble"; but, unfortunately, he got into the hands of the land-sharks, and they bled him for the savings of twenty-five years, and sent him off that farm a ruined man. That was a freehold farm, and I mention the case because this man was my own relative, and the position has been brought home to me. I know that is a sample of dozens of other cases. He placed the savings of a lifetime in the farm and mortgaged his farm to one of the land companies, and, being unable to keep up his interest, they foreclosed within three years after bad seasons. As against that, I have another relative on the Cheviot Estate, who went there with practically no capital. He is the holder of 450 acres, I think, and now he is looking for the freehold and a bigger place, if he can get it, in which to invest the surplus capital he now possesses. I mention this as it has come under my own notice to show that the advantages are not, as is supposed, all on the side of the freehold. I have practically no other evidence to adduce. Some facts were put in my hands with reference to the large increase in value of land on the Port Hills. This land was bought some seven years ago for £16 10s. per acre—anybody in Christchurch can tell you who bought this land and who owns it—and it is now being sold at £250 per quarter-acre. The unearned increment is of such a character that they can sell that land at the rate of £1,000 per acre. Land in Linwood bought for £50 within the last six years is being sold now at an advance of £300 per cent. The evidence I have given is with a view of urging, if I can, on this Commission and the Government the advisability of stopping the further sale of Crown lands. When I show that land has increased and is increasing, and will, I believe, continue to increase in value, I believe that the time has arrived when the further sale of the Crown lands of the colony should immediately cease. We have advocated this for the last fourteen years, and, of course, up to the present there has been no result; but I trust that the efforts of this Commission will be in the direction of at least preventing the further sale of the Crown lands of the colony. I think that will be in accordance with the spirit of the age. The Legislature of the Australian Commonwealth have legislated in that



direction. They say that the land in the vicinity of the Federal capital site, wherever it is fixed, shall not be alienated from the State, and I think we ought to have at least as much wisdom in New Zealand as they have in Australia, and that we ought to say that the lands still remaining in the hands of the Crown shall not be alienated for ever, but that the people who own no land shall have, as far as possible, the unearned increment which will accrue to that land.

4. You have adduced some very striking examples of the rise in value of city and suburban lands, and, to a much lesser degree, of rural lands, and I have no doubt your statements are accurate; but, I would like to ask, have you had any experience of what I might call the pioneering work of the colony—that is to say, of going into the back country and tackling, say, 100 acres of bush or rough land, and bringing it into cultivation and into productiveness?—No. I have gone there for fun and to shoot pigs.

5. Do you think it would be likely, if your ideas were given full effect to, especially in regard to the back blocks, that people would go into these wildernesses and hew out homes for themselves unless they get the very best title to satisfy them?—Oh, yes; I think so. Land is a necessity, and from that point of view when the necessity arose I think the land would be taken up.

6. Just put yourself in the place of one who felt the necessity of going into this country—of one who did not see any good way to prosper in the town, and resolved to be a settler: do you think that you yourself, if placed in that position, would be likely to tackle this rough country I speak of with the same zest and enthusiasm if you knew you would only get a lease of it, and that what is called the “unearned increment” would go to the State, either during your life or the life of your children, as you would if you knew you could get the very best title that is on the statute-books, which is generally conceded to be the freehold?—Of course, being a selfish animal, I would naturally do the best I could for myself and my children. But, in this case, it seems to me we have to legislate not for the individual but for the community. I mean to say I would certainly as a selfish man prefer the freehold—it seems to me only natural that I should do that—but I think we have a right to legislate for the whole community, and not for the individual.

7. But the community is composed of individuals?—Yes.

8. So that what is good for the individual is also good for the community?—Not necessarily so. I think legislation may be enacted which would favour individual members of the community and act certainly against the best interests of the bulk of the community.

9. But, in the case I pointed out to you, do you not think that the interests of your family would be better conserved by the freehold than in any other way?—Of course, I do. I am prepared to admit that.

10. *Mr. McCutchan.*] You represent three thousand five hundred affiliated members of the Trades and Labour Council?—I am representing the Trades and Labour Council to which these three thousand five hundred are affiliated.

11. Are these members all over the colony?—No; in the Canterbury Industrial District.

12. Have you been appointed to come before the Commission to-day to represent the Council, or have you come here on your own motion?—I have been appointed by the Trades and Labour Council to represent them.

13. Are the opinions you have expressed your own individual opinions?—No; I think I am expressing the opinions of the Trades and Labour Council which have been expressed time after time by resolution.

14. In driving round Christchurch yesterday we saw a number of workmen's homes: do you think that system should be extended?—Yes, and improved.

15. Do you think money should be advanced by the State to help them to put up buildings as has been done in cases close to Christchurch?—Most emphatically I do, and I think better buildings should be insisted upon.

16. Do you think that the system of giving 999-years leases should cease?—Yes, as it exists as present.

17. Do you think it should continue, provided there is periodical revaluation?—Yes.

18. Do you think if this system is carried into general operation all over the colony that it will continue? Do you not think that the selfishness of which you spoke and which has been exemplified in your own case when you spoke of what you would do yourself, will by-and-by when all these leaseholders have sufficient weight in the colony, cause them to rise up and demand the freehold, and that we will find ourselves in the same position as we were before?—I cannot say what will happen in the future, but I think there will always be sufficient patriotism, anyway, to prevent so unpatriotic a thing. That is my opinion.

19. A great number of thinkers all over the world are of opinion that the freehold is at the foundation of patriotism?—I do not think the people who die for their country have much freehold.

20. You are of opinion that the right of the State should be safeguarded in regard to the future increase of land-value, by assessing the value to-day and giving the State the right by legislation to acquire the freehold of these lands, even fifty years hence, at to-day's valuation?—I would press that upon the Legislature as being a solution of the difficulty without doing any injustice to the present holders.

21. Then, you would confiscate all the value given to these lands by the expenditure which has been made by the people in occupation in providing facilities?—I would confiscate nothing.

22. But, under your idea it must be confiscated, because you would take the land at to-day's value?—I would impress upon Parliament the necessity of legislating in the direction of taking the lands of the colony at the present-day valuation at any future time when it was necessary to take the land. I do not think there is any confiscation in that, or anything approaching confiscation.

23. During the past few years the public bodies of the colony have spent £8,000,000 in improving their facilities and we are progressing very fast, and probably a much larger sum

would be spent in the future; that money is provided solely by the men in possession of the land, and the system you advocate would confiscate the increased value arising from that expenditure: do you think that is equitable?—I do not agree with your terms to start with. I do not believe that people on the land did provide the £8,000,000. I believe the people who have no lands provided that money.

24. How do you work that out?—It appears to me they are taxed in the same way as the holders of land through the Customs duty in regard to almost everything they consume.

25. You are speaking, I presume, of the General Government works, such as railways and roads, for which, of course, I know the Government provide the money; but I am speaking of the liabilities shouldered by the settlers on the land in the way of loans and rates, and so on, independent altogether of Government grants: do you not think the value produced by the settlers' own enterprise in raising money for public works and taxing themselves heavily in the way of rates, also the additional value arising from the money spent in putting up dairy factories and freezing-works, and so on, should be conserved to the settlers, as it is due altogether to their own enterprise?—Anything that is created by the efforts of the individual I would give to that individual, but what has been created by the community belongs of right to the community.

26. Then, we get to this position: that the local bodies of the colony have spent some millions in these works of which I speak. You would qualify your statement in so far as the improvement effected by the increased facility produced by that expenditure?—I do not know that I quite understand the question. I do not wish to give a reply that I do not thoroughly understand. I think the statement I make is explicit—that I would not take from any individual what that individual had created of his own effort, but what has been created by collective effort I think belongs by right to the community which created it.

27. You qualify your statement that the State should have the right to fix a valuation to-day, and have the further right at any time in the future to acquire any land that they wanted on this valuation?—No, I do not qualify that statement.

28. You are faced, then, by the other position, that you would confiscate that value which was placed on the land in so far as that value was made by efforts outside of Government grants?—I fail to see where confiscation comes in. All that we or that any person would advocate would be to acquire the unearned increment—that is, the natural increase which has been made by collective effort, by the community's effort, not by individual labour.

29. I am afraid your idea of unearned increment is very vague. It has been very clearly defined by you that the man in occupation should have simply the value of his own improvements, and that all the rest belongs to the State. But a large amount of such increment, you must see, is produced by expenditure outside the fences of the man in occupation of the land. Last year two millions were spent on roads outside the fences. That was a liability taken by the settlers, and therefore it would seem that they were entitled to the value produced by that expenditure. I am just giving you an opportunity to qualify your statement?—I do not think there is any necessity for it. I do not think my statement requires any qualification. I cannot make it any clearer than I have done, that I would not confiscate nor take from any individual what that individual had created by his own effort, but what the community had created of right belonged to the community, and not to the individual.

30. With reference to revaluation: In the rural districts that you have passed through settlers have expressed a fear that your organizations in the town—the Trades and Labour Councils—will use every influence to make this revaluation retrospective. Can you, as the representative of these 3,500 members affiliated to your council, give that fear a denial, and say it is not the intention of your council to make it retrospective?—I could not deny it.

31. Can you say it is the intention of your council to make it retrospective?—I cannot say that either.

32. Is it a matter you have not discussed?—It has not been discussed as to whether it should be retrospective.

33. Are you aware whether it has been discussed by any other Trades and Labour Councils in the colony?—Not that I am aware of.

34. You wish to illustrate the difference between leasehold and freehold, and you instance the case of two friends of your own who had gone upon the land. In one case the man put the earnings of a lifetime into a freehold, at £4 5s. per acre, and he lost it. Was it on account of adverse seasons or on account of the harshness of the institutions from which he borrowed money?—I suppose both combined to put him out on the road.

35. You do not substantiate your case very fully. Can you tell whether the amount charged for the money was more than the current rate of interest at the time?—No, I do not think it was.

36. If there was extortion it might be due to the influence of these institutions, but you did not state clearly that it was due to adverse seasons. Of course, if he got into trouble owing to the harshness of the seasons, your friend could not complain if the companies carried out the provisions of their deeds of mortgage?—It was a business transaction.

37. If there were adverse seasons, would not the leaseholder be subject to them the same as the freeholder?—I suppose he would. But the man with the mortgage had his interest to meet every six months, and failing to meet it he would be put off.

38. Would not the settler have his half-year's interest to meet?—Yes.

39. And are not many of these settlers under leasehold mortgaged and subject to the same conditions as your friend with the leasehold?—I suppose so.

40. With reference to the 540 acres your friend took up on Cheviot, on practically no capital, is it not the case that before any tenant is allowed to go in for these land-for-settlements lands he has to convince the Land Board that his financial position is such as will enable him to carry on?—That was not the case when Cheviot was settled. The regulations were not so strict then as now.

41. If your friend had no capital he would require to get it?—I do not say he had no capital.

but he had very little capital compared with the other relative who took the freehold and lost it. What I wished to emphasize was the fact that one relative had gone on to a freehold with £3,000 or £4,000 and the other had gone on with as many hundreds, and the one had succeeded and the other had failed. That is the difference there is between leasehold and freehold tenure.

42. Is it not the case generally throughout the colony that those practical men who knew what they were doing and who raised money on mortgage for the proper working of their places and for reproductive works are responsible to a large extent for the prosperity of the colony to-day?—I suppose it is so. I have known men who have succeeded when they paid 15 per cent. for money.

43. In speaking of the unearned increment in town and country lots you gave us a lot of figures, but in substantiating your case do you think it wise to quote extreme cases? You made no mention of losses having occurred, and there have been a great many losses all over the colony: had you any reason for giving us extreme cases?—I have only given typical cases where land had increased in value. They were not exceptional. I suppose I could pick out dozens of cases of a similar character.

44. Did you give a single case where a man had made a loss?—No.

45. I suppose you are aware that there is considerable antagonism and feeling between town and country residents over this question of land nationalisation that you advocate?—I think the antagonism is all on the one side.

46. On the side of the country settler?—That is my experience.

47. In dealing with a large question, and in speaking of the wish of the country settler to get absolute security of tenure and getting the land at the price at which it was originally taken up, there is a good deal to be said on both sides, as there is on all great questions. What I wish to ask you is: do you think you are justified, as the representative of the Trades and Labour Council, to characterise or liken a large section of your fellow-colonists to Jabez Balfour and men of that type, as you have done?—I think it was a good illustration. I think both are adopting the same course of fleecing the public. It was only in that connection I used it.

48. *Mr. Anstey.*] Do you think that a man who goes into the back blocks and takes up land, wasting twenty or thirty years of his life, bringing up a family without any conveniences, should go to gaol with Jabez Balfour because he gets £1 per acre profit on his section?—No. I say it is on a par with the dealings of those people.

49. You gave some very striking examples of the unearned increment which takes place in the cities: can you give any striking example of unearned increment taking place on any Crown lands that have been sold within recent years? Crown lands now are only those that are very remote; there are practically no lands worth much in the hands of the Crown to-day?—I should not look for unearned increment until a population got on to the land. Immediately a population settled on the land or in the vicinity I would begin to look for the unearned increment, but not until.

50. Did you not say that the State should value all the lands now, with the right of resuming it at a future time at its present value?—Yes, I stated that.

51. Then, you are looking for the unearned increment now if you are going to secure it to the State?—Not on the Crown lands.

52. You said you would value all lands now, those sold and those not sold, with the right of the Crown to take them at any time in fifty years at the present value?—The Crown has the Crown lands, and I did not include that in my statement.

53. A great many Crown lands have been bought under the right of purchase and are still Crown lands, because the purchases are not completed. You would value them to-day with the right to the Crown to resume them at any time? Do you think, failing good security, people would take up these back lands of the colony?—I think all the people would want would be security of tenure and the right to the product of their own labour. If that is assured to them, I think they will take up the land. I would.

54. Do you think there is any way in which you can secure to a tenant the full value of his improvements, and also the full value for his improvements outside the fences, except by giving him the freehold?—Yes.

55. The settlers in South Canterbury have found £80,000 for the building of enormous freezing-works, which, we are told, has increased the value of their lands £2 per acre: could you secure that to them under any Government valuation?—Anybody might have found the money.

56. We are talking about what has been done, and that is only one work. You claim that the whole of the workers of the State should claim that, and not those who found the money?—I claim for the people the unearned increment which has not been made by individual effort.

57. Is there anything to secure that to the tenant except by giving them the freehold?—I think the leasehold will secure that. I do not see any difference between the lease in perpetuity existing now and the freehold. As far as the tenure is concerned, the tenants under lease in perpetuity are better off than if they had their money invested in the land.

58. The question is how to secure to any tenant the value of his improvements: is there any way to do it except by giving the freehold? You are aware that a very large quantity of improvements are placed on land which depend entirely on their disappearance for their existence: how would you value improvements that have disappeared, such as the clearing of bush?—I cannot get hold of it.

59. You have shown instances of unearned increment in city and suburban land, and we have evidence that there is no chance of unearned increment in country lands?—There can be no unearned increment where there are no settlers. The Crown land has no intrinsic value if there are no people wanting it, but immediately people want it and are prepared to lease it it becomes valuable, and becomes more and more valuable as the demand for it increases.

60. There are a large number of workmen's homes in the vicinity of Christchurch: can you say under what tenure they are held?—Lease in perpetuity.

61. Do you oppose altogether continuing that system?—Under the lease in perpetuity I would.

62. Would you propose, as the representative of the Trades and Labour Council, any alteration in the existing lease?—I would—revaluation. I am quite clear and distinct that the State would be right in revaluing existing leases; but so far as the labour party in the colony is concerned, as I told Mr. McCutchan, they have not discussed that aspect of it, and I am not in the position to say what their view is on the question.

63. What form of lease do you wish to introduce in the future?—A lease with a revaluation every twenty-one years, anyway.

64. What would the revaluation be on?—On the unimproved value of the land.

65. At periods of twenty-one years?—Yes. I want to make it clear that the labour party have not made that pronouncement. That is my view I am giving you. My statements do not commit the party to anything except that we favour periodical revaluation. No period has been fixed.

66. Do you contend that all improvements belong to the tenant?—The improvements which the individual puts on the land should be his.

67. Do you think there should be a law passed securing to every tenant, public or private, the value of any improvements he makes?—I would give the individual who made the improvements the value of such improvements.

68. Did the Provincial Government take over from the Canterbury Association all its liabilities and also all its assets?—They did.

69. Can you tell me what happened when the General Government took over the provinces? Did they also take over the provincial liabilities and assets?—I think they did.

70. Would you be in favour of allowing workmen to acquire small freeholds for their homes instead of having the lease in perpetuity, say, quarter-acre sections?—I would not be in favour of giving them the freehold of land which was purchased under the Land for Settlements Act.

71. You would not propose, then, obtaining the freehold privately?—You could not stop them while the present system exists.

72. Do you think workmen would be better off with freehold homes instead of having to pay rent?—A man with a freehold would be better off, of course, if it was a freehold, than if he were paying rent.

73. Do you know whether the parents of these children whom you mentioned as going to school without breakfast resided on freehold or leasehold?—No doubt they resided in tenement houses belonging to freeholders. I think the reason that they had to go to school without breakfast was that the landlord had a monopoly over the place where they lived.

74. The reason was that they had to pay a heavy rent?—Yes, to a freeholder.

75. If they had had the freehold the children would have got breakfast?—I do not think so.

76. You spoke of large freehold properties in Christchurch, and mentioned Strange's: do you know whether they have any valuation for improvements at the end of their lease?—I am not in a position to say, but I think not.

77. *Mr. Hall.*] Have you had any experience on the land?—A little.

78. Have you had any experience in reclaiming the waste lands of the country?—No.

79. Assuming that your theory is right, and also assuming that the people would not take up the waste Crown lands of the country—I speak more of the North Island, where it is forest land, hilly and roadless, and away from civilisation—if the people will not take up the land under the theory you advocate, what then?—I would like to try the theory, and then we would be in a position to say how it would act. I think people will take up the land if you give security of tenure. It is not so much a case of giving the freehold as of giving the tenant security in his own improvements.

80. Do I understand you to say that the community at large are quite equal in what they do towards promoting prosperity and paying the indebtedness of the country, whether they live on the land or in the cities?—They pay very unequally just now, in my opinion. I think the worker pays more than his share.

81. The workers in the city?—The workers in the country, unfortunately, are worse off than those in the city.

82. The Legislature can fix the rate of wages, they can impose protective tariffs on imported goods, so as to favour the workers here, but can the Legislature in any way fix the value of products? If not, it must be a one-sided affair, must it not?—To our home consumer, of course, they could legislate to secure the value of the work. In the case of flour, there is a duty of £1 per ton, for the purpose of assisting the producer of flour in the colony.

83. Does it assist?—That is the object—to keep them up that much.

84. Can that take place while flour has an export value: the value of the chief products of the country and of the workers of the country and cities is governed by the foreign market?—I suppose the price of agricultural produce is governed by the price obtained in the Home or some other market.

85. Agricultural and pastoral produce?—Yes.

86. What other export have we got?—There are some manufactures exported. Coal and some woollen goods go to the other side.

87. That is infinitesimal compared to what is imported?—Yes, we are mainly agricultural and pastoral producers, of course.

88. The settler is paying 20 to 30 per cent. beyond the imported value of the goods he uses, and if you put much more upon the settler you will kill him and stop the settlement of the country, would you not?—He is surviving very well during the last few years.

89. Do you remember Canterbury about thirty years ago, when every man's property went down about 50 per cent., and the towns went down with it?—I only remember it twenty-seven years ago. I had property that went down.

90. Does not that indicate that the prosperity of the city is dependent on the development and prosperity of the country?—We all admit that.

91. If you aim a blow at that you aim a blow at the State?—I think so.

92. *Mr. Paul.*] With reference to the imports and exports, is it not a fact that the wage-earner plays a very large part in the export of mutton, for instance?—I should say he does. The worker in every industry, whether agricultural or pastoral, plays the most important part.

93. At all events, it seems that there is an interdependence between town and country?—I think we all admit that we cannot exist one without the other.

94. You have shown us that there is a very large increase in the price of land; you have also been questioned as to the increment likely to come from the remaining Crown lands, and also that there is no possibility of any settlers going on to that land unless they get the freehold: do you think it is wise, in the interests of the State, to give them the freehold, or an equivalent—say, a long lease with no rent?—If there was any dearth of applicants for land, then the State could offer any inducement by way of helping them on to the land. I would be favourable to that—that is, with regard to the back blocks.

95. What modification would you like to see made in the land-tax?—I would like to see the exemption taken out of the land-tax altogether.

96. You are satisfied with the working under the Land for Settlements Act in the city and suburban districts. Has it been carried far enough, or should it be extended?—I certainly think there is a demand for suitable land in small holdings.

97. From your experience, are all the suburban settlements a success in the surrounding district?—From my knowledge of the men on the land they are certainly eminently successful, and I think they ought to be encouraged.

98. Do you know at the present time that the amount advanced by the Government is any amount up to £50, provided the holder of the land contributes £1 for £1? Do you think that amount should be increased?—I think it should be doubled, at least.

99. Supposing that the option was given holders under lease in perpetuity, do you think there is any danger of aggregation of estates?—There is nothing in the world can stop it.

100. Do you think it is possible or workable to limit the ordinary freehold in area or value?—I would not like to say that is impossible, but I think it is very improbable that it could be done.

101. In your experience as a town worker, has a rise in wages been followed by an increase in rent?—Invariably.

102. Can you tell us whether the labour party is favourable to the closer-settlement policy of the last few years?—Yes, they are very strongly in favour of it; but they are certainly not strongly in favour of the lease in perpetuity as existing at present. We have as strong an objection to the lease in perpetuity without valuation as we have a predilection in favour of closer settlement.

103. You have told us of several buildings costing many thousands of pounds that have been built on leasehold land which leases do not provide for valuation for improvements: do you not think if that can be done in the city the settler at least can make reasonable improvements in the country, if he has a fairly long lease and his improvements were protected at the end of that lease?—I see no reason why he should not, so long as the value of the improvements are secured to him. The buildings I mentioned as Strange's will revert in twenty-one years to the owner of the land, and no doubt arrangements can be made with the settlers in the same way.

104. Do you know also, as a town worker, that the majority of workers must pay rent? Do you not think it is best, in the interests both of the worker and the State, that that rent should be paid direct to the Government?—There is no comparison between paying it over to the Government, who represent the community, and paying it over to the private landlord.

105. If revaluation were made retrospective would you compensate the man whose holding you revalued?—I would be prepared to sacrifice something for the purpose of having these leases revalued.

106. It was suggested in a question put to you that you had brought out extreme cases of high land-values. You included one or two boroughs, including Ashburton. Do you not think that was a fair indication and not an extreme case? If you gave the whole of the land-values of a borough in bulk, surely that was not an extreme case?—I deny that I gave extreme cases. I could produce cases where the increase has been greater than that. I wanted to show that sections were bought in the early days by an individual, who, to my knowledge, has never been in this country, and has never benefited the country, except that he sent out £24, and the sections have increased to £44,000 in value.

107. It has been represented to you that there is no unearned increment in the country. If that is so, I suppose you do not want to bring in a law to make it?—It is not possible for us to manufacture an unearned increment. If there is no unearned increment, which I doubt, we do not want it. I think, however, I made it clear, that, in so far as Halswell farming lands are concerned, there is a decided unearned increment.

108. Do you think it possible to assess the value of improvements caused by felling bush?—There is nothing insuperable about it. It is only a matter of arrangement, which might easily be made by the settler and arbitrators.

109. It would require, in the first instance, a valuation to be made of the land in its wild state, and when the improvements were made it would require a further valuation to fully compensate the man for those improvements?—I should give full compensation for improvements made by the tenant.

110. You know, of course, that the remaining purely Crown land is not very valuable. The eyes have been picked out of it. Is there not just a possibility of native land being bought by the Crown and becoming Crown lands?—The labour party have that in view in advocating the cessation of selling Crown lands. They realise that there are only 7,000,000 or 8,000,000 acres, including native land, available, and we wish that to be reserved for all time in the same way as education and other endowments are reserved for specific purposes.

111. You think it would be unwise to part with another acre of Crown land?—I think it would be suicidal policy to buy land and at the same time be selling it.

112. *Mr. Forbes.*] Has the labour party taken any action in the matter of a nominative system for the election of members to the Land Board?—We favour elective Boards, and, as far as I can gather, if the Boards were made elective we would favour more power being given to them with reference to cropping regulations.

113. Do you not think there is a trouble in connection with the franchise on which these Boards are to be elected?—It is a trouble that we make ourselves by our cumbersome method of conducting elections. If we had a system similar to the American, where all the candidates can be elected on a certain day and on certain conditions, and all the candidates names are placed before the electors, and they can vote for whatever individual they like for any specific office.

114. Do you not think, as it is in the interests of the State, which is the largest factor in connection with this land, it would be wise that the State should have a majority on the Board, to see that their interests are conserved?—If by the State you mean the seven or eight men who conduct the Government of the country, I am not for that State control at all. I want the people to have the control.

115. The Crown tenants have asked for the right to elect a member to the Land Board: is that a right position?—It is absurd.

116. Being interested parties in an election, they would work the hardest to get their man on?—Yes, and they might get concessions which they would have no right to get.

117. The ordinary man in the country does not take the same interest in land as Crown tenants would, and they would endeavour to secure members sympathetic to themselves, and who might be favourable to rent-reduction?—We would have to take that risk. It might be that way, but, personally, I am sure the labour party in the towns would be prepared to take the risk.

118. You have heard a good deal about the hardships that the settler has to put up with in going into the back blocks of this colony. You have heard about his "carving out a home in the wilderness." Does it not strike you that there is something wrong with the land laws of a colony that forces a man to go out into those places to make a living?—Yes.

119. Do you think that if we had not parted with the freehold of any of the land there would not be any necessity for men having to go to these back blocks for some time, at any rate?—If the land was not held in large blocks there would be no necessity now. I think the cause arises from the fact of a monopoly in land.

120. If the State held the land of the colony, do you think there would be any necessity for any particular section of the community to make their own roads?—I think we would undertake to give them better roads than they can make themselves.

121. Do you think it possible if the State owned the land that the State would be able to erect these freezing factories themselves?—The position would be forced upon them just as they are forced to erect shops in which to make their railway engines and carriages.

122. Do you look upon the rebate to Crown tenants as having broken the contract between the Crown and the tenants?—Certainly, and it justifies me in taking the action I have in saying that I would have no compunction at all in breaking the lease, because it has already been broken. I may also say that that 10-per-cent. rebate went to tenants who did not require it—men who could pay the rent right up to the nail.

123. Does your Trades and Labour Council agitate for the extension of the workmen's-homes system around Christchurch?—I am sorry to say we are not agitating to the same extent that we should, but there is a general desire to see these settlements extended.

124. You think these settlements are in the interests of the workmen?—Undoubtedly. I am in hopes that several settlers will come before this Commission and give their experience of the benefits that have accrued to them through the Government having provided these settlements.

125. Assuming that these are of such vital importance to the working-man, and the Trades and Labour Council are supposed to be looking after their interest, do you not think they should have agitated more for the extension of the homes?—I certainly think we have neglected our duty.

126. Is there not plenty of land that could be acquired? The Land Settlement Act prevents the compulsory acquisition of land in the town. Do you suggest that the Act should be amended so that it can be brought into operation in the suburbs of the city?—I see no reason why it should not be amended in that direction.

127. You are of opinion that these workmen's settlements have been a very great benefit to the people placed on them?—Certainly, because numbers of working-men have secured a home, which they otherwise would not have been able to do.

128. We hear a great deal about the increase of the wages of working-men. Do you think working-men are in a better position to-day than they were ten years ago?—No, I do not think they are in a better position now; but I think that immediately on his receiving the increased wages, say, six or eight years ago, he was in a better position; but that has been taken from him owing to the increased high price of commodities and the increase in rent. I do not think the worker in the city is in a better position to-day than he was ten years ago. We are no better off now with our 10s. a day than we were before with our 9s. prior to the increase in rent and other commodities.

129. It has been said that the people of the colony affect in a very small degree the price of the produce in the colony: do you not think the high price of wheat is ruled by the shortness of the supply?—I think that wheat has increased in price because exportation has taken place. I think the other reason why bread has increased has been that we have had a "ring" buying wheat.

130. It is the consumer of wheat in the colony that affects the price?—Yes.

131. It is not the London market?—I do not think the London market affects to the extent some people tell us. It is the colonial market that is the most powerful factor.

132. *Mr. Matheson.*] With regard to a lease, do you think if a landlord and a tenant both agree that it is impossible to amend a lease without breaking it?—I do not think it can be amended without breaking it.

133. With regard to the rates the settlers have paid, do you think it would be more equitable if when a loan was raised for such a purpose the local people paid one-half and the consolidated revenue the other half? Do you not think that would be more equitable than the present system under which the settlers pay the whole cost of the loan?—I do not know the circumstances sufficiently to express an opinion.

134. If the State owned all the land would it stop the land increasing in value?—No.

135. Suppose the land was nationalised, would not the State tenants in the towns have to pay an equally increasing rent?—Of course they would.

136. If they did that why would they be better off than if they paid that equally increasing rent to a private man? It seems to me very clear that paying the rent to an individual, if the rent is increased it must benefit that individual.

137. Do you think it would make a difference whether the increased rent was paid to the individual or to the State exchequer?—I think it would make a vast difference whether it went into the colony's exchequer or into the pocket of a private individual.

138. You spoke of the fearful overcrowding in cities: if it could be shown to you that by settling the people on the freehold it would make the producer more contented and the people more prosperous, would you approve of the freehold?—I think that no man should have the right of acquiring the freehold of the land, and I do not think what you suggest would be in the best interests of the community.

139. Do you think that the giving of the freehold will make a settler more contented and make the land more productive?—It might make him more contented, but it could not possibly make his land more productive.

140. Do you think it is a correct statement that the prosperity of a State depends very largely on the contentment of its peasantry?—No, I do not think there is any truth in that. There are very few peasantry in England, and there is a great deal of prosperity there.

141. Do you think that the English statesmen are as wise as the Australian ones?—If I am forced to give an answer, I would say I do not think they are.

142. Are you aware that the latest land law in England allows the tenant, after paying fifty years' rent, to have the freehold of the land he dwells on?—Yes, and I am also aware that that law was promoted to some extent by the private owners of land for their own interest.

143. Are you aware that it has created a very desirable state of things in the Irish counties where it has been practised?—I am aware that it may have benefited the individuals who received the freehold, but it has not benefited Ireland or the State.

144. *Mr. McCardle.*] Are you aware that no private money-lender will lend money on the leasehold tenure as they are prepared to lend it on freehold?—I am aware that they are not so willing to lend it.

145. In respect to people in the cities, you know that a man's only hope of getting a home is by taking advantage of a system which has been brought about by the Government, and which I think could be made more perfect than it is—a system of workmen's villages and homes in the neighbourhood of cities: do you think that system should be encouraged?—I think the Government should do what is right, but they should run no risks.

146. In the case of bush settlements, it is very difficult, if not impossible, to properly assess the amount of improvements put on the land?—What I do say is that it would be possible to value the improvements.

147. Having lived thirty years amongst such people, I say it would be impossible for me to properly assess the value of the improvements?—I think it ought to be possible.

148. In respect to the constitution of Land Boards, do you not think it would be more reasonable if the Government appointed some one to represent the leaseholders and some one to represent the colony?—If the Government did as you say, nominate somebody to represent the leaseholders and somebody to represent the colony, that would be an improvement on the present method of appointment, but an elected Board would be an improvement even on the other suggestion.

149. You think that every freeholder should pay land-tax?—Yes.

150. Are you aware that hundreds of men are working in the bush, and are settlers there bringing up families, who are not making more than £50 a year, and yet they are paying through the Customs as much as the working-man in the town, who is earning from 7s. to 10s. a day?—I think the taxation of these settlers would be very light. Then, again, the enormous increase in the price of land in the centres makes the men in the towns pay more than the back-block settlers. We in the towns pay more for our homes than the back-block settlers.

151. Suppose you did away with the right of purchase in the back blocks, would you approve of the Government making advances on the value of the improvements?—Yes; I would treat him in the same way as I am advocating the settler being treated under the village-settlements system.

152. *Mr. Johnston.*] Would you mind giving the name of the man who has accumulated the land on the Peninsula?—Thacker.

153. Do you consider 3s. 2d. a bushel high for wheat?—I am really not in a position to say.

154. Do you know that the Americans send very little flour to this country directly it falls in price below paying point?—Yes.

155. So that the bread bill is not so very high for the worker?—We were paying 7d. a loaf before the Flour Trust burst, and we are only paying 5d. a loaf now, and I do not know if the farmers are getting less for their wheat than they did before.

156. *Mr. Anstey.*] We have noticed that several of these workmen's sections have been joined together: can you say whether there was no demand for them?—I think I can explain it in this



way: that the Government bought land which was hardly suitable, and which was in unsuitable localities. Where the land was acquired in suitable localities there are no sections now awaiting tenants.

157. If there were a number of other sections of land cut up for this purpose, do you think there would be a demand for them?—I think if they were of a suitable size, and if the land is of suitable quality, there would be a demand for them.

158. Supposing the land went down in value, would you give the individual the right to hand them over to the State at that lesser value?—I do not think I would give any individual an advantage over the community, otherwise the tendency would be to break down the land policy. On the other hand, I would not give the State any undue advantage over the individual.

159. But you say if the price rises the State should take the land at its present value, and if the price falls the individual must bear the loss, and not the State?—I would make a bargain that would be equitable to both the individual and the State. I would give the State the right to take the land within a specified time.

160. Say it was ten years when the State should take the land?—If the land rose in value the State would take it at that time, and if it fell in value the State would still take it.

161. *Mr. Paul.*] Do you think the Americans would export more flour to New Zealand if the duty of £1 per ton were removed?—Yes.

162. *Mr. McCutchan.*] Do you think men should have representation without taxation; in other words, you recognise that there is a principle that there should be no taxation without representation. Do you think the reverse is correct, that a man should get representation without taxation?—There is no one here who gets representation without taxation.

163. Your organization is advocating the extension of the parliamentary franchise to local bodies' election, are they not?—Yes.

164. In the back country districts, at any rate, there is sometimes a floating population that would take part in the election of County Councillors, and in their case there would be representation without taxation?—They must live somewhere, and therefore they are subject to taxation.

165. But men who are simply camping in the district would have the right to participate in an election?—Even day labourers pay taxation. They are citizens of this country, and their "all" is in the country.

166. But we are speaking now of the taxation or rating of local bodies?—I do not think it is subversive of that principle. Although a man may not have a section of land in the vicinity he must live on the land, and therefore he should have the same rights as property.

167. Your argument is that as soon as he gets a home he pays taxation?—I would go further and say that every man twenty-one years of age should have the right to vote for County Councils, municipalities, and other local bodies. I think that should be done in justice to the individual, and I am sure that it would make a better man of him.

168. I will ask you to go a little further. We will say there is an area of land, and the people there desire to raise a loan of, say, £2,000. They are entirely responsible for the interest and sinking fund of that loan, and they pay the colony 5 per cent. for twenty-six years in order to wipe out both interest and principal. In that case, the men who have no stake in the country—the floating population—may vote for the loan, and as soon as the public works are done for which the loan has been raised, these workmen leave the comparatively few settlers who may be permanently settled on the land to bear the burden of the taxation, and to pay off the principal and interest?—We advocate giving them citizens' rights.

169. *Mr. Hall.*] You said that if the £1 duty were removed from flour it would probably help the exporter to send flour here. In the same way I take it, if the duty on boots and shoes were removed, it would help the settler to get boots and shoes cheaper than at present?—Probably.

#### CHRISTOPHER MATHESON HANSEN examined.

170. *The Chairman.*] What are you?—I am a labourer. I have been twenty-two years in the colony, with the exception of four years on the Australian goldfields. I have always made the land question my principal study. Personally, I am a tenant of half an acre on working-men's homes on the Pawaho Hamlet. I consider that working-men are better off with a small lot on expensive lands. Most of this settlement is unsuitable for small lots; nearly half of it is subject to flood. There is a large area of suitable lands surrounding our settlement more adapted for that purpose. I do not consider the loaded capital a great burden, but I am of opinion that it has not been evenly spread. As seen in the Land Report, where the two Departments are set up together, the working-men's homes should have been classified from the original Department. As it now stands it is impossible to frame an estimation from each. I will now compare the position of two settlements side by side. The Pawaho Hamlet has an area of 50 acres, with a loaded capital of £387; the Hatuma Settlement has an area of 26,522 acres, with a loaded capital of £6,264. The Pawaho, with little or no expenses for road-making, has on every pound of purchase-money a loaded capital to the amount of 4s. 3d., or £7 8s. 10d. per acre. The Hatuma Settlement, considering its large area, which involves a great deal more for road-making, has on every pound of purchase-money a loaded capital of 1½d., or 4s. 8d. per acre. I believe in the administration laid down by Sir John McKenzie. So much has been said lately in favour of a periodical revaluation on Crown lease, when in reality it is the freehold that should be taxed to keep the land-values down to a point. That would allow a margin sufficient for the production of labour. Supposing that some day we should have to write down our land-values, with the adoption of a periodical revaluation, it stands to reason that the leases would then have to be revalued for less, and the rent would then have to be reduced accordingly. In that our present land reformers fail to notice the danger threatening the asset of the State. Those are the rocks ahead that we should steer clear of. It is apparent that our land-values will have to be reduced by taxing it. Our position would have been different if this policy of our late Minister had been persisted in. To-day the

land monopoly is not only forcing labour into idleness, with material forces going to vast commodities, but rents are steadily increasing with the advancing land-values, the increase of population, the expenditure of public works, the briskness of trade resulting from the improvement from our closer-settlement system, and the buying-up of estates, which continually are booming the freehold in value far beyond the limits for the State to find it profitable to buy for closer settlement. Yet under our graduated land-tax all the best grazing country is practically exempted, while the leasehold is paying in loaded capital a tax fixed to stand or fall by the lease. I wish to propose three concessions in return for an effective and classified land-tax. I have had personal experience of the settlers' hardships in the back blocks. The proposal is to the advantage of the small settlers especially. First, a free postal delivery at least once a week, and goods not to exceed a hundred-weight; secondly, a universal old-age pension; thirdly, compulsory registration of farm labourers. By a special Act, to sanction the current rate of wages; rules and conditions to assure a fair living. With such an Act there would be no scarcity of farm labourers, and the proposed emigration would be quite unnecessary. With regard to the advances to settlers, I am of opinion that land-settlement and State banking should go hand-in-hand. I will quote Mr. Miles Verall on banking authority. "The advance on the settler's improvements would be equally as good security as that on public works, with the sole right of a State bank to issue bank-notes, the Advances to Settlers Office would then become a useful Department." I consider the present ballot system satisfactory, except where the applicants have been unsuccessful a concession should be granted of a permit from the Land Board to throw their ballots anywhere within the colony without their presence being required. The leaseholder, knowing that he has a chance in life, will work harder to make himself a home than any of the freehold proprietors would like to do under similar conditions, with all their boasted improvements left out. In view of nationalising our lands without borrowing, the three millions that has been invested for the purchase of estates should be set aside, and the annual rents therefrom, which are now supporting the Consolidated Fund, could then be converted for buying up more lands. By styling the leasehold "the asset of the masses," the money devoted for that purpose will first have to be set free. Considering the bulk of our national debt, and the limited amount for the purchase of lands, this should not only be a right, but a just and equitable demand from a tax-burdened population. In this colony we have an area of fifteen million acres, one-third of its lands, which are suitable for closer settlement and the various systems of Crown lands in perpetuity. If that amount was converted to leasehold, say, at 3s. per acre, it would yield us an annual rental of £2,250,000, and periodical revaluation may then with safety be considered. All future grants of Crown lands should be abolished. I consider that the Land Report should be sold at cost price; 6s. 6d. for one is a luxury beyond the means of the working-class. No person can have a grasp of our land-tenures who has not studied the peculiar conditions of this colony. This volume itself is graphic and instructive. It is notable that the attitude of our local newspapers towards their correspondence on the land question has been far from encouraging. I would also bring to notice that the work written by Henry George, the greatest authority on the land question—"Progress and Poverty"—has gone off the market, which indicates the little enthusiasm displayed. At this stage the country is prohibition sick, and nothing but the referendum will make it healthy and active.

170A. *Mr. Anstey.*] What rent are you paying for Pawaho Hamlet?—From 17s. 6d. to £2 10s. per acre.

171. What size are the sections?—From 1 acre to 3 acres, which is the limit.

172. How far is it from Christchurch?—Five miles.

173. Have all the sections been taken up?—Yes, recently.

174. How long ago was it when it was first cut up?—Six years ago.

175. And some of it was only taken up recently?—Yes.

176. What is the reason?—The hill-side.

177. Is there any necessity for cutting up more land for that purpose?—There is a great demand for houses especially; the land is very much monopolized. During the time the settlement has been in progress, and previous to that, even, you could buy freehold land in the neighbourhood for £40 an acre, and it has increased to £240 an acre on account of the increased population and the improvements effected in the neighbourhood.

178. *Mr. Paul.*] Was this land suitable for the purpose?—It was unsuitable, because part of it is subject to floods.

179. You think if the land had been suitable there would have been no unoccupied sections?—That is so.

180. You think if suitable land is cut up for this purpose the principle can be extended with success?—Yes, so near a seaport. There are hundreds of people inquiring for houses and property.

181. You do not think there is much possibility of a working-man getting a home when the freehold is at such a high price?—No; that is the only thing that prevents it.

182. This is the only method by which a labouring man can make a home for himself?—That is quite correct.

183. *Mr. Matheson.*] You say that the values have gone up to as much as six times what they were when the land was taken up?—Yes.

184. Do you think if the Crown took up more land like this for homes the labourer could afford to pay six times as much rent as he is paying in this settlement?—I do not see how it is possible under the present system of government to carry out this policy to perfection. In the first place, we ought to have a State bank, and a State bank and land-settlement should go hand-in-hand.

185. Do you think it is unadvisable to cut up more land for this purpose under present conditions as to value and rent?—My remedy would be to tax the freehold. Unless you do that you might as well abolish the whole leasehold system.

JOHN SCOTT MYERS examined.

186. *The Chairman.*] What are you?—I am a small farmer. I have 5½ acres of private leasehold at Marshlands, about five miles from Christchurch. I have been there nineteen years. I grow vegetables and root-crops mainly.

187. Is there any particular point you wish to bring before the Commission?—I might say I have been on the land for twenty-two years altogether. I am a member of the executive of the Political Labour League, and I have been appointed by them to come here and give evidence in their interest. I consider it is the duty of the State to let every person on the land who has ability to go on it. I am not in favour of the Government selling any more land, for the reason that some twenty-two years ago I was on the back station, and I see that Mr. Murchison gave evidence at Methven that he and his family now hold possession of three stations. When I was there twenty-two years ago, for two years six stations were held by five different families. Now these six stations are owned by two families—the Geraldts and Murchisons. There are thousands of acres of that land that would help scores of families. There is plenty of swamp land on Mount Aldridge, the station I was on. The question raised by Mr. Murchison was that if he was allowed a longer lease he could put up fences and increase the carrying-capacity of Glenthorne by four thousand sheep. The Glenthorne Station is the worst of the six stations in the gorge, and has less flat land, and the worst winter country of any of them. But there is plenty of room for any amount of honest struggling working-men to get on the land there. These people only pay rent to the Government up to the snow-line, and above the snow-line you will find thousands of acres of splendid summer country. I have been there, and I know all about it. On the flat there is splendid land which could be put into grass and made suitable for winter country. As it is these people simply hold a little of the best land as freehold in the centre of the country, and no other person therefore has a chance of getting on the land. If a man like myself, with a large family, was allowed to take up one of these small runs, and had not to pay the first six months' rent down and had money to stock it, I have no doubt but that he would be successful in farming one of these small stations. As it is now it is impossible to get on the land up there. In my district you will find any amount of land that was bought from the Government at £2 per acre thirty or forty years ago, at the present time is let out for cropping for one year at £4 per acre. Within a few chains of that land you will find a City Council and Drainage Board reserve of 800 acres, of a quality somewhat similar to Lake Ellesmere land, let for £50 per year, and there is only some 17 chains between the two. There is another City Council reserve, called Chaney's Corner Reserve, in my district, which is let at a very small rental. I am in favour of the Ranger being a practical farmer, for the reason that the cropping restrictions at the present time are too severe on some people who are holding small sections. Some of these small holdings are nothing more than a matter of starvation to the lessees. They can just exist and nothing more. If the Ranger was a thoroughly qualified farmer, with a knowledge of what the land is capable of producing, he could give advice to many of these people, and that would be much better than restricting them in the matter of the crops. My landlord allows me to take off as many crops as I like, and I often take two crops in the year. In some years I have taken off my land as much as would be taken off half a dozen Government sections. He does not interfere with me, because he knows I know it is impossible unless I put some material in the land to grow it. I say the man who holds the land knows best what the land can produce and what is best for the land. In regard to the back blocks, I know people who have been struggling on the back blocks for years. I hold that the Government should allow any person with a large family, who has ability to go on the land, to go on the land rent-free for twelve months, on condition he can prove to the Land Board he has sufficient money to stock and improve his place. I think most landowners allow their tenants to do that. That would enable many people to go on the land. I know people round my way and about Kaiapoi who have sold out and have got £1,000 or so, and who want to go on the land. I believe the land-settlement of the Government was intended to put people with sinew and muscle on the land in order to give them a start in life, and, so far as I can see, these are the men who are kept off the land, because every time they put their application in they are told they are ineligible because they cannot pay the first twelve months' rent. I think a good many people who go from the city on to the land want advice, and I believe a good practical Ranger would be of assistance in giving them that advice. Otherwise they have sometimes to pay very dearly for the experience they gain. In regard to the question of Californian thistle, I think it is impossible to get rid of this noxious weed under the present cropping restrictions, because the only way to get rid of the thistle is by constantly cutting them. In my district the place is fairly alive with thistles, and I reckon it is the duty of the Rangers to see that people are not allowed to let these weeds spread. I think the Rangers should understand the best methods of dealing with noxious weeds. Reverting to the land question again, I find, on looking about the Canterbury District, there is not an acre of land to be got in my direction, and I believe there are hundreds and hundreds of men who would only be too glad to get a place suitable to live on. They have succeeded in living on small holdings of 8 or 9 acres, and they have enough capital now to help them on something bigger. I think the only thing to be done in regard to this matter is to recommend the Government to put these people on the land on the easiest possible terms.

188. *Mr. Anstey.*] How long were you on the runs?—I was two years and a half continuously on Aldridge.

189. Have you been on Mr. Murchison's runs?—I have been on them, but I have not been working on them.

190. Have you been there sufficiently long to be able to form a definite opinion as to whether these runs could be cut up into smaller areas?—I have not the least doubt but that if Aldridge Station was cut up two or three families could live on it comfortably.

191. I am speaking of the three runs mentioned by Mr. Murchison?—I think that Acheron might be cut into two.

192. What number of sheep do you think a run should carry in order to enable a man to make a reasonable living?—I should say about six thousand sheep, as the runs are. I should say if a person had six thousand sheep on some of the runs he could make a comfortable living. I know a shepherd on a station further back who has made a comfortable living in that way.

193. When you said that private land was let at £4 per acre and a reserve near by of 800 acres was let for £50 per annum, did you mean us to infer that the reserve is similar quality land?—Oh, no. It is very poor land—nothing but sand and manuka, which could not be improved. My reason for mentioning it was to show that the reserves near the City of Christchurch are really of no quality at all.

194. *Mr. Paul.*] Would you do away with the cropping restrictions altogether?—Yes. I do not think any person should be restricted from making the best possible use of the land.

195. Is it not a fact that a certain proportion of unpractical men get on the land under the land-for-settlements policy, and if there were no restrictions do you not think there might be very serious consequences from the point of view of the State?—Under the present system it would be so, but if we do as I advocate, and the Ranger is a thoroughly practical farmer, he could advise the tenants as to what would be best for the land.

196. Of course, you know that land can be utterly ruined by incompetent farming?—You can never ruin land by cropping it. I say that if you do not put enough into the land to make it produce a crop it will not produce it.

197. Have these workmen's-home settlements come under your notice?—I have been on some of them, and I must admit the sections of the one on the Papanui Road were too small for a man to make a living on them.

198. What are the areas?—About 4 or 5 acres.

199. Do not the men work outside as well?—When they can get it. If they could get constant employment the sections would answer the purpose.

200. Do you not think the area must be kept small in proximity to the city, otherwise the rents will be prohibitive?—If the land was fairly good it would pay more rent, but that land is only shingle-bed. It is unsuitable land for the purpose.

201. *Mr. Matheson.*] Do you consider that a man living and working on Glenthorn, like Mr. Murchison, is not an honest working-man?—I knew him as a bit of a boy, but I do not know what he is like now. I know the man living on the place never had much work to do; they got other people to do it for them.

THOMAS HENRY OVERTON examined.

202. *The Chairman.*] What are you?—I am a pastoral tenant, and I hold a lease at Rockwood. I hold it in company with my cousin, who gave evidence at Methven.

203. Do you indorse all he said?—Yes. He spoke of the want of improvements on the run, and I think he told you pretty well the facts of the case.

204. Is there anything you wish to add?—I would like to state that there was a lot of gorse on some coal leases up there, and it has been allowed to spread by the previous tenants, and we are willing to clear it if we can get a longer lease. We comply with the regulations now, and keep it from spreading, but under present circumstances you could not expect us to clear it. There are gorse fences on each side of the property to the extent of two or three miles, and half a chain from the fence is a mass of solid gorse, and there are bushes scattered everywhere over the place. There is a certain amount of briar as well. There are no buildings or yards at all on the run, and we do not care to put up buildings under the short lease we hold. We have to depend on our neighbours for shearing. I think if we were allowed a further lease and if we spent £200 or £300 in the way of a shed and yards that expenditure would not block anybody else from going in for the property, and it would be a benefit to ourselves and to the Government. In regard to the remarks of the last witness about cutting up the large properties, I do not think the country is really fit for it. A petition was got up in our district to cut up our place, but it was knocked on the head. There is nothing in it. The winter was severe up there. In the last two years we had about 2 ft. of snow. We now carry about four thousand sheep. Last year we had to buy two thousand to stock up, and this year we had to buy five hundred. On a small place like ours it takes the two of us all our time to get along. We can scrape along on four thousand sheep.

205. *Mr. McCutchan.*] What extension of lease would you expect in consideration of clearing the gorse and the briar?—The longer we could get the better it would be for us. We would be satisfied with a seven-years lease.

206. Do you think these holdings should be let for a term of years with periodical revaluation, so as to give the tenants a greater interest in them?—I think that is only fair.

207. How would you assess the rental to be paid at the beginning of the new term?—That would be really in the hands of the Ranger.

208. If you were allowed compensation for your improvements would you be willing to have the place put up to auction?—That is what we object to, because it means we might get the place into fair order and somebody comes along who does not know the country, but sees a bit of the improved land, and outbids us. That does not give one much encouragement to put on improvements.

209. If you were given a long lease with a clause providing for periodical revaluation would you be prepared to have the valuation of your improvements fixed by arbitration, and not by the Rangers?—Perhaps that would be the best idea.

210. Have you done anything in the way of surface-sowing?—Yes, about 50 acres. It has taken, but it has not been a great success. Of course, we have only been there two years, and have not had much chance to do anything. We sowed cocksfoot principally.

211. Are you satisfied with the present constitution of the Land Board?—Yes.

212. Do you think in a large district like Canterbury four men are sufficient to adequately represent each part of the district?—I think so, if they are practical men.

213. We heard complaints, especially in Central Otago, that there were men on the Land Board without local knowledge, and the suggestion has been made that each land district should be divided into wards, and a member nominated by the Government from each ward: do you think that would meet the difficulty?—Perhaps it would.

214. *Mr. Johnston.*] Has your father ever owned any of these runs?—No; he has always been a farmer on the plains.

215. In your opinion, Acheron and Lake Coleridge should not be cut up?—I do not think so. They are a good way from the market, and the winter is very severe.

216. Is the land as good as was described by the last witness?—I do not think so. It is nice sheep-country, but there is a lot of risk with it.

217. What is the size of your run?—6,100 acres, and we try to keep four thousand sheep on it.

218. You think it is fully stocked with four thousand?—That is quite enough.

219. *Mr. Anstey.*] Suppose you had a secure tenure—the freehold, if you like—and you then cleared the gorse off the place and farmed it better, would that better farming enable you to carry more sheep?—Certainly, and we could carry our young sheep better. We could then grow some turnips.

220. Do you think that would apply generally to the runs in the high country?—If they had land on which to grow turnips it would.

221. Have you the right to cultivate?—No. I may say we own 200 acres of freehold alongside our pastoral lease.

222. Have you any land suitable for cultivation?—Yes; 200 or 300 acres.

223. Is there any reason why you should not be allowed to cultivate?—I do not know of any.

224. Can you give me any idea as to the number of sheep you think a run should carry in order to enable it to be worked economically and leave a fair living for the lessee?—We have to scrape along to make a living out of four thousand sheep.

225. I presume you would require a larger number of sheep further back?—Certainly. The losses are heavier. Glenthorn, I believe, lost two thousand sheep this year.

226. I presume if most of the country was cut up into stations to carry from six thousand to eight thousand sheep they would be sufficiently large for a man to make a living?—Yes, a good living. If the Glenthorn people were able to get a long lease they would be able to fence off the high country, and then their losses would not be so heavy.

227. Do you think any of the runs are suitable for subdividing, providing the tenants got a good tenure?—Some of the larger runs might be cut up; but if some of the small people got heavy losses they could not stand them as well as the people who now hold the properties.

228. Is it not a fact that some of the large people do not lose at all, but the companies who support them lose?—I do not know about that.

229. *Mr. Paul.*] Have you had much experience of the back country?—I have been mustering ever since I left school, ten or eleven years ago.

230. Do you think the present state of your run is the result of an unsatisfactory lease?—Certainly; it has allowed the gorse and briar to spread.

231. How does that country compare with what it was fourteen years ago?—I do not think it is as good. Towards the end of a short lease the tenants take all they can get out of the place, and that does not do it any good.

232. Do you think if the tenants had a chance of leasing a run at a fair price, with full valuation for improvements, that state of things would continue to exist?—No, because it would be no benefit to the present holder to depreciate his property.

233. *Mr. McCutchan.*] The previous witness said that no rent was paid for land above the snow-line: is that correct?—I do not think any rent is paid for it, but I am not certain. It is a sort of no-man's land.

GEORGE ALBERT LASSEN examined.

234. *The Chairman.*] What are you?—I am a farmer. I hold 600 acres under lease in perpetuity at Green Park, about seventeen miles from Christchurch, on the border of Lake Ellesmere. I also hold 100 acres under temporary lease, and I pay 1s. 3d. per acre rent for the lot.

235. How are you pleased with your holding?—I can very easily explain that I am very much dissatisfied with it. I have nothing to complain of about the land or the rent, because they are right enough; but I think it is an absurd fraud for the Government to put people on to the land under the pretence that it is for 999 years lease, or a tenure as good as a freehold. I went to this Lake Ellesmere land with savings which I had earned by the sweat of my brow, and I have put that money on to the land and improved it to a great extent, and I say when a man has spent his hard earnings on his property and settled down it is nothing else but bare robbery to threaten him with revaluation.

236. Who has threatened you?—The agitators in the towns.

237. Who is your landlord?—The Government.

238. Have the Government ever threatened you?—No; but we do not know how soon they will. We people on the land can see it right before us. The agitators in the towns are in the majority, and they will have their way, and that their day is coming I feel sure. When revaluation comes along I may as well leave my property. I do not think it is a fair thing at all. I think the leaseholder should have the option of acquiring the freehold of his place at any time and at all times. When I went on to this land it was practically useless. I have irrigated it with my earnings, and I have spent a lot of money in stocking the land and surface-sowing, and it now carries a fair quantity of sheep in the summer-time. The upset value of the land was £1 8s. per acre, and if they come along to value the property with my improvements they will put three times that value on it. I have been there six years. The Government have taken the credit for putting the people

on the land there, but the Government simply will not spend a bit of money in helping the people to keep their homes on it. Every year the settlers are flooded out by Lake Ellesmere, but the Government will not spend one penny in helping the people to drain the lake.

239. The Government spent many thousands in draining the lake before you went there, and then they handed the work over to the County Council?—Yes, and now they snap their fingers at the whole of the settlers since I have been on the lake. The culvert that has been put in is no good, because it has not been built at the proper level. If it had been built at the proper level it would be successful in draining the lake and stopping the flooding of our land.

240. You have done very well on your farm, I think you said?—Yes, because I had the money, and spent it on the place.

241. It has paid you fairly well?—It has not paid me up to the present, because I have spent all my cash on the property.

242. Supposing you have security of tenure, do you think it will pay you?—That depends a great deal on circumstances. With the present markets there is no doubt that it would pay if irrigation is continued. The salt rises from the bottom and requires to be kept down. There is no doubt when a man goes on the land he should have the option to acquire the freehold.

243. You took up this land knowing there was no option?—I did; but I thought that in time the leaseholders would get the option.

244. *Mr. McCutchan.*] Had you a feeling of insecurity when you took the land up?—No; I went in quite satisfied that the lease would not be broken. I have seen lots of things that have been done in past years, and have come to the conclusion that if we get a majority from the towns they can break our lease at any time.

245. You think the town members can put a Cabinet in office to bring that about?—It will not be their fault if they do not.

246. Is this desire for the freehold produced by the agitation from the towns?—I cannot say that I would be content all my life with the leasehold. When a man can afford it he likes to make his home his own.

247. Is the sense of insecurity that you speak of general among the settlers in your district?—Yes.

248. Were you sent here to speak for the other settlers?—No. A great many of them would like to come, but they are afraid to speak to their landlord.

249. They hesitate to give evidence before the Commission?—Yes, a great many do.

250. *Mr. Anstey.*] Do you think it would be very wrong to break the conditions of your lease in the direction indicated, according to your statement, by the labour party?—I think it would be very wrong.

251. You think that a contract entered into like that should be sacred?—Yes.

252. Do you not think it would be equally wrong of you to ask the State to allow you to break the same contract which you hold so very sacred?—I cannot say I am wanting to break it.

253. You are asking the State to break it by giving you the freehold?—Yes.

254. Then, you come here and start an agitation on the other side: do you not think you are to blame?—No, I cannot see it.

255. Supposing you get the right to obtain the freehold, on what terms do you want it?—To pay off the land at the price at which I took it.

256. Do you think you would be a great deal better off if you had the freehold?—We would be a lot safer than if we had a revaluation.

257. It would be a better tenure than the freehold?—I would be able to spend more money on it.

258. You would not be willing to pay anything for that improvement?—I should think it would be hardly fair to ask a man to pay anything on his own capital that he has spent on the land.

259. Do you think any agitation from yourselves or the labour party to break the leases would be successful?—I have not much faith in our own efforts, but I have with regard to the efforts of the labour party.

260. Do you not think if you got the freehold they might put on a thumping big land-tax?—I think if a man has the land he is able to pay a good big land-tax.

261. What cropping regulations are you under?—I do not know that I am under any. My land will not grow crops. It is all grazing land. At the same time, I think that when a man goes on to land with experience and capital he should have a free hand to crop to the best of his ability. The land will bring restrictions about of itself. A man cannot do much injury to the land by overcropping.

262. *Mr. Paul.*] Have your dealings with the Land Board been satisfactory?—Yes.

263. Has the Ranger ever harassed you in any way?—No.

264. What do you think would be the most valuable tenure—lease in perpetuity with the option of the freehold, or the lease in perpetuity without it?—The lease in perpetuity with the right of purchase should be the lease for the people who require it. In my opinion, the deferred-payment system was the best ever introduced.

265. You are not prepared to give anything extra for what you consider to be a more valuable form of lease? I would be prepared to pay 1 per cent. more.

266. Would you be willing to have your improvements conserved to you in the event of the option being given and the land put up by auction?—I think the most satisfactory way would be to put the land up to auction, but the trouble is that the moneyed people might come in and take away the land from the smaller men.

267. You recognise it would be fair from the point of view of the State?—I should say so.

268. What have these agitators been saying with regard to revaluation?—They have not done much so far; but the members of Parliament for this city have been agitating for revaluation, and no doubt that agitation will increase year by year.

269. Did those members advocate that that revaluation should be retrospective?—Yes.

270. To apply to your leases?—To all the Government leases.

271. Do you think the principle of revaluation is sound?—No, I do not. I look upon it as a fraud.

272. In what way?—In every way.

273. You do not mean to suggest that your improvements would be revalued after a few years?—It would be my improvements, of course. What else would be revalued.

274. Has any case come under your notice where land has decreased in value?—Yes—in the North Island; but that does not apply to Canterbury.

275. Would you favour reducing a man's rent if the land decreased in value?—Not if the land was all there as he took it up.

276. As a citizen, you would be prepared to charge him too high a rent for the land he was occupying?—No.

277. Supposing your view is correct, and some members of Parliament are advocating retrospective revaluation, do you blame them when another section is advocating the giving of the option of the freehold to the tenants? Both parties are anxious to break the lease, and is one more guilty of breach of contract than the other?—Yes. The freehold is the tenure of the people in New Zealand in general, and why should not the balance who have the money have the option of the freehold when they are prepared to pay for it.

278. What is the fear that tenants have of giving evidence before this Commission?—They think that if they give evidence and do not agree with the doings of the Government they will get into the Government's bad books.

279. Did you ever hear a tenant express fear about coming before this Commission?—I have in various ways.

280. In what way?—I have heard one or two say that they would not care to give evidence before the Land Commission because they were tenants, and I took it that they did not care to express their minds about wanting the freehold, and so on.

281. Would you give the names of those people?—I would not care to give the names.

282. Can you tell us definitely what they did say?—I have told you that they said they should not care to give evidence before the Commission, being Government tenants.

283. You know that a good many Government tenants have given evidence on both sides?—I do not see anything to be afraid of, personally.

284. You do not consider yourself a great deal braver than the rest of the tenants?—No.

285. Is there any reason why they should be afraid?—I do not know that there is any special reason. They think that the Ranger or some one else might keep some of them more up to the mark than they like. That is only my opinion, of course.

286. You know that the Ranger could not go outside his duties?—I understand that.

287. *Mr. Forbes.*] Has the land gone up in value since you went there?—Very little.

288. In the neighbourhood?—Outside the lake boundary there is quite a different sort of land altogether.

289. How long have you been there?—Six years.

290. The produce of land, especially grazing land, has increased in value very much in the last five years: would that not affect the price of land?—It would improve the value if the lake was well drained, and we could depend on carrying a certain number of stock all the year round.

291. Does your land get covered in water?—The biggest portion of it is under water in the winter-time. The lake will sometimes rise 2 ft. or more in a week.

292. What rent do you pay?—1s. 3d. per acre.

293. What do you carry in the way of sheep?—In the winter-time we cannot carry any sheep, and in the summer-time we can sometimes carry one sheep to the acre and sometimes less, according to the seasons.

294. Do you think 1s. 3d. an acre is full value to-day?—I am quite sure it is.

295. Then, you must have given too much for it five years ago if it is only worth its rent now?—It must be worth more than that, considering the amount of improvements I have put on.

296. When you went on that land did you know it was to be flooded half the year?—I did not know the land at all. The Ranger told me that portions of the land were liable to floods, but I did not know to what extent.

297. Would you be satisfied to buy the land in its present condition?—I would be just as satisfied as I would be to pay rent all my life.

298. Does the Crown do anything for you at all?—Not that I am aware of.

299. Do they make you no grants to help you to get rid of the water?—There was one grant of £1,500 two or three years ago when we raised a loan to drain the lake. The Selwyn County Council have managed the drainage-work and built the culvert 4 ft. 6 in. above the lake-level.

300. You do not think there is much chance of getting any more?—Not while the Selwyn County Council is in charge of the work. The settlers would be quite willing to pay their part of the rates if the culvert were put in at the proper level.

301. *Mr. Matheson.*] If time goes on well and the State retains the freehold, the State has a better opportunity of getting a bigger income from it. If they converted the whole of the country into Government leases and bad times come they run the liability of a heavy loss. Do you think that if they granted the tenants who wished it the right of the freehold the State would be doing an unwise thing, from a statesman's point of view?—They would be doing a very wise thing to give them the freehold.

302. Wise from the citizen's point of view?—It would be, from a farmer's point of view.

303. As a citizen do you think it would be wise for the State to grant the freehold?—Yes.



HARRY MANNING examined.

304. *Mr. Chairman.*] What are you?—I am a jobbing builder, and have a 2-acre lease-in-perpetuity section in the workmen's-homes settlement at Pawaho, for which I pay £1 11s. 6d. per acre per annum. I am a newcomer from the Old Country, and have only been here a little over four years, and, with the exception of a few weeks, my time has been put in on the workmen's-homes settlement. I think it is a great idea to give an opportunity to a man to acquire a home of his own, and if instituted in the Old Country would considerably ease things. There are a good many drawbacks which only reveal themselves to a man when he gets on the settlement. One condition is that a man within twelve months has to put on improvements and a habitation of the value of £30. That strikes me as being a trifle ridiculous, for it would take £30 to build a cowshed. He is also informed that he will get assistance from the Government. When he gets on the section and spends what money he has got on materials he naturally expects that he will get the Government assistance. He applies to the Government after getting his house under way, and the Ranger comes and makes a report to the Land Board. The Land Board then informs the tenant that when he has finished the house they will give him the assistance. That prevents a man from building a proper house. It would be better if the Government advanced money to the settlers at the offset for their buildings, and charged a certain amount per annum for the advance. I think the Government should put up the house for the tenant and charge him a rate of interest which, say, in fourteen years would make the house his own. Some people with better opportunities of getting money are able to erect houses to the value of £200 or £300, whilst probably on the adjoining section there is a tenant simply fulfilling the conditions of lease by putting up a £30 house. Another drawback is that the £50 which a tenant can get from the Land Board he can only get once. If he has had an advance, and pays it back, and at some future time requires another advance for a specific purpose he cannot get it through the Board, but has to go to the Land Settlement Office, which attaches a good many legal expenses to its loans. There are no expenses attached to the Land Board advances. There is room for improvement, too, in the method of valuing. It is impossible to expect a Ranger to be able to value improvements in land and also improvements in buildings. He always errs on the Government side. I put on a hundred pounds' worth of material, without counting labour at all, in addition to fruit-trees, pigstye, and cowshed, and applied for a loan, and the Ranger came down and valued everything at about £60. I came to the conclusion that the man was not practical.

305. What is your opinion with respect to the tenure, and especially as to the lease in perpetuity?—I have been asked whether I am in favour of the tenants having the right of purchase, and I say emphatically No. I do not think it is just that the tenants should get that advantage at the expense of the rest of the community. So far as I am concerned I do not think the question of the freehold should be allowed to enter into the consideration of this question at all. As to revaluation, I do anticipate that tenants should pay an extra rent upon the value given to their land to causes outside of their control. For instance, there is the increase in population and the greater demand for land. I take it that is what the labour agitators are aiming at, and I think it is very fair too.

306. *Mr. McCutchan.*] Would you be satisfied to have your own lease revalued?—Yes, it is only fair.

307. Therefore if the labour unions desire to make the application of revaluation apply to existing leases you think that should be done?—Yes.

308. *Mr. Anstey.*] You suggest that the Government should go a step further and build houses, and let both houses and sections to the tenants?—I think it would be a wise thing from the standpoint of the Government and tenant.

309. Do you think there would be much risk in the Government undertaking that sort of thing?—I fail to see where there would be more risk than at present.

310. *Mr. Paul.*] Do you think if the amount were increased—the total amount is now £50—if that were increased and the money was advanced before the buildings were erected that would meet your objections?—Yes, to a certain extent. I think it would be met by a fair valuation—not a ridiculous valuation—and also if the amount were increased which the Government granted. Fifty pounds is too little. It is of little or no assistance in the building of a house.

311. You mean to say that the Government by restricting the amount to £50 gives a premium for a man to build a poor house?—It is obvious that the man must build a poor house.

312. If the amount were double that would it not be more likely that good houses would be built?—Yes.

313. Do you think the municipality would be able to deal with this question better than the Government?—Yes, but there is no reason why the Government should not introduce legislation dealing with workmen's homes.

314. Has this system been fairly successful around Christchurch?—Yes, fairly successful; but there have been some failures.

315. What do you mean by failures?—My meaning is best expressed by what I have said, but I may add that on some sections houses have been put up at a cost of £200 or £300 alongside other houses which are not much better than cowsheds.

316. But in a city in the case of private enterprise do not you see the same sort of thing?—Yes, but we look for better things where the Government is concerned.

317. *Mr. McCardle.*] You are well acquainted with the increased values and rents in cities?—Yes, fairly well.

318. I suppose you know of cases of deserving families who are destitute owing to the high rents they paid in the past?—Yes.

319. Do you not think it is the duty of the State to provide house-accommodation for these people?—Yes, I think it is the duty of the State to move in any direction in order to benefit the people.

320. Is it not very much in the hands of the working-men themselves how they will obtain these benefits?—Yes, I think so.

MCKENZIE, CHEVIOT, MONDAY, 17TH APRIL, 1905.

JOHN VAUGHAN examined.

1. *The Acting-Chairman* (Mr. G. W. Forbes).] What are you?—I am a farmer on Cheviot. The area of my holding is 206 acres; 106 acres is held under lease in perpetuity and 100 acres freehold. My rent is 11s. 4d. per acre. I have no grievance, and things have been going on smoothly. I have looked over the various questions which the members of the Commission are asking witnesses, and I am not prepared to recommend any alteration in regard to the present state of things.

2. *Mr. Anstey.*] Are you, generally speaking, satisfied with your present tenure—the lease in perpetuity?—Yes.

3. And you are satisfied as to your rent?—Yes, just as things are now. I used to feel that it was too high. I certainly felt it was high for some years, but as things now are I have no complaint to make.

4. Have your relations with the Land Board been satisfactory?—Yes; I have not had a single hitch during the eleven years I have been here. I have thought over the question of the constitution of the Land Board, and I think the present constitution of the Board should be retained.

5. Are the cropping conditions of your lease satisfactory?—There is one little matter in respect to which I found I have been violating the strict rule as laid down in our conditions—namely, by working the land for four years. I am advised that we are only permitted to keep working it for three years, and I have been working it for four years; but I claim that in doing so I have been improving the land. The course I have been pursuing has been this: turnips, oats, then early turnips and rape and wheat, and then down in grass. I do not take two grain-crops in succession, but a root or rape crop, with manure at all times, and I hold I have been improving the land. I find, however, that I have been violating the conditions.

6. If you were restricted to two white crops and were allowed to do as you liked in regard to green crops, that would be satisfactory?—Yes; what I am doing at present is satisfactory. I know all the settlers on Cheviot, and there is not a single one who would materially injure the land by unduly cropping it.

7. You are aware there must be restrictions?—Yes.

8. You think that two white crops are sufficient to take out of the land?—Yes.

9. *Mr. Paul.*] You are one of the original settlers on Cheviot?—Yes.

10. Did you approve of the ballot system by which you got on the land?—Yes; I thought it was very satisfactory, and I think other settlers have come to the conclusion that it has worked satisfactorily.

11. That was the single ballot?—Yes; and there was the further privilege that when we drew a section it could stand over until we had a chance of drawing one or more sections, but only getting one. If we drew one and then got another section the original section was allowed to remain in abeyance, so that we had a double or a treble chance.

12. Have you studied the grouping system?—Yes; I think that is absurd.

13. You think the original system under which the settlers secured land on Cheviot is better?—Yes; better for the settlers, although under the present system the balloting is completed more quickly. But, as far as the settlers are concerned, the grouping system is not satisfactory, and I think there is a universal condemnation of that system amongst the settlers here.

14. Has the value of land at Cheviot increased during the past eleven years?—Yes.

15. Have there been many changes—many new settlers who have bought in?—I could mention half a dozen new settlers, and there have been changes amongst ourselves.

16. Have these changes been generally to the advantage of the seller?—As things have been going lately, the changes have generally favoured the seller. Of course, we have had, to my mind, something like a boom lately in regard to prices.

17. And have the boom prices been paid by the incoming tenant?—I have felt that unduly high prices have been paid by the incoming tenants by their anxiety to get on the land.

18. Do you think that is in the interests of the settlers?—It is in the interests of the present holders, but I question whether it is wise in the case of the incoming tenants. Of course, if wool and mutton remain at their present prices the amounts which have been paid are not unduly high; but I think we ought to anticipate a decided drop presently. The present prices are abnormally high for breeding ewes and stock, and our past experience has shown that such abnormal prices do not remain long.

19. Have you had any experience of the Advances to Settlers Department?—Yes.

20. Has it been satisfactory?—Yes; I have had no friction with the Department.

21. *Mr. Matheson.*] Do you think the Government would be wise to allow more than two white crops in six years?—I do not think they would be wise to allow that.

22. If a tenant breaks the cropping regulations the only punishment at present is eviction. Suppose a harsh body of men came into power, and in the event of the cropping regulations being broken, do you think it would be wise that harsh punishments should be inflicted, or do you think that a fine might be imposed rather than eviction?—There has been no trouble with the tenants in regard to the cropping regulations, and that question has never arisen; but in order to meet minor breaches of the regulations I should think it would be advisable to have some very much lighter punishment than the extreme punishment of eviction.

23. Supposing good times continue, and the tenants are able to save money, do you think the Government would be wise in letting them pay off a part of the capital value and thus reduce the rent in the future?—I think it would be a good thing in the interests of the individual, but I think in the interests of the State the Government should retain the land in the interests of posterity.

24. *Mr. McCardle.*] Do you not think it would be a wise thing in the interests of the State if the Government, in the case of land taken up under the Land for Settlements Act, were to value the

land in this way: value the improvements made by the previous holder separately from the value of the unearned increment—the incoming tenant to be allowed to pay off the amount of improvements as stated in the lease?—I think the Government should not demand that the amount should be paid down in a lump sum. I do think, however, that what you suggest would be reasonable.

25. Do you know the feeling of your fellow-settlers with regard to the freehold and the leasehold?—I cannot say that I am conversant with the feeling of the majority, but my own feeling is this: that where they had the means it would be a very satisfactory investment of their money.

26. But, from a statesman's point of view, you think it would be a mistake?—Yes.

27. This settlement has proved a very great success?—I think it is quite as successful as any settlement could reasonably be expected to be. Both pastoral tenants and agriculturalists had a pinch at first, but as things have been going lately it ought to be considered a success.

28. Are there some other large estates in the district that would be suitable for subdivision?—Yes.

29. Do you not think that in the interests of the State and of settlement those estates should be purchased for closer settlement as soon as possible?—Yes, as soon as they can be purchased at a fair price. I think that at present the price of land is abnormally high. There are very few owners who would be prepared to part with their land now at what would have been considered a fair value four years ago.

30. Do you think that revaluation of lease-in-perpetuity land would be a fair thing?—In the interests of the State I should say Yes, but in the interests of the individual I say No.

31. You have expressed yourself pleased with the Advances to Settlers Department: would you go a step further and say that it would be a fair thing in the interests of the leaseholders and safe for the Government if the Government advanced up to three-fifths of the settler's interest in the land?—I have hardly had sufficient experience to say whether that might be considered a commercially sound policy. In the event of land coming down in value the State might suffer if they did not leave a good margin.

32. *Mr. Johnston.*] You say you would not approve of a man paying off a portion of the capital value and thus reducing his rent?—I do not approve of it in the interests of the State.

33. Would you approve of the tenant depositing with the Government a sum of money and allowing the Government to draw the interest equal to the rent—that is to say, 4 or 5 per cent.?—Is not that almost equal to depositing it in a bank or paying off the amount. I should say, however, that I can see no objection to it.

34. That is, so long as the tenant had a receipt for the amount, and the interest was allowed to be charged as interest against the rent?—I think as a farmer is not allowed to seek outside investments under the present circumstances, the Land Board might arrange this matter in regard to investing his surplus savings, and they would naturally look to the land as a very sound and satisfactory investment. But, in the interests of the individual, I would go so far as to say that he might very reasonably be allowed to pay off a certain amount—say, equal to the improvements.

THOMAS GEORGE GEE examined.

35. *The Acting-Chairman.*] What are you?—I am a sheep-farmer, but I may state that I appear as spokesman on behalf of a number of holders of small grazing leases at Cheviot. I may first say that I hold a lease-in-perpetuity section, and my brother holds the lease of a grazing-run, and I also represent him. In fact, I represent all the small-grazing-run holders at Cheviot. The area of my holding is 270 acres, and my rent is 7s. an acre. My brother holds 1,770 acres, and his rent averages about 3s. 4d. an acre. The special business I have to bring before the Commission is the unsatisfactory conditions of our leases. The leases are for twenty-one years without revaluation. I have been asked to present the following petition to the Commission:—

“To the Land Commission.

“Cheviot, 17th April, 1905.

“GENTLEMEN,—We, the undersigned holders of small grazing-leases on Cheviot, desire to bring under your notice the unsatisfactory and unsettled condition of our leases, which are for twenty-one years without renewal. The Cheviot Estate, as you are aware, was the first estate acquired by the Government, and the latter has found out by experience that a more secure tenure is desirable, and in all recent settlements have granted a twenty-one years lease with the right of renewal. This right we are anxious to get in our case. We feel that no good purpose is served by turning out one settler merely to put another in his place, especially as the original settler has had the pioneering with all the accompanying hardships to overcome. He has also laid out the homestead and built according to his own idea, and feels, no doubt, proud of the result. It would therefore be a hardship to turn him out merely to make room for another, and at the same time force him to find a new home. We should also like to point out if our leases were more secure we should continue ploughing, surface-sowing, and otherwise improving our holdings. We respectfully ask the Commission to give the above matter their consideration, and urge the Government to grant us a renewal of our leases with revaluation.

(Signed) “R. C. Wilson.

Patrick Fitzsimmons.

Nicholas Francis.

John Fitzpatrick.

A. E. Denton.

W. J. Gee.

D. Archibald.

James Anderson.

D. Winskill.

John Upritchard.

Gertrude Hungerford.

Jno. H. B. Oliver.

Peter Childs.

Richard Wm. Hale.

D. McLaren.

John Fleming.

William C. Hyde.

Robert Sloss.

Louis Barker.

Charles J. Westland.

Alexander Mowatt.”

John Munro.

John McPherson.

This petition was agreed to by all the small-grazing-run holders of Cheviot a few days ago. The petition is unanimous. The petition itself puts our case clearly. I think with the exception of

Waikakahi all the small grazing-leases are for a term of twenty-one years with right of renewal. We, the small-grazing-run holders on Cheviot, also wish the right of renewal. At present I desire to confine my remarks simply to the question of the small grazing-runs, and subsequently I and other settlers may appear before the Commission in regard to other matters. For instance, some of us may be in favour of the leasehold whilst others may be in favour of the freehold, but we are all agreed in our desire to have the right of renewal and to be placed in a similar position to that occupied by holders of small grazing-runs in other districts. As far as the State is concerned I think it would be a very great advantage if we were granted the right of renewal for this reason: that there is only some ten years of our leases to run, and, as time goes on, it will not be to our advantage to put improvements on the land—for instance, surface-sowing, tree-planting, and other improvements—because we will get nothing for them at the end of our term; but if we had the right of renewal it would be to our advantage to go on improving the land by surface-sowing and ploughing; and, in respect to ploughing, I may mention that it is three years before any result is apparent to the man who has sown grass seed, and as his lease comes to an end he does not get any advantage by sowing grass, and consequently the State does not get that advantage out of the land which it otherwise would get if there was a more secure tenure. In the case of Rosewill and Highfield the Government have granted a twenty-one-years lease with right of renewal. That gives a man an opportunity of improving his place instead of letting it get into a state of neglect. I have been specially asked to say this in regard to those who signed this petition, that with the exception of one or two whose names we have been unable to get it is practically a unanimous expression of our opinion. We do not wish to be asked our opinion in regard to the freehold or the leasehold at present, but after this question has been dealt with a number of us will be prepared to come forward and state our opinions in regard to the question of tenure.

36. *Mr. McLennan.*] Do you want the right of renewal at the present rent?—It is stated in the petition that we wish the right of renewal with revaluation.

37. To be fixed by arbitration?—I think that would be a very fair means indeed.

38. Would you be satisfied with valuation for improvements?—Yes. I consider that the question of improvements need hardly be considered if we got a renewal. The value of the land would be assessed at its carrying-capacity. It would have nothing to do with improvements at all.

39. *Mr. Anstey.*] Does your present lease carry with it any valuation for improvements at the end of twenty-one years?—No, and that is a very sore point.

40. According to your existing lease the improvements belong to you?—I am very pleased to hear that.

41. Supposing you got a renewal at an arbitration rental, would not that cover anything you are entitled to?—Yes.

42. Supposing you got a right of renewal, are none of the grazing-runs in this neighbourhood suitable for closer settlement?—One of the great drawbacks of Cheviot all through has been that it has been cut up into too small areas. I may mention that at Highfield there is one section of 6,000 acres which will carry four thousand sheep, but there is not a single section at Cheviot which will carry four thousand sheep. Therefore I do not think in the interests of settlement it is advisable to cut them up any smaller. I believe that the Government is now finding out that it is best to give a man a fair-sized holding, and thus make him a contented settler, rather than have a large number of discontented settlers.

43. Would there be any objection to inserting in the clause as to right of renewal that it is subject to be taken, or any portion of it be taken, if it is considered necessary by the Government for purposes of closer settlement?—If the Government decided in favour of that I think they could do that now.

44. How many sheep are carried on this small grazing-run of 1,770 acres?—We carried twelve hundred last year and they did not turn off too well.

45. Do you think that is large enough to make a fair living off?—I would like to point out that we were only carrying five hundred ewes and the rest were dry sheep. I think in order to give a man a fair chance he ought to be able to carry two thousand ewes.

46. Are there any cropping restrictions in the case of small grazing-runs?—I do not think there are many who do cropping except turnips, rape, &c., for the purpose of fattening.

47. You are not harassed in regard to restrictions as to cropping?—No.

48. *Mr. Paul.*] Are there substantial improvements being put on these runs?—Yes, very substantial.

49. Are the small-grazing-run holders doing fairly well on their present holdings?—Yes, owing to the present high values; but I am certain of this fact that the men who had the hardest struggle for the first four years were the holders of the grazing-runs.

DAVID ARCHIBALD examined.

50. *The Acting-Chairman.*] What are you?—I am a farmer. I hold a small grazing-run of 4,018 acres, and my rent is £733 a year. The point I wish to emphasize is this: I think it is neither good for myself nor for the State that my tenancy should be left so insecure. The question of revaluation is a strong point with some people. I wish to point out that if you are going to have revaluation every twenty-one years there should be some limitation placed on the amount.

51. Do you indorse all that is said in this petition?—Yes.

52. *Mr. McLennan.*] I suppose you would be quite satisfied, after the expiration of your present lease, to take up a new lease at the same rent as you are paying now?—Yes; I think it is a very fair rent.

53. Would you be in favour of having it settled by arbitration?—I think that would be a very fair way of settling it if it has to be revalued, and I would be quite prepared to stand by that.

54. And you would get valuation for your improvements?—Yes.

55. *Mr. Anstey.*] Supposing your rent were to be fixed by arbitration, would that not be a sufficient guarantee as to the equity of the position?—I think there should be some limitation or percentage fixed.

56. *Mr. Paul.*] Do you favour the principle of revaluation applying to these runs?—It is a principle I cannot escape from, but if I could get out of it I do not think I would desire to have it.

57. You do not think it sound?—Not as it stands now.

58. But you took up these small grazing-runs under these conditions?—Yes. I am quite satisfied to submit to revaluation, because I have signed this lease for twenty-one years, and I have no right to renewal. I am quite prepared, however, to take a renewal with revaluation, but I want to point out the weakness of revaluation. I think that revaluation without a limitation is a dangerous thing.

59. I understand that under the present lease you have erected substantial buildings and have made other improvements?—Yes, I have splendid buildings. I have ploughed a good bit, but I have not surface-sown.

60. *Mr. Matheson.*] If you had a free hand and were looking for a piece of land would you look for freehold or lease in perpetuity?—If I were a rich man I would look for a freehold.

61. The land-for-settlements policy was brought in in order to settle people on the land?—Yes.

62. In view of all the circumstances, do you think the State would be wise in giving the option of the freehold, seeing that you would make better use of the freehold?—I think the time may come, and I think very likely it will come, when the freehold should be granted to the tenants who have done what we have done on the land.

63. *Mr. McCardle.*] You are supposed to have a considerable amount of unearned increment in your land?—I do not know that. I am paying rent on about £3 10s., and the last valuation put on the land was £2 15s.

64. Leaving your own case out and taking the case of a number of other settlers here, apparently high prices have been paid for their interests in their sections?—In some cases.

65. What has been the cause of those high prices? Has it been the high price given for stock and produce generally, together with the fact that people now are seeing that the land-for-settlements policy has been a success?—I believe it is the market value of the produce which is really the cause of it.

66. And if the market price of produce goes down you think the price of land will go down with it?—Yes.

67. Have you had any experience of the Advances to Settlers Department?—Yes, and it was very satisfactory; but still I was glad to get out of it.

68. I know districts where the land is covered with dense bush, and where a man before he can take anything out of the land has to spend £3 or £4 an acre. Most of these men are hard-working men. Do you not think the State would be safe in advancing up to three-fifths of their interest in the holding?—My opinion would not be worth giving on that point, because I have not been in the North Island.

69. *Mr. Johnston.*] Would you have been on the land if it had not been for the Land for Settlements Act?—No.

70. If there had been only freehold land you could not have been here?—I could not.

71. How many sheep do you carry?—A little over four thousand.

72. Do you crop any?—Only enough for the horses and green feed for the sheep.

73. Do you put in turnips?—I put in about 70 acres this year.

#### JOHN OLIVER examined.

74. *The Acting-Chairman.*] What are you?—I am a sheep-farmer, and the area of my holding is 3,030 acres, and the rent is 3s. an acre. I support the petition which has been presented to the Commission by Mr. Gee, and I indorse what he said in favour of it. I hope the request of the petitioners will be agreed to, because we are in a very bad position. We really do not know where we are, and at the end of our lease we may be kicked out without any valuation for improvements. If we were given the right of renewal we would improve our places very much more than we have been doing.

75. What is your opinion in reference to the present constitution of the Land Boards?—I am satisfied with their present constitution.

76. What is your opinion in respect to the question of land-tenure?—We desire a longer lease and right of renewal; but, of course, if we could see our way to get it I would prefer the freehold.

77. You think, in connection with Crown settlements, freehold would be the best system of tenure?—Yes.

78. Would you prefer it to be obtained by deferred payments, or that the settlers should purchase their holdings right out?—The deferred-payment system is, I think, a very good one. It has given many a man a chance of getting on the land who would probably never have got there otherwise.

79. Have you had any experience in connection with the working of the ballot?—I think it is very satisfactory.

80. Have you had any experience of the grouping system?—No.

81. *Mr. McLennan.*] When you took up this small grazing-run were you satisfied with it?—I was satisfied, but I hope that some day I might be able to improve on it.

82. I presume there were a good many more applicants for the land when you took it up?—Yes.

83. You took up the land under the expectation that you would get the lease amended before the expiration of your term?—Yes.

84. *Mr. Anstey.*] Supposing the Government were to give you the right of renewal of your lease, would you have any objection to their inserting a provision giving them the right at any time to take a portion of your section if they required it for the purposes of closer settlement?—I would have a great objection.

85. Of course, giving you full valuation for any improvements you might make on that portion of your section?—Yes, there would be an objection on my part.

86. How many sheep do you carry?—Two thousand five hundred.

87. What size do you think these grazing-runs should be in order to give a man a fair chance of making a living out of them?—I think they should carry not less than two thousand sheep.

88. Have you had any dealings with the Advances to Settlers Office?—No.

89. *Mr. Paul.*] Is the value of land at Cheviot increasing?—Yes, there is no doubt it has increased owing to the good times we are experiencing, when stock has doubled its value during the last few years.

90. I understand that you bought this section privately: did you pay anything above the value of the improvements for goodwill?—Yes, but very little.

91. I understood you to say, with regard to your lease, that at the end of the term you might be kicked out without compensation?—Yes.

92. Do you not know there is no possibility of that taking place, because under your present holding you are entitled to compensation for improvements?—Yes; but sufficient compensation is not allowed. I do not think compensation is allowed for surface-sowing or tree-planting.

93. Do you not think the terms of the lease give you full valuation for improvements?—I do not think I would get one-fourth of the value of a house I built on the section.

94. Do you think the State would be wise to give you the freehold?—Yes, it would be a very good thing.

95. Why?—Because instead of the colony having to go to London to borrow money they would derive additional revenue in the colony. I admit that the land-for-settlements policy is a good thing.

96. If you hold this land for the next fifty years do you think your rent will be the same?—It is very uncertain.

97. You have an idea that the colony will progress and that land will increase in value?—We hope so.

98. If you are given full valuation for improvements and right of renewal at an arbitration rent, is there anything in the freehold that would help you to work your run better?—In the case of the freehold it is your own, and you have no further trouble.

99. Would you have got your land if you had had to purchase it as a freehold?—No.

100. Then, you must thank the leasehold for your present position?—Yes.

101. Supposing the State gave you the option of the freehold, at what price would you want it—at the original capital value or the value after revaluation?—At a revaluation, and I would be quite prepared to purchase it.

102. If your improvements were protected would you be prepared to enter into competition with others in trying to secure it at auction?—The improvements are my own now.

103. But if full valuation were allowed, and the land were offered at auction, and you were protected in every way in regard to improvements, would you agree to that?—Yes.

104. *Mr. Johnston.*] Have you had any conversation with the Ranger about the Land Commission?—None whatever.

105. He has not approached you in any way?—No.

106. You are not afraid to give evidence as a leaseholder?—No.

107. No threat has been held over you?—No.

108. How long have you been on this property?—A little over eight years.

109. Have you ever made any attempt to plant trees on it?—Yes.

110. You knew you were doing so at your own risk?—Yes.

111. Have you got any Californian thistle or ragwort on your land?—No.

112. *Mr. Paul.*] You think the freehold is the best from the point of view of the State?—Yes.

113. Suppose a man came along with the cash and took up a freehold he would be a freeholder immediately; but you recommend that the settler be allowed to acquire his freehold on deferred payments. In the latter case he would be simply a prospective freeholder.

113A. Do you think the State would be wise to sell the land to the man with the cash?—I think that would be safest on the part of the Government. I think that the man who can pay for his freehold straight out is better for the colony.

114. You think it would be best in the interests of settlement?—Yes.

GEORGE PULLEY examined.

115. *The Acting-Chairman.*] What are you?—I am a sheep-farmer. I hold 160 acres under a short lease of three years with the right of renewal for three years more, but with no compensation for improvements. I pay £118 a year for the place. I have a lease of the Cheviot wool-shed. What I want to say is that I think at the end of my term I should be allowed compensation for my improvements. I have had to improve my place in order to get a living off it, but I would improve it more if I had a clause in my lease giving me compensation for my improvements. I have laid down 90 acres in grass, and I would have laid down every acre I possess in English grass if I had had a good lease.

116. Is there anything else you wish to say in regard to the matters mentioned in our Commission?—No.

117. *Mr. Anstey.*] You wish to get a renewal of your lease?—No, I only want fair valuation for my improvements.

118. What improvements have you made?—There are 170 chains of fencing, 90 chains of which I had to buy from the outgoing tenant. I have laid down 90 acres in grass, and I had to pay £23 to repair a windmill and slaughterhouse on my section.

119. You get no compensation for them?—No, and I would like valuation for them when I go out.

120. What happens when your lease runs out?—It must go to tender or to ballot.

121. You do not wish the option of renewal?—The Board say they cannot give it to me, but I would not be satisfied with the option of renewal, because the rent is too high.

122. *Mr. Paul.*] What did you pay for the improvements when you went in?—£45 for the fencing.

123. Do you simply lease the improvements on the section?—I bought the fencing, but I lease the woolshed and the accommodation. I would also like to say that when land is being opened for settlement I think preference should be given to a married man with a family, because I regard a family ranging from thirteen to twenty years of age to be as good as capital to a man.

JOHN FLEMING examined.

124. *The Acting-Chairman.*] What are you?—I am a small-grazing-run holder. I hold 1,450 acres, and I pay 3s. 6d. per acre rent.

125. What is it you particularly wish to bring before the Commission?—I wish to index what has been said in regard to the petition asking for the right of renewal.

126. Are you satisfied with the conditions of your lease, so far as compensation for improvements is concerned?—Yes; but I wish to state I am in favour of giving valuation for improvements, such as the surface-sowing of grass and plantations. These things are not at present provided for. It is an expensive job to grass down on high country, and I think compensation should be allowed for it. In my own case I would mention that I have to pack in all my seed and horse-feed.

127. You think the lease should make clear what compensation is to be allowed for?—Yes, and I think it should include surface-sowing.

128. What is your opinion as to the best system of tenure for settling the lands of the colony?—My opinion of the lease I hold is that it should be for twenty-one years, with the right of purchase at the end of twenty-one years.

129. What would you do in the case of a man who was not in a position to acquire the freehold at the end of the term? I would not be frightened to go into the hands of a money-lender. They only want interest on their money if a property is worth it.

130. You think at the end of the term the occupier should have a right to acquire the freehold?—Yes.

131. Are you satisfied with the present constitution of the Land Board?—I think the men are placed there all right. I do not find any fault with the Land Board. I have only asked them to convert my lease into a lease-in-perpetuity holding, but they did not see their way to do so. I have put the place in the market since, because I do not feel the tenure under the short lease is very secure.

132. *Mr. Paul.*] On what terms do you want the right to purchase?—At the original capital value on which I am paying my rent.

133. At the present time you hold your place for twenty-one years?—Yes.

134. At the present time you have no right of renewal at the end of the twenty-one years?—No.

135. On what ground, then, do you base this claim for the right to purchase, seeing you have no right of renewal and that only your improvements are protected?—It is only natural that a man who went into the back blocks through the slush and mud, as we did when we came here, and put improvements on his section, would like to make it his own. That is my idea of the matter.

136. Do you not think it would be a fair thing at the end of the twenty-one years, if the right of purchase is given, to value and conserve your improvements to you, and then put the land up to auction?—I would sooner lease it now than let it run on for a chance of that sort.

137. Have you improved this land much?—Yes, and as much as I will do until I have got a better tenure.

138. Have you erected substantial improvements?—Yes, the Government have valued them at £1,400, and they are never over the mark.

139. It is satisfactory to know you have a certain amount of confidence in the place?—I would like to have everything secure. When a man gets that and gets a bit on the right side of the ledger he naturally looks to see what he is going to do with his money, and if he gets a chance to put it into the land, he likes to know that it is conserved to his family for the future.

140. Could you carry this place on satisfactorily if you had the right of renewal every twenty-one years at a rent to be fixed by arbitration?—I would not be satisfied.

141. Would there be anything in such a lease to prevent you using the place to fair advantage?—Nothing at all, but I have a feeling that I would like it to be my own. It could be carried on the same as it is now.

142. It would pay handsomely to make it freehold at the original capital value?—I suppose it would. I would be prepared to chance whether the value was down or up when I went to buy.

143. Has the land at Cheviot increased in value?—Not on the small holdings or grazing-runs—they have not increased  $2\frac{1}{2}$  per cent.

144. Then it has increased in value?—Very little.

145. *Mr. Matheson.*] If the Government gave you the right of purchase eventually and allowed you pay off the capital value as you liked out of savings, but refused you permission to borrow money to do so, would you be satisfied?—Yes.

146. *Mr. Johnston.*] Are you one of the original settlers?—Yes.



147. Have you done well out of this property?—I cannot complain. I have seen bad times and good times.

148. You were perfectly satisfied with the conditions under which you took the land up?—I was not. I looked to the end of the lease, and I would have liked a 999-years lease when applications were wanted for Cheviot. I had tried all the ballots unsuccessfully, and this was my last chance.

149. Could you have taken up freehold land when you took up this section?—I was farming leasehold land when I came to Cheviot. It was agricultural land, and I considered sheep was what I wanted and what I had been used to.

150. Would you have been in a position to take up freehold land then?—I had not the freehold fever then.

151. You have got that fever now that you have improved your position?—I would like to make the place my own after improving it.

152. You are not afraid of the Land Board bringing pressure on you for asking for the freehold?—Not a bit.

153. Are any of the other settlers?—I do not think anybody is frightened of the Land Board.

154. Have they used their powers to aggravate or annoy the settlers?—No.

155. *The Acting-Chairman.*] Is there anything else you would like to mention?—I would like to mention, in regard to the 10-per-cent. rebate, that I cannot understand why the twenty-one years leaseholders do not get the rebate. It seems to me funny that men with a more secure tenure than twenty-one-years lease should get the rebate. I do not think there should be any difference.

156. *Mr. Johnston.*] What sheep do you carry?—About a sheep to the acre.

157. What is your average loss?—3 or 4 per cent. My average lambing varies from 50 to 96 per cent., but I only carry twelve hundred ewes.

158. Have you had anything to do with the Advances to Settlers Office?—No.

159. Are there any weeds on Cheviot?—No. We are pretty free from weeds. I wish to add that I think the pastoral runholders should have the same right to compensation for improvements as he have. I think they ought to get valuation for surface-sowing. I have been a good bit about these runs, and I think surface-sowing is a thing which ought to be done. The timber is gradually going off the country, and the land is now capable of taking grass.

160. Have you ever seen surface-sowing done on the high country?—Yes. It was sown broadcast after burning the scrub and tussock. The seed was a mixture of cocksfoot, rye grass, and clover. It took very well.

161. At what altitude?—From 1,500 ft. to 2,000 ft. The land was very rough, but there were plenty of pigs about in those days, and all the land wanted was grass. I am referring to Mr. McCrae's run, Tekoa. I think some of these runs would stand subdivision at the present price of stock. The holders of them own a little bit of front country, and they get the whole of the back country almost for a nod at auction. That has been my experience at the Crown land sales. I know there is one block—Glenweye—at the head of the Waiau, consisting of about 170,000 acres, leased by Mr. D. Rutherford. It is not very far away from the best saleyard in New Zealand—Culverden—and I think it ought to be subdivided instead of being sold in one block.

162. How many sheep do you think a section should carry in order to enable a man to make a living on it?—This back country carries a lot of cattle. If a man has enough cattle to pay the rent, and a hundred bales of wool in addition, he has a fair living.

163. How many sheep would a hundred bales of wool represent?—It varies. I suppose it would take fifty to seventy-five merinos to make a bale.

164. Do they carry cattle in the valleys?—Yes, in the valleys and bush. I think that is too large a block to let as one run considering the present demand for land.

165. *Mr. Anstey.*] Do you think there are any runs in this immediate neighbourhood that could be subdivided?—Not close handy here.

166. Is there any estate suitable for close settlement?—Yes; I reckon Stonyhurst would make a fine place for close settlement. The others are mostly sold.

167. Do you think it is suitable for cutting into 300- or 400-acre blocks?—Yes.

168. Do you think all tenants ought to get security for the improvements they put on their places?—Yes.

169. Would you include the tenants of private landowners as well?—I am talking about the State; but if you are dealing with private land as well, I would think so.

170. You think that every man is entitled to the property of his own creation?—Yes, it would be a very fair thing. In regard to the ballot, the only thing I have against it is the examination of applicants for land. There was no such thing when we came to Cheviot, and I think the system under which Cheviot was settled much more satisfactory. You will find that the Cheviot settlers are as good as those you have seen anywhere else who have been examined about the contents of their cash-boxes.

171. *Mr. McCardle.*] Have there been any failures here?—I do not know of one, and we went through some of the roughest years I have ever experienced in Canterbury.

172. No evil has resulted from the fact that the men had a free hand to go in for the land?—None at all.

ROSSMORE CRACROFT WILSON examined.

173. *The Acting-Chairman.*] What are you?—I am a sheep-farmer. I hold 1,286 acres under grazing lease. I pay 2s. 7½d. per acre. I signed the petition in reference to the grazing leases. I would like to have an extension of the lease, but, really, I would sooner have the freehold tenure if I could get it.

174. Have you had any trouble with the Land Board?—No.

175. *Mr. Matheson.*] Do you think the State would be a loser if you had the right to pay to the State what the land cost the State?—No. I think if we could pay off for the sections we hold now there would be so much more money for the Government to break up other estates with.

176. *Mr. McCardle.*] Do you think the freehold would be an advantage to the settlers, seeing that they get the money now at 5 per cent.?—I think we would be holding the places and working them for ourselves and our children, and I think we would work our places to better advantage than at present.

177. Suppose your lease was for 999 years, would you be as anxious then to obtain the freehold?—I think so. I would sooner be working on and improving my own place.

178. You have no fear of revaluation?—I would not expect to get my place at the valuation on which I pay rent at present.

179. Would you be willing, if the Government gave you the right of purchase, to have some increased value put on the land by arbitration?—Yes, if it was fixed by arbitration.

180. It is suggested that if the tenants get the right of purchase the land should be put up to auction: do you think that is a fair proposal?—No.

THOMAS GEORGE GEE further examined.

181. *The Acting-Chairman.*] I understand you wish to lay before us your opinions on land matters generally?—Yes. I hold 272 acres under lease in perpetuity, for which I pay 7s. per acre rent.

182. Are you satisfied with this lease-in-perpetuity tenure?—I am not altogether satisfied. I believe if the optional tenure was granted it would be much more satisfactory, and particularly so in the case of men who are holding small areas. I consider one of the greatest mistakes ever made at Cheviot was the cutting-up of some of the farms into too small areas. We have some of 100 acres and some of less. I consider a man who has 100 acres of leasehold on Cheviot has too small an area to make a living and support his family. It may be all right while he has youth and strength in his favour, but when he becomes an old man and is unable to throw the energy of youth into the working of his farm it is not a sufficient area to enable him to make a living. If the 100 acres are worth 10s. per acre rent, and he is able to work the farm to the very best advantage, he is able to make up to £50 a year; but as he becomes older this £50 becomes a very great bugbear, so far as his future living is concerned, and I do not know of one leasehold of 100 acres on Cheviot which would stand the employment of an extra individual at a salary of, say, £50 a year. I consider if a man had an optional tenure he would be able to make a savings-bank of his own on his farm, and as time went on and he was able to put aside, say, £25, or £50, or £100, he would be able to pay off a part, or even the whole, of the capital value of his farm. If he is still a leaseholder, when he becomes an old man it means he must throw up the farm and become a burden either on the Old-age Pension Fund or charitable aid. I believe that the lease in perpetuity or any other leasehold is a very good system to enable a man to climb to a certain position, but I do not believe in curtailing any man's ambition. I think if a man or a nation wants to progress they must be ambitious. In regard to the constitution of Land Boards, I think the Crown tenants should have some representation on the Board. I have not had any dealings with the Land Board, but I have heard a good number of complaints in regard to Cheviot. One great objection is that the tenants have no right of appeal, and I think the Crown tenants should have a member on the Board to safeguard their interests.

183. Do you think the whole of the Land Board should be elected, or a certain number of them?—I think if the Crown tenants were to elect two members the balance of power would still be held by the State, and the Crown tenants would then be far more secure. I do not blame the Land Board or the Commissioner, but I do blame the evidence which is put before them. The Crown Lands Ranger is not always infallible.

184. Have you had any experience of the working of the ballot system?—I was fortunate in the first ballot at Cheviot, but my brother has made attempts at balloting. One of the things I consider that is not altogether as it should be is the grouping system, under which a man must take the sections he draws, whether he wants it or not. If he draws a section he does not want it gives him a bad start, and a bad start means a bad ending. I believe that each section should stand on its own merits and be balloted for separately.

185. Do you think that a similar system to that under which Cheviot was balloted for would be more satisfactory?—I believe the Cheviot system was the very best. We came here and we were not asked about money, and I believe the Cheviot Estate is now one of the most successful of any owned by the Government.

186. Have you had any experience of the Advances to Settlers Office?—Yes. I have had advances, and probably if it had not been for the Advances to Settlers Office a good many of us would not be here to-day. I honestly believe that I would not be here to-day but for that office. I have not had anything to do with it for a number of years now. I had to be grateful for very small mercies, and, mind you, they were small mercies in those days. I believe the Advances to Settlers Office are not sufficiently generous. In the present circumstances it is not worth a man's while to ask the Government for money unless he does not want it. If a man wants money it is far better for him to go to a private firm. He can then get it far more quickly and in more liberal advances. If you ask the Government for a loan of £1,000 you are more likely to have £400 offered to you. In regard to the question of examination by the Board, a man goes before them and he is passed as a legitimate applicant for a section. He fails at the ballot. He is a working-man, and he has been at considerable expense and loss of time to see the land. He goes home, and, being anxious to get on the land, he enters the ballot for another estate, say, in Otago or South Canterbury. He decides on a certain section, and he has to journey to Dunedin to be examined by the Board. If he has saved, say, £100, each of these journeys means an expense of £10 or so. He is again unsuccessful, and a man has only to try that a few times to get sick of trying for land. I consider that one examination in twelve months or two years, if the applicant is prepared to swear before a Justice of the Peace that his financial position is the same at any time during that period, should be sufficient. I think the ballots are conducted in the fairest and

most impartial manner. I do not consider there is any system equal to the ballot; but I think it is too much to expect a man to have three years' rent in hand. I consider one year's rent, or two years' at the outside, should be quite sufficient in the case of a man with experience in farming. I would be quite prepared to take up land if I had sufficient money to fence it.

187. *Mr. McLennan.*] Do you remember when the Cheviot Estate was taken over by the Government?—Yes.

188. I suppose you were fairly pleased at that, seeing it was a chance for working-men to get farms?—Yes.

189. When you took up your section did you expect to get the option of the freehold eventually?—To be candid, I do not think that entered into my calculations at all. I had a perpetual-lease place in the bush in the North Island, which I got out of, and I cannot say I had any idea that I would get the freehold here.

190. You were quite satisfied with the lease in perpetuity, then?—Yes; I believe it is a good system to enable a man to get a start.

191. It is a well-known fact that you cannot get the option of the freehold unless the Act is amended in that direction?—That is so.

192. Do you not think it would be a very dangerous proceeding to interfere with the Act?—No.

193. I suppose you have read about a certain section of the community who would like to bring in revaluation?—Yes.

194. If the Act is amended is it not likely that it will be amended so that revaluation will be introduced?—I take it that the matter will rest entirely with the tenant. If the Government bring in a freehold tenure it entirely depends on the tenant whether he is prepared to accept that tenure or remain as he is.

195. Still, there is a danger?—I do not think so. You see, the Acts have been amended for a number of years. First of all we had deferred payments, then perpetual lease, and then lease in perpetuity. Well, so far as I remember, it was entirely optional with those holding perpetual leases whether they changed into lease in perpetuity or not. It did not depend on the Government, but on the tenant.

196. The Land for Settlements Act has not been amended since it was passed, has it?—Not yet.

197. Supposing the Act was amended to enable you to get the option of the freehold, and you received full value for your improvements, would you be prepared to compete for your property at public auction?—I would.

198. Do you think it would be fair that the public should have a chance at it?—I am quite prepared, if my improvements are protected, to let my place go to public auction, and any one who outbids me can have it if he pays me for my improvements.

199. *Mr. Anstey.*] You said that settlers could borrow money much easier from private firms than from the Advances to Settlers Office: do you know if the terms are as favourable so far as interest and other conditions are concerned?—Yes.

200. What rate of interest did you pay the Advances to Settlers Office?—6 per cent., including 1 per cent. sinking fund. You can get it anywhere else at 6 per cent. without a sinking fund.

201. That is 1 per cent. difference?—Yes; but you are always in a position to pay off at any time, and you will get a 35 or 40 per cent. bigger advance than from the Government.

202. But the rate of interest is somewhat higher?—Yes, because it does not provide a sinking fund.

203. Do you think the Land Boards should have more discretionary power?—I think they have too much power in some cases and not enough in others.

204. Do you think it would be wise to give them the right to make concessions in rent in case of disaster, or anything of that sort?—Of course, I may be inclined to speak of Cheviot alone, and we are not likely to meet with any disaster here.

205. Supposing you got a hail-storm which knocked the crops down?—We had that, but we never got anything for it. I think myself a man should stand by good and bad years. I do not believe in running to the Government about every little loss we meet. I and others suffered by the earthquake here, but we did not apply for relief.

206. You are not satisfied with the present constitution of the Land Board?—So far as I am concerned, I have no actual grievance against the Land Board, but I am merely voicing the opinion of a number of settlers I have spoken to who have little grievances.

207. What more could you get, supposing you had the right to elect two members to the Land Board?—I think it would be a safeguard, and that our interests would be better looked after. There is a great difficulty at present in connection with transfers. I think the House of Representatives should decide as to the acreage a man should be entitled to hold, and that should be the law, and the Land Board should abide by that law. The law at present says a man may hold 640 acres of first-class land and 2,000 acres of second-class land, and I think that should guide the Board in dealing with applicants for transfers. I do not think the Board should say that because a man already holds 50 or 100 acres they will not allow him to hold any more.

208. You think the Board should allow a tenant to take up as much land as he wants to up to the limit prescribed by law?—Yes.

209. You know that in the present Board of five members three make a quorum?—Yes.

210. Supposing the two nominated members were absent, the proceedings of the Board would be dominated by the members elected by the tenants?—I think you are quoting an exceptional case. If the members attended to their duties they would be present at the Board meetings.

211. You do not think there is any danger of that under your proposal?—No.

212. *Mr. Paul.*] Is not the area fixed now?—Yes, 640 acres of first-class land, and 2,000 acres of second-class land. I can quote cases where a man with a small holding applied for an extra 50 acres and he was refused it.

213. Does not the law lay down that the sections cannot be grouped?—The law says that a man is to hold a certain number of acres so long as they are contiguous.

214. Is not the Land Board prevented by law from allowing two of these areas being put together?—No, because they do it in some cases and not in others.

215. How many 100-acre sections are there in Cheviot?—Perhaps twenty.

216. Do you not think that when a man is through with the leasehold it would be a fair thing for him to sell out and buy a freehold, and so preserve the leasehold for the poor man?—The question of preserving the leasehold for the poor man is a pure fallacy. I believe in preserving the leasehold so that the poor man may get a start, but I also think that it should allow him to improve his position as circumstances permitted. At the present time when a man with 100 acres wants to improve his position and get a larger place he has to sell out, or wait till such time as he can buy a freehold. But it is a serious thing for a man to sell out his leasehold when he is debarred from taking part in another ballot for twelve months. It is a pretty heavy drain on a man's capital to have to keep himself and wife and family for twelve months while he is qualifying to go in for a ballot.

217. When you say that the preserving of the leasehold for the poor man is a fallacy, you mean that the poor man cannot get on the land even with the leasehold?—No; but it should not stop at giving a man a start, it should help him on still further.

218. Do you not think there is an end to the estates the Government can purchase for closer settlement, and that it will be very hard for people to get on the land in future?—When I look across the river and see men with 30,000 and 40,000 acres I think that instead of restricting the man on 100 acres it would be better to get at the man with the large holdings.

219. Interfere with his freehold?—If you are going to interfere with the man who has 100 acres I think you are perfectly justified in interfering with the man who has 30,000 acres of freehold.

220. Do you not think that if the option of the freehold is given to leaseholders there will be an aggregation, which will be against the interests of the State?—The question of the interests of the State is altogether magnified. I think the State would be far better off if the interests of the farming community were looked after. The aggregation of estates can be prevented by putting a limit on a man's possible holding, and I do not see why that should not be done by law.

221. Do you think these 100-acre sections served a good purpose at the first?—Yes, but I think they should be used as a stepping-stone to allow a man to go on to larger areas. The curtailment of ambition in New Zealand is a very serious thing. There are men in New Zealand on small holdings from which they are not prepared to sell out and take their chance in another ballot. They accordingly stop where they are, and the best work is not got out of them. That is a loss to the State.

222. Do you think it would be a reasonable amendment in the law to allow such a man to take part in another ballot, on his giving an undertaking that if successful he will sell out his original holding in a reasonable time?—Yes, I think that is a good idea.

223. That would allow another man with small means to come in on the 100 acres?—Yes.

224. *Mr. Matheson.*] In the Cheviot hand-book it says that the area one man can hold is not to exceed 5,000 acres. Under that clause, were some of the sections put together and one man allowed to hold two?—Yes. But with regard to the larger areas they were neglected at the first, and you will find those people who have two runs had one originally, and were asked to take up the one adjoining them, which no one would take at any price.

225. Do you consider the Rebate of Rent Act an amendment of your lease?—No.

226. Did it improve your lease?—It did to a certain extent. I considered the Act was a bid for political purposes.

227. *Mr. McCardle.*] You are aware that the Land Commission was set up in order to ascertain the views of the tenants, because of strong representations made to the House of Representatives that the tenants desired the freehold?—That is so.

228. Therefore, the argument that in applying for the freehold you are breaking your lease does not apply?—No, for the reason that if the Government offer me the freehold it depends on whether I like to accept it, and it is the Government who are offering to break the lease, not me.

229. You think that the intention of the Act is defeated by the Land Board preventing a man from adding to his freehold, so long as he does not acquire more than the statutory amount of first- or second-class land?—That is so.

230. And, in your opinion, those regulations should be modified?—Yes.

231. I suppose you have heard of men trying to hoodwink the Boards as to their financial position, and getting their friends to assist them in their bank balance for the time being?—That is so.

232. So that the financial restrictions are an encouragement for a man to tell an untruth?—Yes.

233. *Mr. Johnston.*] Why is a freeholder working on 100 acres in a better condition than a man on the same area of leasehold?—When a freeholder has had a good year and has a surplus of £50 or £100 he can invest it in his land, which will give him a better return than any other investment. He makes his farm his savings-bank.

234. But the leaseholder can invest his money at a rate of interest which would be equivalent to paying off his section?—Farmers are not very well versed in commercial knowledge. It is a difficult matter to invest £50 or £100 to anything like the same advantage as in a man's own section.

235. Do you know how many transfers of Cheviot sections there have been since you came here?—I should say about thirty.

236. Were they at considerable advantage to the seller?—I do not think with the exception of those in the last two or three years they have been to any considerable advantage. I think they were an actual loss for the first six years.

237. Since then they have been at a considerable advantage?—I do not know about a considerable advantage.

238. Considerable sums of money have passed?—Yes, but it has represented a considerable amount of improvements.

239. Have any of the runs changed hands at advantage?—Yes, within the last three years, but previously they did not. Men sold out at actually less than they had spent on the places.

240. If the Land Board gave you permission to release your section, would you make inquiries as to the position of the man you lease to?—I have no objection to reasonable inquiries by the Land Board.

241. They ask a man's position?—I do not see anything wrong about that.

242. You said you wanted the Land Board to allow a man to go in whether he had money or not?—No, I did not make any charge against the Land Board. What I said was in reply to the Chairman, who asked me if I thought the way adopted in the settling of Cheviot was preferable.

243. If you were leasing a farm yourself would you make inquiries as to the financial position of the man to whom you were leasing?—I do not think that would be necessary. If a man buys out a section on Cheviot to-day the Land Board do not inquire whether he will be able to meet the payments; they take it for granted.

244. If a man paid you twelve months' rent you would allow him to have your land?—If he signed the conditions of the lease.

245. No matter who he was?—If he was in a position to deal with it.

246. You are aware that under the Otago Board a man does not require to go to Dunedin to be examined for a ballot, he can be examined here?—I believe that has been adopted recently.

247. You say that the runs are selling to advantage in recent years: can you tell me why that is when the tenure is not satisfactory?—Because of the unprecedented value of stock. Three or four years ago a man sold his lambs at 6s. and 7s., and to-day he is getting 14s. and 15s., and the value of the land is gauged simply by what you can get out of it.

248. When a man gives £100 for a lease he expects to get that back in the remaining years of the lease?—Yes, naturally he expects to make it up.

JAMES BUTT examined.

249. *The Acting-Chairman.*] What are you?—I am a farmer on Cheviot, where I have 300 acres under lease in perpetuity, and for which I pay 4s. an acre rent.

250. Do you think the present nominated system of Land Boards is satisfactory?—I have nothing personally against the Land Board, but, nevertheless, I do not think it is satisfactorily constituted. I think the administration of the land would be very much better carried on through the Magistrate's Court, the Magistrate to be assisted by the Commissioner of Crown Lands and another expert. At the present time I think the members of the Land Board are like so many strings tied to the Commissioner of Crown Lands for people to be pulling at.

251. What is your opinion as to the tenures under which land is held in the colony?—I like the lease in perpetuity very much, but really I do not think it is the best in existence. I think the number of years is too many. I cannot understand what interest I will have in the land 999 years hence. I only wish, all the same, that all the land in New Zealand were held under the same lease. I do not advocate the freehold in any case. The land belongs to the people, and the proper way to get it more equally divided would be to increase the progressive land-tax, and even tax the people on the lease in perpetuity. Tax all of us on the land, but tax the big blocks. That would break them up, and the Government would not have the same necessity to buy.

252. Have you had any experience of the working of the ballot?—I had when I came, and a few of my boys have. I cannot say there is anything unsatisfactory about it. I have heard a great deal about the grouping system, and it may or may not be right; but what I have noticed, from pamphlets that have come under my notice lately, is that they seem to have grouped sections so that they were pretty equal in value and size.

253. You have not had any actual experience of the working yourself?—Not since the Cheviot ballot.

254. You think the Cheviot ballot was satisfactory?—I thought so at the time; nevertheless, I think we should inquire into a man's position somewhat before we allow him to go on a section and perhaps lose his money. It would be to the benefit of the country that we should inquire into a man's position.

255. Have you had any experience of the Advances to Settlers Board?—I think it is a fine system, and one of the best Acts the Government ever passed; it brought down interest all round. I know several men who were badly mortgaged, and who were pulled out of their difficulties by the Advances to Settlers Department.

256. Do you think it wants improvement in any way?—No.

257. *Mr. McLennan.*] You do not want the option of the freehold?—No, I do not. When I have made sufficient money to acquire a freehold I will be quite willing to sell out and buy my freehold in the open market.

258. *Mr. Anstey.*] Is there anything to object to in your cropping restrictions?—No, but I would make a suggestion about that. I cannot crop my land to advantage as it would ruin it for grass-growing purposes, but I do think the men on 100-acre sections, where the land is good, should have almost a free hand. The land on the Waiau would stand cropping for a dozen years in succession if attention is paid to it. There is necessity, nevertheless, for restrictions as to cropping.

259. You think there ought to be a variety of restrictions for various classes of land?—Yes.

260. *Mr. Paul.*] Do you think it would have been better in the interests of the State to have settled this land on shorter leases?—I do not think it would have made any difference to the State, but I think a shorter lease would have been just as good.

261. Would you favour revaluation at fairly long intervals—that is, future leases?—To future leases, I say revaluation; but after a contract has been made that contract must not be broken, and we must not break it.

262. *Mr. Matheson.*] Do you think the markets were just as much the cause of your friends being pulled out of their bad positions as the advances to settlers?—I am certain it was the advances to settlers.

263. Do you think it would be wise if the Government raised all its revenue out of the land—single tax?—Yes.

264. And let the townspeople go free?—Yes.

265. *Mr. McCardle.*] Are you aware that the Magistrate's Court is the only Court in the colony that cannot touch a land title?—I was not aware of that, but I am suggesting an Act that would put the administration of our lands under the Magistrate's Court.

266. You think it would be wise to put that matter on to a Magistrate who has no previous knowledge of land?—We would have the Commissioner of Crown Lands who knows all about lands, and we would have an expert, and these two with the Magistrate would give a straightforward decision.

267. You are a strong friend of the lawyers, then?—Not at all.

268. How would you get your case before a Magistrate without a lawyer?—We bring them before the Land Board now, and we have no lawyer.

269. Do you not think that the Land Board as at present constituted, with certain amendments, is far more able to judge of values and other matters connected with land than any Magistrate in the colony?—I do not think so.

270. *Mr. Johnston.*] How much per acre have your neighbours got over and above improvements for the sections which they have sold out of?—Up to very nearly £3 10s. per acre.

PHILIP GELL examined.

271. *The Acting-Chairman.*] What are you?—I am a farmer on Cheviot, holding 356 acres under lease in perpetuity, for which I pay 5s. 6d. per acre, and 78 acres on a short lease of seven years, for which I pay 8s. per acre.

272. Have you any matter which you wish to bring before the Commission?—I only wish to indorse what Mr. Gee said in regard to Land Boards—that is, tenants having the right of appeal. That is one great drawback Crown tenants have, and which causes great dissatisfaction. Crown tenants have no land laws. What the Land Board says is law, and the tenants have to abide by it. I think a right of appeal by some means should be given them. Land Boards are not immaculate, and sometimes interpret the law wrongly. The law says that a man may hold up to 640 acres of first-class land, but the Land Board takes it upon itself to prohibit that in many cases.

273. Have you not an appeal to the Minister?—No. The Chief Justice, Sir Robert Stout, stated a few months ago in connection with a case before him that Crown tenants had no right of appeal.

274. Are you satisfied with the constitution of the Land Board?—Yes.

275. You do not think an elective Board would be better?—No. If elected on a parliamentary franchise I should say No, because there would be too much of the town element in it.

276. Do you wish to express any opinion about the various tenures of the colony?—I consider the leasehold a splendid system for cutting up large blocks, and especially back blocks, but I think after a man has been a tenant for a fair number of years he should be given the option of acquiring the freehold. If that were done I do not think there would be so many sales of leaseholds.

277. Do you think there is any danger of the lease in perpetuity being broken and revaluation being brought in?—I do not think that will come to pass.

278. You have no particular fear yourself about your lease being broken?—Not the least.

279. Have you any experience of the working of the ballot?—The only experience I had was when I came here. I think, with Mr. Gee, that a poor man has no chance at the ballot. He has got to produce bank-books and all sorts of things before he can apply, and it is practically the rich man who goes to the ballot now.

280. Do you not think some system of examination is necessary?—As to a man's experience, Yes, but not to the extent of capital that a man is required to have now. It prevents many good men going on the land.

281. Would you feel inclined to leave the matter open as to the amount of money a man had, and ballot on the same lines as in the case of Cheviot?—Similar. There is more trickery in connection with financing than there was when we came here.

282. *Mr. McLennan.*] You think that experience should count as a set-off against capital?—Yes.

283. You think that a man may sometimes have money and no experience, whereas a farm labourer for years would have good experience though he may not have much capital?—The latter is the best man—that has been proved on Cheviot.

284. *Mr. Anstey.*] On what terms would you allow a man to acquire the freehold?—At the current value, to be fixed by arbitration.

285. Do you know of any instances where the Land Board has given decisions contrary to the well-being of the settlers?—Yes.

286. Can you give any instance of it?—Yes; two or three have been quoted to-night, one man with 150 acres not being allowed to take up another 100 acres adjoining him.

287. Is there anything else they have done contrary to the Act?—No; but I consider a man somewhat similar to a man with a business. A man starting business generally starts with a small place, which he increases as his business increases. That is human nature. The Act says a man

can hold up to 640 acres of first-class land and 2,000 acres of second-class land, and when I came to Cheviot I thought I would be able to do so, but the Land Board says I cannot.

288. Do you think it is a wise thing for the Government to acquire estates and cut them into small blocks?—It is a good thing.

289. Do you think that these 100-acre sections were cut too small originally?—Some of them. If there had been townships near it would have been all right.

290. Do you think that a man should be allowed to add two or three 100-acre blocks together afterwards?—If he is in a position to do so, certainly, or allow him to go in for another ballot and then sell out. Dozens of people now would be willing to ballot and then sell out.

291. Are the tenants selling out to advantage?—Yes, now.

292. What is the reason they are selling?—To improve their position, and some to get the freehold elsewhere.

293. Do you think there are many buying freehold elsewhere?—Yes, several from here have.

294. What sum per acre is being received in the shape of goodwill above improvements?—The average will be about £2 10s. or £3 per acre.

295. *Mr. Matheson.*] Do you think that, if the Minister of Lands is a statesman, he is likely to put better men on the Land Boards than would be the case if the people elected them?—Yes, I do, in preference to the parliamentary franchise.

LOUIS BARKER examined.

296. *The Acting-Chairman.*] What are you?—I am a farmer on Cheviot, where I have a small grazing-run of 874 acres, for which I pay 3s. 6d. per acre rent. I also have a 5-acre yearly lease.

297. Is there any particular point you wish to bring before the Commission?—I wish to say that I support the petition for the right of renewal of small grazing-runs, with a revaluation at the end of twenty-one years.

298. Have you any opinion to give with regard to the constitution of Land Boards?—It is perfectly satisfactory, as far as I am concerned.

299. What is your opinion about the various tenures under which the lands of the colony are held?—The leases should be for a term of years, with revaluation and a constant right of renewal.

300. Have you had anything to do with the advances-to-settlers system?—I have had a little to do with it. Their ideas about value and mine did not agree altogether. It was when first we came here, and, I suppose, the security was not gilt-edged.

301. Do you know any large runs about here that could be cut up and similarly settled to Cheviot?—Most of the land I can see within a radius of a hundred miles from here a man could live on sufficient to run three thousand sheep, provided the rent was not too great.

302. You think there is land about here that could be closer settled than it is at the present time?—Yes, on two sides of us, anyway.

WILLIAM HODGSON examined.

303. *The Acting-Chairman.*] What are you?—I am a farmer on Cheviot, having 276 acres under lease in perpetuity, for which I pay 7s. 8d. per acre.

304. Are you satisfied with the constitution of the Land Boards as at present?—Yes; I do not think you could get better men on the Boards under any other system of appointment. They are very impartial men, and have got no interest to do anything that is not fair and square.

305. Have you had any trouble with the Ranger?—No.

306. What is your opinion with regard to land-tenure?—I think the lease in perpetuity could not be beat as a tenure. We have no trouble about mortgaging our land. If we make money, well and good, and we can always find plenty of use for any spare money we have.

307. Do you wish the option of the freehold?—No. If I had plenty of money I could sell out here, and I could sell out my leasehold just as well as I could a freehold.

308. You think the lease in perpetuity is the most satisfactory tenure under which to hold land?—I think it is one of the best for any man who wants to take up a good-sized piece of land or a small piece.

309. Do you think the cropping restrictions are fair?—I think that land that is valued at over 12s. per acre would not receive any harm from taking off two white crops running, and if the land is valued at over £1 three crops might be taken off.

310. Have you any complaint to make about the Advances to Settlers Department?—No. I asked for so-much, and after a reasonable time I got it. I think the law was one of the best ever passed. But for it we would never have got cheap money.

311. You have seen the statement in the newspapers that Crown tenants were afraid to come forward and give evidence, on account of being afraid of getting into trouble with the Land Board: is there any truth in that statement, so far as Cheviot is concerned?—I do not see why people should be afraid.

312. I do not think farm labourers ought to be compelled to have as much money as men from the towns taking up land?—I had very little money when I took up my land, and I have worked the land all right.

313. You think that farming experience should count for something in the case of applicants?—Yes, it would count in many cases for more than money. I think also that the Board should fix the prices on the different sections, and that applicants should be obliged to state on oath what money they have to work the farm with, and if it was subsequently found that they were not telling the truth in regard to their capital they could be prosecuted for perjury.

314. Have you studied the ballot system, including the present grouping system?—I would not like to go in for land under the grouping system. The system of ballot which was in force



when I took up land at Cheviot gave a little more trouble to the officials, but it was more satisfactory to the applicants.

315. *Mr. McLennan.*] I suppose you have seen from the reports in the newspapers that evidence has been given before the Commission to the effect that Crown tenants do not do justice to their land in the way of improvements?—I think the holdings on Cheviot will compare favourably with freehold land in that respect. In fact, I think you will find that more and better improvements have been put on these sections than are on the majority of freeholds.

316. *Mr. Austey.*] Do you think the lease-in-perpetuity tenants farm their land as well as the freeholders?—Yes; in fact, very often better.

317. Do they not grow more weeds than the freeholders?—No. I consider they farm the land well, because, as a rule, they have more money to farm it with, and are not troubled with mortgages.

318. Is your rent fairly reasonable?—Yes.

319. Does that remark apply generally to all the land at Cheviot?—Yes.

320. Supposing you got the railway up here in a reasonable time, do you think that considerably more grain will be grown than is grown here at present?—Yes. The distance of the land from the railway is too great for grain-growing. The cost of carrying it to the railway is considerable.

321. When there is a little more inducement to grow grain do you think there will be a greater desire for a change in the cropping regulations?—I do not think so.

322. Do you think that, generally speaking, two white crops is sufficient under ordinary circumstances?—Yes.

323. But you think they should be allowed to take three white crops on the heavier land?—Yes, in the case of smaller areas.

324. *Mr. Paul.*] You think that the leasehold is a very good system under which to settle people on the land?—Yes.

325. Without it is there any difficulty in people getting on the land?—Yes, there is a big difficulty.

326. Do you not think it is fair, when a man gets on through being placed on the land under the leasehold system, that he should go out into the open market for land, and allow another poor man to settle on the land?—I think it would be a big mistake on the part of the Government to buy estates and let everybody take the pick out of them, because the best land would be taken and the poor land would be left on the hands of the Government.

327. *Mr. Matheson.*] Is most of the Cheviot land loaded for roads?—I am not quite sure, but I am informed the amount was £60,000.

328. In some districts the settlers pay off the amount of the loading, principal and interest, in thirty-two years: do you think it is reasonable that the settlers under the lease in perpetuity should have to pay for the loading for 999 years?—I do not think it makes any difference now, because there were a number of other applicants in for the section, for instance, which I took up, and I knew, of course, the terms under which I took it up.

THOMAS STEVENSON examined.

329. *The Acting-Chairman.*] What are you?—I am a farmer, and hold 533 acres—287 acres under lease in perpetuity, 277 acres of freehold, and 18 acres of railway reserve under a yearly lease. For the leasehold I pay 5s. 6d. an acre, and for the freehold I gave £6 12s. 6d. For the yearly lease of railway reserve I pay 3s. 6d. an acre. In the case of the 18 acres there is a mile and a half of fencing to be done, which would raise the rent to 18s. an acre. Cheviot was loaded for roads to between £50,000 and £60,000, and I object to paying my share of that for all time. I think the settlers of Cheviot ought to be allowed to pay off that amount in rent in a certain time.

330. That is your experience in respect to the lease in perpetuity?—I am perfectly satisfied with it. I have never had any trouble with the Land Board, and, as for the Ranger, if I want to see him I have to hunt him up. I am quite satisfied with the cropping restrictions at present. I think, however, that the Cheviot settlers ought to be allowed to cut grass the first year, as you never get a good crop the second year.

331. Are you satisfied with the present constitution of the Land Board?—Yes.

332. *Mr. McLennan.*] Would you like to change your lease in perpetuity into a freehold?—No; I am quite satisfied that the rent I am paying is much less than I would have to pay if I converted it into a freehold.

333. *Mr. Austey.*] You say you wish the right to pay off the loading in a term of years?—Yes, either in a term of years or straight out.

334. To whom do the roads belong?—To the County Council.

335. If you paid off the loading who would the roads belong to?—To the country, the same as any other roads; but I do not see why I should pay interest on the roads for all time.

336. *Mr. Johnston.*] Your freehold cost you £6 12s. 6d.?—Yes.

337. What could you get for it now?—With improvements, I might get about £10 an acre.

338. What are your improvements worth?—About £1,000.

339. You would not have much profit out of it, then?—No.

340. What stock will it carry?—I keep two teams going all the year round, and the land carries three sheep to the acre through growing feed for them. If I did not keep the teams going it would not carry a sheep to the acre.

341. If you had very bad years would you apply to the Land Board for a reduction of your rent?—No.

342. You do not think that any Cheviot settlers take advantage of that Act?—They might, but I would not. I would rather go out. I would stand on my own.

ROBERT FLEMING examined.

343. *The Acting-Chairman.*] What are you?—I am a farmer, and hold 99 acres at Cheviot under lease in perpetuity. My rent is 10s. an acre. I also hold 1,316 acres near Kaikoura under lease in perpetuity, and the rental is 1s. an acre.

344. Do you wish to bring any particular matter under the notice of the Commission?—Yes; I am a believer in the freehold, and I want the option of the freehold instead of lease perpetuity.

345. Do you wish the right to pay off the amount as you are able to?—Yes, in any way it suits me.

346. What is your opinion in respect to the constitution of the Land Boards?—I do not see what good the Land Board is when its decisions can be overruled from Wellington. The Land Board is better to-day since they "fired" the members of the House off it.

347. Do you think an elective Board would be better than the present nominated Board?—Certainly.

348. How would you elect it?—I would have two members elected by the Crown tenants.

349. And have the rest nominated?—Yes.

350. Have you had any trouble with the Rangers or the Land Board?—I applied for an adjoining section some six years ago, and they refused my request. That was when there were members of the House on the Board. I only held 99 acres and applied for 117 acres, and they refused my request.

351. Do you know anything with respect to the Advances to Settlers Office?—Yes. I got an advance, and subsequently got the money elsewhere and paid it off at 1 per cent. more. I wanted to get out of the Government leading-strings as much as I could.

352. Was there any particular hardship in connection with the working of the Advances to Settlers Department?—No.

353. *Mr. McLennan.*] If you were a land-proprietor and had leased your farms to various tenants, would you like to see two or three of those tenants appointed to see that you were carrying out your agreement and the tenants were carrying out theirs?—No, I would not.

354. *Mr. Anstey.*] Upon what terms would you wish to acquire the freehold of your leasehold property?—At the original price. When I took up my land first it was largely covered with nigger-heads and was swampy, and it cost me £3 an acre to clear it.

355. Why is the freehold better than the lease in perpetuity?—You do not need in the case of the freehold to carry the broad arrow for 999 years.

356. Do you think you can farm the land better and make more money out of it under the freehold?—Yes.

357. In respect to the freehold, do you think you ought to get that advantage for nothing?—Yes.

358. *Mr. Paul.*] What do you mean by carrying the broad arrow?—A State slave.

359. How?—A tenant of the Government.

360. In what way is he a slave?—He is working for their good.

361. Are you not able to make a living out of the land?—Yes, but it is a pretty thin thing.

362. If there was no leasehold could you have bought this land as freehold?—Certainly not.

363. Have you nothing to be thankful for?—No, not after the treatment I have had.

364. What is the grievance particularly?—Why was I not allowed to enlarge my place.

365. How did they allow you to get the 1,360 acres?—That was under a different Land Board.

366. Do you think there should be any limit to the area a man should hold?—Certainly.

367. At what would you fix the area?—As it is at present, 640 acres of first-class land and 2,000 acres of second-class land.

368. Would you extend that to settlements under the lease in perpetuity?—Yes.

369. Do you think Cheviot would have been as successful to-day if the minimum area of first-class land was 640 acres and 2,000 acres?—Certainly.

370. Do you not think where land is of good quality it is better to have a larger number of settlers on it?—I suppose so.

371. *Mr. Matheson.*] Why do you want an elective Land Board, seeing that you dislike members of the House, who are men who have been elected?—I want the Crown tenants to elect two members.

372. *Mr. McCurdle.*] Do you not think it would suit the interests of the Crown tenants if the Government were to nominate good practical men from among the Crown tenants? Do you not think that would meet the case much better than to elect the men, or do you think they might suggest some representatives they might think fit?—That would amount to the same thing.

373. You think the nominated system, as long as the Crown tenants were fairly represented, would meet the case?—Yes.

374. *Mr. Johnston.*] You said you knew of a case in which influence was used in Wellington: can you mention it?—Yes.

375. What was it?—At the Hurunui Mouth there was a section that the Land Board refused to cut into two, dividing the land between the adjoining owners, but that decision was overruled, and a memorandum came down to transfer it.

376. Have you a grievance against the Land Board?—No.

377. How many sheep do you carry?—About six hundred.

378. You say you would not have got on the land if it had not been for the Land for Settlements Act?—I do not think so.

SAMUEL HAUGHEY examined.

379. *The Acting-Chairman.*] What are you?—I am a farmer, and hold 134 acres under lease in perpetuity and 60 acres with seven years' lease, the latter having been recently acquired. The rent of the lease-in-perpetuity land is 11s. an acre, and of the other land 10s. or 11s.

380. What is your opinion in respect to the leasehold and freehold systems?—My opinion is that I do not think it matters much whether it is leasehold or freehold. What is required is that it should be secure.

381. You think security of tenure is the principal thing?—Yes, it is the vital principle of all land-settlement. There is no country which will progress properly unless it has security of tenure. I think that every other condition is subservient to the tenure question.

382. Do you think your lease in perpetuity is a secure enough tenure?—Yes; I consider it as good as the freehold, provided it is not interfered with in the future. I go on the assumption that it will not be interfered with. It is better than the freehold for putting people on the land. It gives a man with a very small capital a chance of getting a farm. If the land were freehold such a person would never have that chance. I consider that the business of the State should be to allow every one who wishes it to get on the land, and after he gets on the land he should be secure.

383. *Mr. Anstey.*] Have you got any valuation for improvements at the end of the seven-years lease?—I paid for the fences, and I will get paid for them on going out. There is no right of renewal.

384. You know of cases where men have taken up freehold land on deferred payment: do you know whether they were invariably successful?—I know of certain cases which were not very successful because the land was very poor.

385. *Mr. Paul.*] As to the valuation for fencing, is that reasonable on this lease? Do you work it in connection with your lease-in-perpetuity holding?—I only got it recently. The valuation is reasonable enough.

386. Is there anything else you could put on it in the way of improvements that would aid in the proper working of the land?—Yes, I would put one of my boys on it; but I do not think I would get compensation for any improvements put on the land.

JOHN HANSEN examined.

387. *The Acting-Chairman.*] What are you?—I am a farmer, and hold 1,184 acres under lease in perpetuity and 35 acres of railway reserve on a seven-years lease. The rent for the lease-in-perpetuity land is 4s. 6d. an acre, and for the railway reserve 15s. I would like to see the Land Board have power to grant rebates on rent in the case where a tenant's section is washed away by a river or stream. I have had some of my land washed away, and applied to the Land Board for some concession, and the Board replied they could not grant it under the existing law. I would like to see the law so amended so that a farmer might have his rent reduced in proportion to the ploughable land washed away.

388. *Mr. McLennan.*] Are you satisfied with your lease in perpetuity?—My section is too small.

389. Do you wish to have the option of the freehold?—Yes, for the small section.

390. Are there any other tenants who are liable to have their land washed away by the river?—Yes, there are several; but they have larger holdings, and they do not feel it so much.

391. Could not the farmers themselves form themselves into a River Board and protect themselves?—Yes; I have seen that done in South Canterbury.

392. *Mr. Anstey.*] You say that the section of 146 acres is too small: what size ought the section to be?—For grazing sheep I think a man ought to be able to graze at least five hundred sheep.

393. Could you live better on the freehold?—It would induce me to pay off a small amount when I had a good year or two, so that when hard times came I would not feel the rent so much.

394. Were you able to buy the land when you went there first?—No.

395. How is it you are able to buy it now?—I am not able to buy it out now, but if I had a few years I could pay it off in £25 or £50 instalments.

396. Upon what terms would you expect to buy it? Do you want to buy it at the original valuation?—Yes, that is all it is worth.

397. But you would not care to submit it to public competition?—Yes, if I got valuation for my improvements.

398. *Mr. Paul.*] Is much of this land liable to be washed away?—Half of it is only river-bed.

399. Would it not be rather risky to buy the freehold?—Yes, to a certain extent.

WILLIAM FREDERICK HENSHAW examined.

400. *The Acting-Chairman.*] What are you?—I am a farmer, and hold 198 acres under lease in perpetuity and 28 acres under a yearly lease. The rental of the lease-in-perpetuity land is 5s. an acre and of the other land 3s. an acre. I desire to say that I think a man who only holds 190 acres of second-class land should be allowed to acquire a section next to him. Some eight months ago I had an opportunity of acquiring an adjoining section, but my request was refused on the ground that I had sufficient land to live on. But I can assure the Commission that it is not sufficient. I think the Land Board should have no discretionary power in regard to such matters, otherwise favouritism may occur.

401. You think the constitution of the Land Board is satisfactory?—I am quite satisfied with the way the Land Board is constituted, but I think in such a matter as I have referred to they should adhere to the provisions of the Act. I am quite satisfied with the lease-in-perpetuity tenure.

JOHN HOGAN examined.

402. *The Acting-Chairman.*] What are you?—I am a farmer, and hold 257 acres under lease in perpetuity, and my rent is 4s. an acre. I have also 80 acres of reserve land. I am not very well satisfied with the Land Board, because in their administration of the law they do not seem to treat everybody the same. In some cases the Board may grant applications enabling persons to take up adjoining land, and in other cases they refuse the application.

403. Have you made any application yourself?—No; but the opinion of most people about here is that the Board does not treat all the people the same. There is a lot of favouritism carried on.

404. How would you remove that?—I think the Act should be strictly enforced, and the Board should not be allowed to do as they like. They seem to have a new Act nearly every time they hold a meeting. I am not in favour of their having discretionary power.

405. *Mr. Anstey.*] Are the cropping restrictions unsatisfactory?—I think they are all right.

406. Are you satisfied with the lease-in-perpetuity tenure?—Yes; but I think everybody should be treated alike.

407. In that case would there be any necessity for a Land Board? Could not the Ranger see that the Act was carried out?—It might be necessary for the Board to see that the Ranger did his duty.

408. *Mr. Johnston.*] Has the Land Board treated you badly?—No.

409. You are not afraid of the Board?—Not a bit.

410. We have been told that Crown tenants are afraid of the Land Board and the Government?—I am not afraid of either.

WAIKUAU, WEDNESDAY, 19TH APRIL, 1905.

LEWIS JOSEPH PULLEY examined.

1. *The Acting-Chairman* (Mr. Forbes.)] What are you?—I hold a grazing run on the Lyndon No. 2 Settlement. It is under the small-grazing-run tenure, and the term of the lease is for twenty-one years. My rent is 2s. 7d. an acre, less 10 per cent. rebate for cash. The area of my holding is 3,590 acres. I carry about sixteen hundred ewes. I have found that the country is too dear. I and two other small-grazing-run holders brought this question before the Land Board, and the Board has done all it can in the matter. The question was referred to Wellington. We first wrote to Mr. Seddon, and he referred our application to the Minister of Lands, who told us there was no power under the Act to make any reduction in the rent, but that a remission could be made on the recommendation of the Land Board. From the correspondence I have seen, I think the Land Board has done all it could in the matter to get a remission, but it appears that the opposition has been so severe that the Minister decided not to grant a remission. We wished to get a half-year's remission when we found that we could not get a reduction in rent; but it seemed to the authorities that that would not help us, but I thought half a loaf would be better than none. We could not get any reduction in rent. This settlement has been wrongly cut up. We have not sufficient flat land. I think if the settlement had been cut up into three farms and three grazing-runs it would have been better. But the present arrangement does not give us a chance of bringing our sheep down in a bad year. It is very fair sheep country, but the land is too dear. I think on an average season it is worth about 1s. 6d.—that is, half what we are giving.

2. Are you troubled with snow in the winter?—Not severely, except in occasional years. For instance, the year before last we lost a good deal of our stock. It is cold country.

3. You think if that reduction were made there would be a chance of making a better living off the runs?—Yes, or if we had more flat land.

4. Is there any flat land in the vicinity that the Government could get?—I do not know of any.

5. Is there any particular point that you would like specially to bring before the Commission?—I think the tenure is all right, but I am of opinion that the Government is paying a little too much for the land they are acquiring, and I also think that in some places the land is not always suitable for settlement. If the land is bought at a reasonable figure I believe that the tenure is a very good one, and would give every one a very good chance of being fairly successful.

6. What is your opinion in respect to the constitution of the Land Boards?—The Land Board have been very fair indeed to me. I think the Board has done everything it was possible for them to do.

7. *Mr. Paul.*] Is your land fully stocked with sixteen hundred ewes?—Yes.

8. Would it not carry more?—Not to do them justice.

9. What was your percentage of lambs?—This year it has been very good—about 92 per cent. I had an exceptionally good lambing last season. In previous years it was about 72 per cent.

10. Do you think if the rent was reduced you could carry on with success?—Yes, if there was a reasonable reduction.

11. Without any more low country?—Yes, it would give you a chance, because you could go on with your country lightly stocked. People coming from the south and looking at the land from a distance would probably say that the country is well tussocked, but I may point out that there is very little between the tussocks.

12. How did the rent in the next run compare with yours?—It was 1s. 10d., but that country is not so good as mine. I think it was based on the same carrying-capacity.

13. *Mr. Anstey.*] Are the rents about equally proportionate on those three grazing-runs—that is, according to value?—I think so.

14. Why is it the other run has been surrendered?—It has not been paying.

15. You think all three runs are too dear?—I am certain they are too dear.

16. In your lease have you a right of renewal?—I am informed I have.

17. At an arbitration rental?—I do not know for certain, but I think so.

18. Have you done any surface-sowing of grass?—Yes, in a few of the gullies, and it has taken. If I surface-sowed it might cost me £1 an acre, and at the end of my lease I would get nothing for it.

19. Has your experiment been successful, speaking generally?—No. I have sown about ten bags at different times, and I do not think one bag has taken out of the lot, and we have had very fair seasons the last three years for surface-sowing.

20. Then, if you got valuation for surface-sowing it would not be very much use to you—it would not encourage you to sow if it had been a failure?—But if you did get valuation it would encourage one to try.

21. *Mr. Matheson.*] Have you put buildings on the land?—Not many.

22. What were your improvements, roughly?—About £700.

23. Supposing your improvements to the extent of £700 were secured to you, and the rent reduced to 1s. 6d. per acre, would you be willing to see it put up to public competition if your improvements were valued at arbitration?—Yes, I would be perfectly satisfied, because I feel I cannot continue at the present rental except at a loss.

24. *Mr. McLennan.*] Have you any other stock?—No, except four horses and a couple of milking-cows.

25. Is your place well watered?—Yes.

26. I suppose there is good grass in the gullies?—No, there is nothing but fern. There is another bad point about the run—most of it lies to the south-west. It has been badly cut up—too much of the flat land has been cut off.

27. *The Acting-Chairman.*] You think if you had a reduction in your rent you would be able to make the place a success?—Yes; and I was recommended by the Minister of Lands to bring this matter before the Land Commission.

JAMES BOYD examined.

28. *The Acting-Chairman.*] What are you?—I am a farmer, and hold 120 acres of freehold land at Kaikoura. I wish to draw the attention of the Land Commission to one or two matters. I may say that I strongly object to the Land Board as at present constituted; some of the members of the Board should be elected. I do not think it should be wholly elected, because that would be taking too much power from the Government; but if it were not for that reason, it would be better if it were wholly elected. I think the members of the Land Board should be elected on the parliamentary franchise, and that the remaining members of the Board should be nominated as at present. I am very strongly in favour of the present system of land-tenure. I think the freehold is best for the rich man, and that the leasehold enables the poor man to get on the land.

29. Do you think the lease-in-perpetuity system is the best system?—Yes, I do think so, not that I have any land under that system, but I do say it is best for the people, because there are large numbers of persons who would not be able to get on the land if it were not for the leasehold system. I think it would be wrong to grant leaseholders the privilege of converting their leasehold into freehold.

30. I suppose your County Council have to do with the expenditure of “thirds”?—Yes, we get about £700 of “thirds” and “fourths” a year.

31. Do you think that system is satisfactory?—It is in a certain way, but it throws a great responsibility on the Council, because a great amount of the money with which the land was loaded was squandered. If the expenditure had been properly done, it would have been a very good system. The “thirds” came in regularly, but the money was squandered, and now numbers of the settlers have not got a road at all. The “thirds” would be enough to maintain the roads, but they are not enough to make them. We get “fourths” out of the lease-in-perpetuity land, but none out of the freehold land sold in our district.

32. Is there any land about Kaikoura suitable for cutting up for closer settlement?—No, not to be taken compulsorily.

33. Have the landowners there shown any disposition to sell to the Government?—No. I may state that the Kaikoura settlers signed a petition to the Land Commission asking them to visit that district, but I suppose there is not much chance of their doing so. I have come here to give my evidence.

34. *Mr. Paul.*] Is your reason for advocating the election of members of Land Boards on the parliamentary franchise the idea that all the people should have a voice in the administration of the land?—Certainly.

35. It is suggested that residents in cities and boroughs should be excluded?—That would be right enough, but I may say that there is no city in our district, and I did not take that into consideration in my reply. On further consideration, I would not like to give a definite answer on that point.

36. But the alteration you are advocating might be a success in Kaikoura?—Yes.

37. Do you think it should be applied throughout the country?—Yes, generally.

38. Is the condition of the settlers in your district satisfactory?—Yes.

39. Is the value of land there increasing?—Yes, every day.

40. Then, taking everything into consideration, your district is prosperous?—Yes.

41. Is there any aggregation of estates going on?—Yes, a little.

42. Were the roads made under the co-operative system?—Yes.

43. Is that why the money was squandered?—They were too liberal with the men in regard to the money.

44. The supervision was not satisfactory?—No.

45. There was no contract labour?—Not tender contracts.

46. You saw the working of the co-operative system?—Yes.

47. With proper supervision, do you think it could be made satisfactory?—Yes.

48. Then, the success or failure of that system depends entirely on proper supervision?—Yes, I think so.

49. *Mr. Anstey.*] You think there is really no further land about Kaikoura that could be subdivided?—Yes, but not by compulsorily taking it.

50. Are there any large runs in that neighbourhood that could be profitably subdivided into smaller runs?—Yes.

51. Is there much of it, and, if so, in what size areas should the land be cut up?—From 1,000 to 2,000 acres.

52. How many sheep will it carry?—Any of that country will carry about two sheep to the acre if the bush is felled.

53. In what size runs do you think the open country ought to be cut into so as to carry a certain number of sheep?—I believe that the runs would be suitable in size if they were cut up so as to hold from two to three thousand sheep.

54. What are the adjoining runs there?—From 1,000 to 3,000 acres.

55. In regard to the election of members of Land Boards, you recommend the parliamentary franchise. In the case of Christchurch, however, with its thirty thousand voters, you do not think it would be advisable to include that city?—No, I do not.

56. *Mr. Matheson.*] The Minister of Lands is at present responsible for the nomination of the members of the Land Board?—Yes.

57. Does it not seem to you that he is in as good a position to select a suitable man for the position of member of the Land Board as the ordinary settler is in a position to do?—Yes; but I would point out that members of Parliament ask for the appointment of men to the Board who have worked hardest for them, very often quite irrespective of whether they are really suitable men.

58. Suppose you had a member of the House who was a thoroughly straight man, and who wanted to serve his district, do you not think he could pick out a suitable man for the position?—Yes.

59. Would not that be much simpler than having an election?—Yes.

60. But you really think it would be better if the people elected the Board rather than the Minister should appoint the members?—Yes.

61. Can you suggest any method of supervision of co-operative works which will avoid wasting money?—Not unless the work is intrusted to the County Council.

62. Do you think the County Council could spend the money more economically than a Government Department?—I am sure they could, after the road was graded and laid off.

63. And would you suggest that they should let the work by tender?—Either by tender or under the co-operative system, with capable supervision.

#### JOHN BUNTING examined.

64. *The Acting-Chairman.*] What are you?—I am a labourer, and I hold 1 acre of land in the Waiiau Settlement; the tenure is lease in perpetuity, and my rent is £1 2s. 6d. a year. I am strongly in favour of the present system of land-tenure. I approve of the leasehold system. I think it is best for the country, and best for the people. I have no complaints to make against the Land Board. If it were not for the leasehold there are very many people who would not be able to get on the land. I would not have been able to acquire a freehold.

65. *Mr. Paul.*] Did you go to the ballot for this section?—No.

66. Have you had long experience in this district?—Yes, twenty-two years.

67. You have seen the effect of this closer settlement?—Yes.

68. Is it satisfactory and good for the district?—Yes; I am quite satisfied it is the best form of tenure. If the farmers had it in their own hands they could not better it.

69. *Mr. Anstey.*] Are there any very large estates in this district that ought to be cut up?—Yes, Achray.

70. As to workmen's homes, are there sufficient small sections here for them?—Yes, I hold one of them. They are not all taken up.

71. What is the most convenient size for these sections?—From 15 to 20 acres. If there were any sections of that size available they would be taken up at once.

72. Would there be any demand for 1-acre sections?—Not so much; I think the 10-acre sections would be very quickly taken up about here.

73. Is there plenty of work available for men who take up those sections?—Yes.

74. Supposing there were any more runs cut up, what would be the best-size sections to cut them into?—You could not expect a man to work the land unless he had 300 or 400 acres in order that he might keep a team of horses.

75. In cutting-up a run, would it not be well to cut it up into fair-sized farms, and also into some smaller sections?—A labouring-man would want from 10 to 15 acres.

76. *Mr. Matheson.*] You said that you would not have been able to buy a freehold: do you think it would be wise, in the event of a man getting on well, that he should have the right to pay off the capital value?—I would buy the section, but that would be looking at it from a selfish point of view. Looking at it from the point of view of the State, I say the State should retain all the land it has.

77. Do you think it would be wise for the Government to gradually acquire all the land of the colony, and let it out to tenants?—I think so.

78. *Mr. McLennan.*] Do you think it is desirable that you should stick to your agreement with the Government?—Yes, I am quite satisfied in every way. I do not think I could better it.

#### WILLIAM FITZPATRICK examined.

79. *The Acting-Chairman.*] What are you?—I am a farmer, and my land is in the Annan Settlement. The area of my holding is 993 acres, and my rental is 3s. 3d. per acre. The tenure is lease in perpetuity. I wish specially to call the attention of the Commission to the question of the roads. After rain you cannot get to my place with three horses and a dray. When we took up this land we understood that a new road, which is shown on the plan, would be made.

80. How much money was spent in making roads to the settlement?—I do not know, but very little work was done.

81. How was the work done?—By co-operative labour.

82. Were the workmen taken from amongst the settlers?—Yes, I think so.

83. You do not think the settlers got the value of the money that was expended?—No.

84. Have you applied to the Land Board about it?—I believe the Board has written, saying that the proposed road runs through other sections. We want the road.

85. Is there any other matter you would like to bring before the Commission?—I believe in the leasehold system, and I also think that the major part of my neighbours are in favour of it—in fact, I think they are all in favour of it except one, and I think his mind is in the balance.

86. Do you think the present lease-in-perpetuity tenure is most satisfactory?—Yes, I am quite satisfied with it. I would not have been able to have got the land I hold if I had had to buy the freehold.

87. *Mr. Paul.*] There are no other conditions working against you?—No.

88. Have you formed any opinion as to the constitution of the Land Board?—I think the present constitution is satisfactory.

89. Are you satisfied with the working of the ballot system by which you got this land?—I am now, but when I went to the ballot I had fifty-two other applicants against me.

90. *Mr. Anstey.*] Are the rents of this settlement generally fair?—This year has been very good, and there has been plenty of grass. I do not know what it would be in a dry summer, but in the case of the smaller sections I think they would require to grow some crop in order to pay the rent, and in the present bad state of the roads they could not carry out the produce. I brought out to-day twenty bags of cocksfoot with three good horses, and I could hardly get it through.

91. *Mr. Matheson.*] Do you avail yourself of the 10-per-cent. rebate?—Yes.

92. When that Act was passed granting the remission, did you think it was an improvement to the lease?—Yes, but we only get it for prompt payment.

93. If the Crown claims the land and bad times come, do you think there will be an agitation for a reduction of rent?—I think there will be when the land is too dear.

94. Do you think the Crown should let the tenants gradually pay off the capital value?—I have not considered that matter.

95. *Mr. McLennan.*] Have you any couch-grass there?—No. I have some sweetbriar that I have nearly grubbed out.

JAMES GARDNER examined.

96. *The Acting-Chairman.*] What are you?—I am a leaseholder on Lyndon No. 2, and the area of my holding is 630 acres. I hold the land under the lease in perpetuity, and my rent is 4s. 3d. an acre.

97. What is your opinion with respect to the constitution of Land Boards?—I think the different districts should be represented, either by nomination or election. I am in favour of the optional freehold system.

98. You would like to have the option of converting your lease in perpetuity into a freehold?—Yes.

99. Do you think the Government would be wise to give the option of the freehold?—Yes.

100. In connection with your lease in perpetuity, do you think the option ought to be at the original price, or at a price to be fixed when the fresh provision is inserted in the lease?—It depends on when that provision is brought in. If it were brought in soon after the land was taken up it should be on the original value, but if it were brought in much later on there should be a revaluation.

101. Do you not think it would be a fair thing for the holder, before converting the lease into a freehold, to pay the difference in the value?—Yes, there would certainly be a difference in the value.

102. What is your opinion with respect to the ballot?—I have not studied it much, but I do not approve of the grouping system. In my own case, there were one or two sections which I very much fancied, and there were some that I did not fancy. The section I drew was not a section that I fancied at all, but I drew it and had to abide by it. I therefore object to the grouping system, and I approve of the ordinary straight-out ballot.

103. What is your opinion with respect to the advances to settlers?—I do not understand the working of it, but I am informed that a fair value is not given for improvements. I think it would be a great help to settlers in commencing their work on a section if advances were granted up to almost the full value.

104. Do you think the Government would be safe to advance up to three-fifths?—Yes, quite safe.

105. *Mr. Paul.*] Is there anything in the leasehold tenure which prevents you making the best use of the land?—No, I do not think so; but I do not see that it is altogether a secure tenure.

106. Where is the insecurity?—I know of two sections side by side. In one case the settler was able to stock the section to almost what it could carry, and he did well. In the other case, at the same valuation, the land remained in a very poor state, and for the first two or three years the settler had a very hard struggle, and if he got behind with his rent he was liable to be turned out.

107. But is there anything in connection with the tenure that prevents you making the best use of the land?—No; but the lease in perpetuity is not so secure as the freehold, in my opinion. In the case of bad years the leaseholder would have to pay his rent, or if he did not he would have to go out.

108. Did you never hear of a mortgagee foreclosing?—Yes.

109. *Mr. Anstey.*] You said the settlements or districts should be represented on the Land Board: I suppose you meant the settlers?—Yes.



110. In what way should they be represented?—I think the settlers should have the right of electing some members of the Land Board.

111. How many members do you think the settlers ought to elect?—I think one member out of the four.

112. If the whole of the settlers of Canterbury, from Waitaki to Waiau, were to elect one settler, do you think that most of them would have the least idea of who they were voting for?—I do not suppose they would.

113. Do you think they would know who they were voting for as well as the Minister knows the man whom he nominates?—No, I should not think they would; but if the person nominated was a settler we would know that he would represent the settlers.

114. Do you know anything about the No. 2 Run?—I consider the rent is too high.

115. Is it large enough for a man to make a living out of it?—There is not sufficient low country attached to it. I have seen the land seven weeks under snow.

116. Do you think that one of the settlers on the low country ought to have a chance of getting it?—If one of the farms in the low country were put in with the high country the settler would have a better chance. I would not take it, because I consider the rent is too high. I think there ought to be more flat country put in with it.

117. Does that apply to the other two?—They have got a great deal more flat country; but I think the rents are too high, but they are not so bad as the one I have referred to.

118. Do you crop your farms?—No, only for horse and sheep feed.

119. Do you breed sheep?—Yes.

120. Do you sell fat lambs?—Yes.

121. Do you grow turnips?—I have not grown a decent crop yet, but I may in time.

122. *Mr. Matheson.*] Do you manure your turnips?—No.

123. Was this settlement loaded for roads?—Yes.

124. How was the money spent?—It was done by contract. I think the amount spent was about £700.

125. Do you think the settlers got good value for that money?—No, I do not think so.

126. *Mr. McLennan.*] You are in favour of the freehold?—Yes.

127. Do you not think it is a very dangerous thing to interfere with the conditions under which you hold your lease?—No.

128. Do you not think it might lead to revaluation?—That is the only thing in connection with the leasehold we have to consider. Revaluation may take place at any time, in my opinion.

129. Do you think the Government will do that as long as the Crown tenants do not desire it?—Why should they not do so. If they thought it was a fair thing to do they might do so at any time. I do not think the lease in perpetuity will continue for 999 years.

130. You think the Government will break the present lease?—I would not be a bit surprised if they did.

131. Would it not be the Crown tenants' own fault, if the Crown tenants wish to acquire the freehold, and thus the lease is broken?—It is the wish of some tenants to acquire the freehold.

132. But it takes two to break a lease. Do you not think an alteration of the lease might be made which would be detrimental to the tenant?—I do not think so.

WALTER RUTHERFORD examined.

133. *The Acting-Chairman.*] What are you?—I am a retired farmer. I hold 5,000 acres of freehold land, which my son is working.

134. You have been in this district for a long time?—I am the oldest resident here. I came here in January, 1860.

135. You have seen these runs cut up for settlement: do you think it is a good thing for the country?—Yes, for the good of the country at first. When I came here first there was only a license to occupy, and then the authorities began to give lease with right of purchase. Then they gave a purchasing clause, and there was no possibility of a little man getting any of them at that time. But what I came here to refer to is the loading of the land of Crown tenants. That land is loaded so-much per acre for roading, and it is included in the rent, and rates have also to be paid on the loading for all time. Lyndon No. 1 was loaded with 5s. per acre, and they have to pay rates on that, and the rates have to be paid in advance, and that is rather hard on the settlers. I think an alteration should be made in respect to that matter.

136. Do you think if the loading was kept separate from the rent it might be paid off?—Yes, and not only that, but it would save it from the rates.

137. Do you think the loading for roads is unnecessary?—Yes; it seems to me the Crown tenants are paying about double what they ought to. The Crown tenants are valued on their rental, and it was about double what the freeholders pay. Highfield is about double what it originally was.

138. Do you consider it a good thing, in the interests of the State, that these large estates should be cut up for closer settlement?—It is a great improvement on the old system of land-tenure. There are more people on the lands now than formerly.

139. Do you consider the lease in perpetuity a good system?—No. I consider the best system would be revaluation at shorter periods at, say, thirty years, and if things came to the push there might be revaluation at even shorter periods if bad times came. I think that would be better in the interests of the State and in the interests of the tenants too. Under the lease in perpetuity the State gets no increment for 999 years, but there is sure to be an increment during that time.

140. *Mr. Paul.*] Do you think the State acted wisely in selling these large areas of freehold land in the early days?—No.

141. Do you think if they had given the squatter a secure tenure, say, a lease with revaluation, it would have been better?—Yes, it would have been better.

142. Do you think that closer settlement has cost the country much more than it should have done?—Yes, it has been a great loss to New Zealand—these big leases.

143. These large freeholds were an evil?—Yes.

144. And if our statesmen had been far-seeing enough in connection with closer settlement it might have been brought about at a much lower cost?—Yes, at an earlier period; but I consider the price of the land now is too high to work the system satisfactorily.

145. You think that the Government are paying too much for the land, and thus they have to charge the tenants too much rent?—Yes.

146. Is land increasing in value in this district?—Yes.

147. What was Highfield bought for in the first instance?—I believe most of it was bought for 10s.

148. What was it sold to the Government at?—It is rumoured the price was £2 18s.

149. Was there much improvement put on the land by the original purchaser?—There is a great deal on part of it.

150. As to the other estates resumed for closer settlement, were they purchased at about the same price or higher?—I think they were. Some of them were without any improvements except fencing.

151. In that case did the original owner get a large sum?—Yes; I think Lyndon No. 2 was purchased at about £2 17s. 6d.

152. Are there any more estates suitable for subdivision which could be obtained at a fair price?—There are plenty that could be obtained, but I could not say what they could be obtained at.

153. *Mr. Anstey.*] You say there are a lot of areas which could be cut up into smaller sections: what do you suggest to be the size of the sections?—It all depends on the nature of the land.

154. In case of grazing country, what number of sheep would a man require to have in order to make a fair living out of them?—He should make a living out of a thousand sheep. He would not make a fortune. In the case of land not of such good quality he would have to have a rather larger number of sheep.

155. What size holdings would agricultural land have to be to enable a man to make a fair living on it?—I think from 300 to 500 acres. If it was very good land it might be less.

156. Have you had any experience in surface-sowing this high country?—Yes, a good deal. It has been successful with me. I grassed down gradually. The grass takes very well—not everywhere, but in most places—and it will spread itself even if you do not sow it at all on some land.

157. What sort of seed do you sow?—Ryegrass and timothy in damp places, and white-clover. The best-quality seed is the most profitable to sow in the end.

158. *Mr. Matheson.*] How high does your high country run?—The highest part is about 2,000 ft.

159. Do you think it is reasonable that the settlers should pay interest on the roading for ever?—I think the roading should be made out of the general land fund.

160. Do you think it would be an improvement on the present system of loading for roads if the settlers were allowed to pay off the capital value in thirty years?—The freeholders might do so, but I do not know that it would be so in the case of Crown tenants. I would like, in conclusion, to make another suggestion to the Commission. I think the Government might only charge the Crown tenants a small rent for the first year or two, and make it compulsory that improvements should be effected to the value of the difference in the rent.

#### JAMES DOWDS examined.

161. *The Acting-Chairman.*] What are you?—I am a farmer on the Annan Settlement. I hold 298 acres under lease in perpetuity. I pay 6s. 6d. per acre rent.

162. Is there anything special you would like to bring before the Commission?—I want to refer to the road mentioned by Mr. Fitzpatrick. I had hopes when I took up my section that that road would be made, but I find now there is scarcely any probability of it being made. There has been some correspondence in regard to it, more especially through the member for the district, but it is not likely to be made now, the reason given being that the road is one that is likely to be made by the County Council some day. I think it is very necessary for the proper working of my section, because the present road is impassable in wet weather. It is said that the estate has not been loaded with the cost of making it.

163. Is there anything else you wish to bring before the Commission?—No.

164. Are you satisfied with your lease in perpetuity?—Perfectly, for my circumstances.

165. Are the rentals on the Annan Estate fairly satisfactory?—Yes, so far as I know.

166. Do you find the Land Board treat you all right?—Yes, I am quite satisfied with the constitution of the Land Board. I think it is the best, because it is free from local influence.

167. Have you had anything to do with the Advances to Settlers Office?—No.

168. *Mr. Paul.*] Was the settlement loaded for this particular road you mentioned?—No.

169. *Mr. Anstey.*] Do you consider the Government have broken faith with you in not opening a road shown on the plan?—I would not say that quite. In the earlier stages of the ballot the Commissioner stated it was not intended to open the road, but I did not hear of it at first. But if I had heard it was not to be opened that would not have stopped me going to the ballot.

170. I notice you live at the back of this hill: what do the people through whose land the road would go think of it?—I do not think they desire it, because it would cost them a considerable amount for fencing. But I do not think they should be allowed to stop the other settlers getting a road they want.

171. But, before the ballot, did they get an assurance that their farms would not be cut through by this road?—Not until the very day of the ballot.

172. Would you be agreeable to a fair loading now to pay the cost of this road?—Yes.

173. *Mr. Matheson.*] Do you not know that you have power now to raise money under the Loans to Local Bodies Act to make that road, and that you can repay interest and principal in a certain number of years?—I was not aware of the fact.

174. If a majority of the settlers along that road are in favour of doing the work under the Loans to Local Bodies Act they can raise the money and construct the road, and repay the loan in twenty-six or thirty-five years?—I was not aware of it; but I do not see why the road should not be made in the ordinary way.

175. The Government have no power to set this machinery in motion after the settlement has been opened, but the settlers who desire the road can do so?—I was not aware of the fact.

HERBERT THOMAS BEAVEN examined.

176. *The Acting-Chairman.*] What are you?—I am a farmer on Lyndon No. 1. I hold 648 acres under lease in perpetuity. I pay 3s. 9d. per acre rent.

177. Is there any particular point you wish to bring before the Commission?—When I went there the settlement was loaded to the extent of £500 for roads, and we naturally thought that money would be expended straight away. We wanted the roads during the first six months more than at any other period, and I may say the road was very bad then. It was nearly two years before this road was opened. I would suggest the Government, in opening up a settlement, should spend the loading for roads as soon as possible, in order to give the settlers a chance to conveniently get their goods on to their sections. The roads are in very fair order now, and we have nothing to complain of.

178. Do you look on Lyndon No. 1 as a successful settlement?—I think it will be. It is coming now. For the first few years the sections at the back, and my own amongst them, were almost useless, because the country was all covered with scrub and gorse. The country is no good until it is grassed, but we have a good deal in grass now, and we are doing better. It is practically all ploughable. It takes grass very well, and it will be right enough by-and-by. But in the first few years it would not carry a sheep, and we could not hold our own then.

179. Are you satisfied with the lease-in-perpetuity tenure?—It is right enough, so far as it goes. Like some of the rest of the Crown tenants, we would like to get it for our own if possible, and when we are in a position to make it freehold, as we hope to be some day. I would like to see some alteration in regard to the system of rating by the Assessment Court. We were assessed right up to the hilt as soon as we went on to the place, and I do not think we would be assessed quite so high if we were assessed in proportion to our freehold neighbours. I do not suggest that the Land Board has anything to do with that, but it hardly seems fair that we should be rated higher than our freehold neighbours.

180. *Mr. Paul.*] Is the general settlement of the district satisfactory?—I think so. I cannot speak for other settlements than this.

181. Do you think the land policy has been a wise one?—Yes, it is a good policy to get people on the land, and give them suitable-sized places to live on.

182. Have the Land Board treated you fairly?—I have no complaint to make about them at all. I fancy if there was a sprinkling of Crown tenants on the Land Board the Board would get into better touch with the tenants, and know them personally.

183. You think the Government might make a practice of appointing one Crown tenant on each Land Board?—Just so, and let that member come from a different district, say, every three years.

184. If you get the option of purchase do you think you should be allowed to buy at the original capital value, or at a future valuation?—When we went on to this place it was really not worth the money. I have had to make every inch of it. I suppose I have 100 acres, more or less, bad with gorse. When a man has had to improve his place like I have had to, I do not think he should have to pay any more for it at any future time. He makes it what it is. Some places may increase in value owing to what is commonly called the “unearned increment,” but I say our improvements should be taken into consideration. When I went there that land would not carry a quarter of a sheep to the acre, but when in grass it will carry one sheep and a half to two sheep to the acre, but it costs a lot of money to put it into grass.

185. Where land has increased in value through the expenditure of public money, do you think the State should get something more than the capital value?—It should get a little.

186. Do you think the tenant should be allowed to do whatever pays him best, independent of the interest of the State?—If he had the option, of course he would do what he liked. If it did not pay him to buy he would not buy, and if it did he would buy.

187. Do you want it fixed so that it would always pay him to buy?—I do not say that, but I say give him a fair show.

188. As a general principle, would you be in favour of revaluation for the purpose of purchase?—So far as our settlement is concerned, I should say certainly not. I have had no experience of other settlements.

189. If that is so, there could be no increase in the value of your sections if they have not increased in value outside your own efforts?—Our land has not increased in value.

190. Then, you could have no serious objection to revaluation?—No, provided I am allowed liberal valuation for my improvements.

191. Supposing you were allowed liberal valuation for your improvements, would you be in favour of allowing your section to be put up to public competition, seeing that other people may be anxious to obtain the land under the different tenure?—I think the tenant should have the first chance somehow. I was there three years before the place paid me. Now it is coming on, and I am getting the land into shape, and things seem to be better. If the place pays £200 a year for the next twenty years, I think I should be allowed to increase my capital to the extent of £200 for every year I have been there since I took the section up.

192. *Mr. Anstey.*] Suppose the Government had been as prompt in spending your loading as the local bodies were in putting up your rates, would you have been satisfied?—Quite.

193. Have you cleared all the scrub off this section?—No; that would take me all my lifetime.

194. Do you crop your land?—Only to the extent of oats for the horses. I do not know whether it will grow wheat yet.

195. Is your rent reasonable?—Yes.

196. *Mr. Matheson.*] With regard to your objection to your valuation for rating purposes, do you know that once in every three years a day is set apart on which any person can object to his own or any one else's assessment?—Yes; but one does not want to be unneighbourly, and I cannot object to my own valuation, because when I applied for the section I practically admitted the section was worth the money.

197. Is it not a reasonable objection to the Court if you show that your valuation is out of proportion to a neighbouring one?—I have never tried it.

WILLIAM RICHARDS examined.

198. *The Acting-Chairman.*] What are you?—I appear as the secretary of the Waiau District Settlers' Association. I have a freehold of 1,567 acres on part of the old Lyndon Estate.

199. What particular point do you wish to bring before the Commission?—The matter of the Annan Road, mentioned by Messrs. Fitzpatrick and Dowds. I am of opinion that the Government have been "shuffled out" of the making of that road. I say that because of the fact that last session they put a vote of £100 on the estimates mainly owing to the pressure of the Settlers' Association to give it a start, and only within the last two or three months they have replied to our representations by disclaiming any intention to make the road.

200. Do your association think the Government are under any obligation to make that road?—That was the general feeling.

201. Do your association know of the statement made by the Commissioner before the ballot was taken?—Some heard of it and some did not.

202. You do not think it was generally known?—Not generally.

203. Do you think, in view of the fact that the Commissioner made the statement before the ballot took place, that the Government is still under any obligation to make that road?—The position is unsatisfactory. The road appeared on the plan when the settlement was offered, and a lot of the settlers took up the land on that condition.

204. In your opinion, is it a very necessary road?—Yes.

205. *Mr. Paul.*] Do you think the Government are under any obligation to construct a road through one of these estates when it is not loaded for the purpose?—I do, for the reason that the matter was referred to the surveyor and the member for the district. They had a look at the road, and the surveyor agreed to waive any claim if the grades were eased on the present road and a slight deviation made to cut off one large hill. But this has not been carried out.

206. Was this estate loaded for roads?—It was loaded to the extent of £850, and I think £1,200 has been spent. I think that is a fault of the system—that the estates are not loaded sufficiently for road-making.

207. *Mr. Anstey.*] How many members are in your association?—Forty-eight.

208. Are they composed of the settlers on these estates?—The larger part.

209. Are you interested in this road?—No.

210. Is there any number of settlers living beyond the settlement across the Staunton River?—None at all.

211. Who live beyond there who are interested in this road?—Only two stations, but it is a mail track.

212. I suppose if this road was opened up they would benefit by it?—Certainly they would.

213. Is there any scheme whereby they could be made to pay their share of the cost of it?—Not that I am aware of. If you made it a county job only a small portion of Parnissus and Mendip Hills Stations would be liable for rates.

214. *Mr. Matheson.*] Have your association any definite feeling in regard to land-tenure?—No; we leave that question alone.

215. Have you personally any strong feeling with regard to land-tenure?—No.

216. Have you no opinion about it?—My opinion is that things are right enough as they are at present.

WALTER THOMAS RUTHERFORD examined.

217. *The Acting-Chairman.*] What are you?—I am a farmer on Lyndon No. 1. I hold 532 acres under lease in perpetuity. I pay 4s. per acre rent.

218. Is there anything you wish to bring before the Commission?—No.

219. Are you satisfied with your lease in perpetuity?—Yes, so long as there is no revaluation. I am against revaluation.

220. You do not feel any great fear in regard to revaluation?—No. I see there are a few in favour of it, and you never know when it might come. I think our contract should be regarded as sacred, and should be kept by both parties.

221. *Mr. Paul.*] Do you think there is any danger of the agitation by the Crown tenants for the freehold reopening this lease?—I believe that those who wish for the freehold may get revaluation, but I think those who do not wish it should be left alone.

222. *Mr. Anstey.*] Are the rents fairly reasonable?—Yes; I am satisfied. I crop a little for home use. I am under the usual cropping conditions, and I am perfectly satisfied with them. I have had no dealings with the Advances to Settlers Office.

223. *Mr. Matheson.*] Do you think it is possible for the landlord and tenant to agree that a clause shall be added to the lease without breaking it?—I should think so.

## ERNEST COURTNEY WEBB examined.

224. *The Acting-Chairman.*] What are you?—I am a farmer on Lyndon No. 2. I hold 4,500 acres under small-grazing-run lease. I pay 2s. 6d. per acre rent.

225. Is there any particular point you wish to bring before the Commission?—The whole of the settlers on the three runs have been agitating to get a reduction of rent. The places are too dear. We brought the matter before the Hon. T. Y. Duncan, and he said the whole thing would come before the Royal Commission. I would like to know what you are going to do about the matter.

226. What would you suggest as a fair rent for these runs?—I think an average rent of 1s. 6d. per acre would be full value for this land. We would then have a chance to do something in the way of improvements. There are about 500 acres of my land with which I can do nothing at all. I carry about nineteen hundred sheep on the place, and they do not come off too well. I have lost over twelve hundred in three years. In the first year I lost eight hundred through snow alone.

227. *Mr. Anstey.*] Have you sufficient low country to bring your sheep down in winter?—Not sufficient, and what there is is very poor and sour. There is no English grass on it, and the sheep simply exist on it.

228. Do you think it is necessary that some low country should be added to your run?—No; I think if the rent came down it would enable me to cover my losses.

229. Would you be in favour of a Fair Rent Bill being passed?—Certainly, I would.

230. Do you think it would be fair to apply that principle to other settlers with the rents of which they are perfectly satisfied?—Yes, so far as runs are concerned.

231. You think it would be fair to apply that to lease-in-perpetuity farmers?—No, I think they should come under a separate Bill.

232. Are you able to crop?—I think so. I will be able to grow enough for winter feed in time.

233. *Mr. Matheson.*] If your improvements are secured to you would you be willing to have your place put up to public competition at a fair rent?—Yes.

234. *Mr. McLennan.*] Have you cultivated any of your land?—I have about 100 acres in turnips and grass. The turnips do not grow very well.

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HAWARDEN, THURSDAY, 20TH APRIL, 1905.

## GEORGE GARDINER examined.

1. *The Acting-Chairman.*] What are you?—I am a farmer, holding about 1,100 acres of freehold on Horsley Downs. I was one of the original settlers at Cheviot. One of the chief reasons I had for selling out on Cheviot was on account of the freehold. The best thing for the country, and for everybody, is to have homesteads scattered freely all over. I think each farm should be sufficiently large to enable the owner to keep a man working on the place, but, on the other hand, it is criminal and waste of money on the part of the Government to give a man a larger holding than is necessary. The three things the Government have to deal with in connection with land are—(1) Land monopoly, (2) land abuse, and (3) taxation. I consider the town and country are mutually agreed on these particulars. I consider that the 999-years lease should have been repealed long ago. It is a ridiculous absurdity. I do not think that even Great Britain could guarantee a thing for 999 years. In our case, with the 999-years lease, they are trying to pick holes in it already before nine years have elapsed. It is ridiculous also that the cropping regulations should be the same for £20-an-acre land as they are for £3-an-acre land. The lease in perpetuity is also bad, because under it no more mortgage-tax is collected nor can any land-tax be collected. The Government has sunk the money of the people in land which they have purchased for settlement purposes, and no one gets any benefit from that money except the person who is fortunate enough to secure a section at the ballot. A man may have a leasehold, yet he is able to sell the goodwill of it for as much as if it were a freehold. The only difference is that the man with the leasehold has no money invested in the land apart from his improvements, whereas the man with the freehold has the whole of his capital in the land. Another thing is that the Crown leaseholder is enabled to sell out for what he can get during good times, and in bad times he looks to the State for help. Cropping restrictions are put on land on the "fish to one and flesh to another" principle. Complaints have been made with regard to the Advances to Settlers Department, but I consider there are very good reasons why tenants should not get advances. It is all very well to have wire fences, fine houses, bath-rooms, and pianos, but the people who are responsible for advancing the money are, I take it, shrewd, level-headed business-men, who prefer for their security good acres that produce 60 bushels of wheat and turn out 18s. lambs. Land Boards are a necessary consequence to State tenantry. No matter what Government is in power, if its wishes in regard to their farms are to be carried out, it must appoint the members of the Land Board. The political trail is over everything, and if you have a friend at Court you are a white-headed boy. It causes a lot of heart-burnings in regard to the transferring of sections, and so on. Some tenants are able to do things that others cannot, and I know very well that there are many heart-burnings which is not a good thing. I notice that at Cheviot evidence was given with regard to the size of holdings and the number of ewes that a man with a small grazing-run should be able to carry. I consider myself that a grazing-run holder should be very thankful if he was able to keep a thousand ewes. I think that surface-sowing is the most valuable improvement that can be carried out on a grazing-run, but I do not think that can be carried out under a twenty-one-years lease. In a favourable season, such as the present, surface-sowing could be done with advantage, but if it was a dry season the seed would be thrown away. To surface-sow successfully a man must understock for several years, and therefore he should have the greatest security of tenure. I cannot understand why the man with a twenty-one-years lease does not get the rebate

the same as the lease-in-perpetuity holder. The grazing-run holder has only his stock and sheep to look to, and in many cases they are not in as good a financial position as the man with the 999-years lease. Runs should be improved by surface-sowing and not by ploughing, for I regard hill ploughing as a doubtful improvement, for it often causes the ground to break away in wet weather and also destroys the natural grasses. There are only two systems of land-tenure wanted in any country—namely, freehold and deferred payment. The deferred-payment system is quite as good a system for settling poor men on the land in the first place as is the lease in perpetuity. In fact, the lease in perpetuity as a system for the poor man is a fallacy. A man with a freehold is, I think, the best farmer, or at least there is no reason why he should not be. I do not see any reason why the State should not buy land for settlement purposes, so long as they give the market value for it. It is for the present or the next generation we are legislating for, and not 999 years hence.

2. What was your experience of the Land Board in connection with your transfer at Cheviot?—I had no trouble at all.

3. You had no complaint to make yourself?—That was my only experience of the Land Board.

4. *Mr. McLennan.*] Are you a member of the Farmers' Union?—I am.

5. Are you representing the Farmers' Union before the Commission?—No.

6. Do you admit that the Land for Settlements Act has been the means of placing more working-men tenants on the land in the last eight years than was the case under any other Act passed by Parliament?—I do not think it has.

7. Are the tenants on the land at the present time successful?—The original tenants cannot help being successful.

8. *Mr. Paul.*] What area had you on Cheviot?—1,729 acres.

9. Did you get a sum for goodwill over and above improvements?—Before I sold out I bought another place. I wanted to get rid of my run and took a reasonable time to dispose of it, but I did not get within £500 of what I should have.

10. Did you get fair remuneration for your improvements?—Yes.

11. Do you think these large sums that are being paid for goodwill are likely to hamper the success of the incoming tenants?—If prices drop I should say they would.

12. Would you give the Land Board power to prevent transfers, or what would you do?—No. I think a bargain is a bargain.

13. Do you think the tenants should stick to the bargain: they have agreed with the Government to take the lease in perpetuity at a certain price?—If there has been a wrong done all round I consider that Parliament should have power to make it right. The Government can see that they have no right to interfere with the lease, and the tenant sees that he is handicapped in regard to cropping. If all parties are agreeable the tenant should be allowed the right of the freehold at the original valuation.

14. Tenants are making good sums out of the goodwill?—I consider the original tenant does. The goodwill of his section returns him as much as if it was freehold.

15. You mean to say that there are people ready to buy leasehold land and give as high a price for it as they would for freehold land?—In proportion—£3, £4, or £5 per acre goodwill.

16. *Mr. Anstey.*] You are not in favour of the lease in perpetuity as a means of settlement?—Decidedly, no.

17. Is your objection to it that it is too advantageous to the tenants?—No.

18. What are your objections to it?—It pays no land-tax and no mortgage-tax, the tenant cannot crop as he wishes, and there are various other reasons.

19. Do you object to the settlement of the land under the leasehold system?—I consider the deferred payment as equal to any leasehold system, and while that is so it is as good for the poor man to go upon the land as the lease in perpetuity. Therefore I object to any leasehold system being introduced while the deferred-payment system was what it was.

20. Do you think the settlement of the country would have gone on under any freehold system as it has under lease in perpetuity?—It would have gone on just as well.

21. Would you be prepared now to grant the option of the freehold to existing lease-in-perpetuity settlers?—I would.

22. Upon what terms?—At the original valuation.

23. Do you think a contract entered into between the Government and the tenant ought to be adhered to?—If both parties are agreeable to a change it is no one else's business.

24. Would you be prepared to break the contract if only one party desired to break it?—It takes two parties to break a contract.

25. If the Government was not agreeable you would not ask for the freehold?—I would advocate for it.

26. What is your opinion as to the best size for small grazing-runs?—That all depends on the country. You must have a fencing-line, and a man should not be given all south-west faces on which his lambs would be lost. Most of the settlers on Cheviot would have been better off if they had had less of hill land and more of the flat.

27. You have not told us what size you think suitable?—I could not do that; it all depends on common-sense and the surroundings.

28. Do you think it would be wise to settle our grazing country under the freehold system?—I do.

29. Can you give any idea of the most suitable size for agricultural settlement?—Not less than sufficient to enable a man to properly employ a four-horse team and get interest on all that he requires for the working of his farm.

30. Have you had any experience of the Advances to Settlers Office yourself?—No.

31. Are you in favour of the Government advances-to-settlers policy?—I have no doubt that when the scheme was started there was a "ring," and that the scheme broke that "ring."

32. Do you think the system should be abandoned?—It is stopping itself.

33. *Mr. Matheson.*] If the Government cut up more land and settled it, you think the best way would be to give a lease with the right of purchase?—On the deferred-payment system.

34. Is there any land about here which they could buy at a price at which settlers could profitably take it up?—Any amount.

35. Can you mention any?—Culverden Estate and Tutton's estate.

36. What is the acreage of Tutton's?—2,200 acres.

CYRIL THOMAS WHITE examined.

37. *The Acting-Chairman.*] What are you?—I am a farmer at the Peaks, where I have 260 acres lease in perpetuity, 3,856 acres of small grazing-run, and 150 acres of freehold, which is in my wife's name. For 50 acres of the lease in perpetuity I pay 1s. per acre, and 1s. 6d. per acre for the balance, and for the grazing-run I pay £130 a year. It is a large block, but half of it is covered with dense scrub. As far as the Land Board is concerned, I think the Crown tenants should have the privilege of nominating and appointing two members. I think it is only fair that they should have representatives of their own. I consider that it is not only unwise, but morally wrong, for the Government to part with another acre of their land. They should retain it all. There is plenty of freehold land in the colony, as is evidenced by the lists of freehold farms for sale, without taking away the best asset the country has. I am perfectly satisfied with the lease in perpetuity; if anything, I think it is too good a lease. It is certainly favourable to the tenant, and I have no fault to find with any of the conditions. A better tenure for the State is the twenty-one-years lease with the right of renewal at revaluation at the end of that time. That is the most advantageous to the tenant and the country at large. I have never heard any complaints about undue interference on the part of the Ranger. I quite hold with the Land Board having reasonable discretionary powers in regard to transfers, and so forth. I think the system which was in vogue twenty years ago, under which a man was advanced so-much towards erecting his house, was a very good system.

38. How long have you been here?—Eighteen years.

39. Where was Mr. Rolleston's settlement about here?—At Medbury. Our sections were settled under the village-settlement system, and we soon found that 50 acres was insufficient. After considerable pressure we got the Government to purchase from the Midland Railway Company the remainder of the flat, and it was cut up into sections far too small for the class of land. 240 acres is nothing like sufficient for a man to live on there. We should be allowed to buy our neighbours out, so as to throw two farms into one. Without my grazing-run I could not have stopped there.

40. Have you brought this matter before the Land Board?—I do not think it has been since we got the enlargement of our holdings. I would strongly suggest, in the case of new settlements, and even in regard to old ones, that the settlers should be compelled to form an association and elect a small committee, that would always be appealed to from the Land Board in the event of there being anything in dispute, in regard to loading for roads especially. The Land Board should not act without first referring to the association belonging to the particular settlement. I have known a good sum of money to be handed over to the local Road Board by the Government—loading money—and spent not to the advantage of the settlers, who have to pay interest on it. In other matters, too, I think there should be a recognised body on each settlement that the Land Board should lay matters of that sort before and take advice from. I think the loading is carried out in such a way that money is spent where it should not be spent.

41. Is your settlement loaded?—Yes, the lower part of the flat was, and I maintain that our money has been spent as much, if not more, to the advantage of the surrounding freeholders as for the tenants themselves, who have to pay the interest on the money.

42. Did the Government hand over the amount in a lump sum?—No; but there was a balance left, and the Government asked the Road Board to spend the money. The settlers were never consulted as to where the money should be spent. Instead of being expended on finishing the top road, the money was spent on the main road leading to freehold property. When I pointed the matter out to the Road Board, and told them where the money came from, they expressed surprise, and said they had not known of it before. A most important matter that is overlooked in the cutting-up of land is the provision for water. In our case it is dry land, which would be enhanced in value, and the settlers could make a far better return than at present if they had water. There are no means of getting water, and we are getting tired of approaching the Government. We suggested that they should send an engineer to report on the cost of bringing in a race from the Hurunui, but we never succeeded in getting that done. As far as my experience of the advances to settlers is concerned, I think the Government are very unfair. They say they will advance up to half the value of a man's improvements; but the valuation is their own, and is anything but a fair value. If a man has improvements which have cost him £50 the Government will not value them at anything like that, and, of course, he can only get half of what their estimate is. I know of one case where a man had improvements to the value of £640, and he asked for a loan of £300. The Government reduced him to £250, which was not accepted. The man went to the city and got a loan of £300 at the same interest as the Government were charging, and the following year got another £100 as a second mortgage. I consider that all the country round here, even Horsley Downs, has been cut into too small holdings, and I do not see why provision should not be made whereby a man could buy out his neighbour.

43. *Mr. McLennan.*] Has the Land for Settlements Act been successful?—I think so.

44. Have not a good deal of improvements been put by the Crown tenants on their farms?—Yes.

45. Do their improvements compare favourably with the improvements put on freeholds?—Quite. I know of freehold farms in our district that do not carry anything like the quantity or quality of the improvements that are carried by leaseholds under the Crown.



46. *Mr. Paul.*] Do you think if these improved estates were let on twenty-one-years leases, with a right of renewal and valuation for improvements, that successful settlement would ensue?—Yes; I do not think there can be any doubt about that.

47. Are you representing anybody to-day?—No.

48. Are the settlers in your immediate vicinity satisfied, and do they hold similar views to yourself?—I think I can say so. We had a meeting last night to talk the matter over, and I think I am only expressing the views that were agreed to by the others. I found no discontent at all.

49. You think the condition and position of the present settlers are good?—Yes, except in regard to the matters I have mentioned.

50. *Mr. Austey.*] You think the settlers ought to elect two members to the Land Board?—Yes.

51. The Land Board now consists of four members and the Commissioner: do you think it would be fair that the tenants should elect half of the Board?—Yes, I do.

52. Suppose the two nominated members were absent, you might have the Land Board entirely composed of Crown tenants?—It would cut either way. I do not think there is any danger about that.

53. How are you going to elect them?—I think the settlers should have the right to nominate two members, and the matter should be put to the vote.

54. Do you think the settlers between Waikakahi and Cheviot would be likely to know who they were voting for?—I think so. They would soon find out the man who would look after their interests.

55. Was the loading for roads spent in the usual way by the Waipara Road Board or by co-operative labour?—In the usual way, by tender.

56. Is there anything to prevent you forming a settlers' association?—No; but I think there should be a body recognised by the Land Board, to whom matters should be referred for their opinion.

57. In regard to a water-supply, is there anything to prevent you forming yourselves into a special rating district for the purpose of raising a loan to provide water?—I suppose not, except the question of expense.

58. Under the Loans to Local Bodies Act you could borrow money for the purpose at 5 per cent., with a sinking fund, which would repay the whole cost in twenty-six years?—I was not aware of the fact.

59. What would you suggest as a fair size of holding on a settlement like Horsley Downs?—I certainly think a section of 100 acres is not large enough. I think the sections should range from 250 to 300 acres for medium agricultural land.

60. What is a suitable size into which to cut the grazing-runs?—I should say the holdings should be able to carry from one to two thousand sheep.

61. Do you know of any large runs in this neighbourhood that are suitable for cutting up?—There is the Allandale property, I believe. I do not know sufficient about Culverden Run. Then, Tutton's is certainly a good piece of country. A good deal of it is dairying land, and some of it is grazing land.

62. Is the remainder of Glenmark suitable for cutting up into smaller areas?—Certainly. It is mostly grazing country.

63. Is it all freehold?—Yes.

64. Is there any Crown lands suitable for cutting up into grazing runs?—Not that I know of.

65. *Mr. Matheson.*] Do you know the amount of loading for roads on Patoa Settlement?—I do not know the exact amount.

66. When the settlers load themselves voluntarily for roads under the Government Loans to Local Bodies Act they pay 5 per cent., which in a certain number of years extinguishes the debt: do you think that ought to be applicable to lands under the Land for Settlements Act, so that the settlers would extinguish the loading in a certain number of years, instead of having to pay for a thousand years?—Yes.

WILLIAM ANDERSON examined.

67. *The Acting-Chairman.*] What are you?—I am a farmer. I hold 108 acres under lease in perpetuity on the Horsley Downs Settlement. I pay 8s. 6d. per acre rent.

68. Is there any particular point you wish to bring before the Commission?—I think a good many of the Horsley Downs sections are far too small. I have to keep a team of horses, and I have to go out and contract to keep them employed. I believe in the settlers having the option of making their sections freehold. I think as they have £200 or £300 they should have the right to pay that off their capital value. I consider a man's farm is the best savings-bank he can have. If a man has £200 or £300 the Government allow him 3 per cent. in their Savings-bank, and he has to pay 5 per cent. on his farm, which means a loss of 2 per cent.

69. You think the lease in perpetuity would be better if the right of purchase was attached to it, and the tenant was allowed to pay off as he makes a little money?—Yes. It is not an easy matter for a Crown tenant to compete with the outside public for the freehold, because it takes him a long time to get a little money together. I may say that a neighbour of mine sold out on Horsley Downs a few weeks ago, and I was prepared to buy him out, but the Land Board would not entertain my proposal. I would suggest that the law should be altered to enable a man to buy out his neighbour and to make the land freehold. I have had no friction with the Land Board, nor yet with the Ranger. I have no fault to find with them whatever. I have never borrowed any money under the Advances to Settlers Act, and I never wish to. But if I wished to borrow money I would sooner go to a private firm, because I think I would get better terms.

70. *Mr. Paul.*] On what terms would you like the option of the freehold?—At the original valuation. If it was otherwise it would only be turning the Government into land-speculators.

The land has risen in value and improved under our occupation, and I think we should get the benefit of it.

71. *Mr. Anstey.*] Do you get a 10 per cent. reduction in rent?—Yes.

72. What size of holding do you think is suitable for Horsley Downs?—I would be quite satisfied with 200 acres. I could make a living on that area and keep my team at work.

73. Do the cropping restrictions interfere with you?—I think the cropping might be left more to the Crown tenant, because sometimes he meets with a bad season, and it does not suit him to sow the paddock down in grass. I think he should be allowed to take another crop off. But in ordinary seasons the cropping conditions are satisfactory.

74. *Mr. Matheson.*] Do you think, in regard to other estates opened up for settlement in the future, the Government would be wise to offer the land for cash, or under lease with the right of purchase?—Under lease with the right of purchase.

SAMUEL HEWETT examined.

75. *The Acting-Chairman.*] What are you?—I am a farmer. I hold two sections, comprising 245 acres, under lease in perpetuity at the Peaks. I pay 2s. 6d. per acre rent for the 45 acres and 2s. 3d. per acre for the 200 acres.

76. Is there any particular point you would like to bring before the Commission?—I was one of the first on the settlement up there. At that time it was a village-homestead settlement, and my small section was originally a village-homestead section. I have since converted it into a lease in perpetuity. I have been there for the last eighteen years, and I am perfectly satisfied with the lease in perpetuity, provided it is not interfered with. I reckon the Government are one of the best landlords I have ever known. They have never in any way interfered with me or with my neighbours. We are perfectly satisfied with the way in which we have been treated; but I think there should be one representative from the whole of the Crown tenants on the Land Board. Some of our land is very poor, and if the past seasons had not been very good we should practically have had to sell off our stock on account of lack of water. If water could be brought across the flat there is no mistake but that it would enhance the value of the Crown property, and I would be perfectly willing to pay a good deal more for the water. Some time ago a water-race was talked about from the Hurunui, and it was suggested it should go down to Balcairn, because the land about Medbury would not be able to stand the cost of it alone. I think it is very desirable that such a scheme should be carried out. When I went on to my section I had nothing. The Government advanced me £20 towards building my house and otherwise helped me, and I managed to get things together. Since Horsley Downs Station was cut up I have not been able to get contract work, and if it had not been for my father and myself working together and having 500 acres of land between us I could never have stayed on, because my 245 acres do not provide a living; it is only an existence. I consider the law should be altered to enable us to buy one or another out up to the 640-acre limit. The Government bought this land for us, and we formed ourselves into an association, and by the rules of that association we cannot hold more than 340 acres, and that area is only an existence for a man. With regard to loading for roads, we have at the back and side of our sections several freeholders. We paid for the roads up there, and as their farms are much larger than ours they use the roads we paid for more than we do. I do not think our settlement, in view of its special situation, should have been loaded for roads. The road only goes through our sections and stops, and these freeholders use it both coming and going. In regard to valuations, I think the present valuation put on our properties is certainly not enough. The valuation is right enough for local rating purposes, but it is not enough if we want to get an advance under the Advances to Settlers Office or if we want to sell out.

77. *Mr. Matheson.*] We have had evidence that when valuations are made for rating purposes the freeholders have not had as high valuations put on their property as Government leaseholders: is that your impression, or do you think the valuations in this county are fairly uniform?—I think they are, so far as my experience goes.

78. So that these freeholders are paying equally with you for the maintenance of the roads now they are constructed?—Yes.

EDWIN HENRY BROOKER examined.

79. *The Acting-Chairman.*] What are you?—I am a farmer. I hold 100 acres under lease in perpetuity at Medbury, for which I pay £14 5s. per year. I also hold 540 acres under lease in perpetuity, for which I pay £27 per year.

80. Is there any particular point you wish to bring before the Commission?—No. I am quite satisfied with the land, and the settlement, and the lease-in-perpetuity tenure.

81. Have you any desire for the freehold?—No; I object strongly to it. I believe the land should belong to the people of the colony. I think one member of the Land Board should be elected by the Crown tenants.

82. Do you know anything of the land settled in your neighbourhood under the deferred-payment system?—It was settled about eighteen years ago before we came here. I think some who got behind in their payments have brought their sections under lease in perpetuity. I only know of one who has converted his land into freehold. The land was called first class, but it really was not first class. It is about the same as the Medbury Settlement land. I think the Advances to Settlers Department is a very good thing, but I think the settlers should be able to get a little more money from them. I think a man should get an advance pretty well up to the full value of his improvements. The land is increased in value, and the Government are secure in that way. In regard to the size of holdings, when we went on to Medbury we only had 50-acre sections, and it was not enough to live on. That area was only given to us to make a home on. The Government advanced us £20 towards building a house, and it was a very good thing, and I should like to see a little more of that done. I went there next door to being a bankrupt, and I have done

very well. I say if a man wants a larger holding he should not clamour to get his neighbour's land, but he should be allowed to go out and ballot for a larger holding, and then he should be given twelve months in which to sell out his present holding. If a man sells out his small holding before he has another, he is apt to lose a lot of his money in going about the country to look for a larger holding.

83. *Mr. Paul.*] Do you think successful settlement could take place under a lease for twenty-one years, with the right of renewal and valuation for improvements?—Oh, yes.

84. That would mean revaluation every twenty-one years?—I am satisfied with the lease in perpetuity, but, mind you, I do not think it is best for the State. I think the perpetual lease with periodical revaluation is the right thing.

85. *Mr. Anstey.*] Are many people living on the deferred-payment settlement now?—Yes, it is all taken up. There are two freeholders, who are absentees.

86. Have any of them bought one another out?—I think that has only been done in one case.

87. Are these settlements with 50-acre sections suitable for settlement purposes generally?—Yes, if you carry out my suggestion to afterwards allow the settler to ballot for a larger place.

CHRISTCHURCH, TUESDAY, 25TH APRIL, 1905.

RAYMOND HEPWORTH examined.

1. *The Chairman.*] What are you?—I am officer in charge of the Advances to Settlers Office, Canterbury.

2. We have had a great deal of evidence from the clients of this Department, and it is said that there is considerable delay in getting advances?—I do not think there is a great deal of delay in the office; the valuers, however, have to visit these properties and then their reports have to go on to Wellington. If any delay occurs it is, to my mind, usually caused through the applicant not fulfilling the necessary conditions. An applicant, when forwarding application to this office must notify the Land Board, so that report may be obtained from the Crown Lands Ranger and consent obtained to the mortgage. This is often neglected and delay occurs. When we find this is the case we send the necessary forms to the Land Board, and we have to wait until the latest reports are received from their officers. In this way delay occurs, because we do not send the papers to Wellington until we get the consent of the Land Board.

3. Presuming an applicant fulfils all the necessary conditions, what is the average time between the time of the application and the granting of it?—It could not be possibly less than a week. The Board meets at Wellington every Monday. There is, however, no delay other than that necessitated by waiting for the report of the Crown Lands Ranger, which has always to be obtained.

4. Is it a usual thing to deal with the applications within a week?—A great deal depends on the accessibility of the property.

5. I should think myself it could not be done in a week—that is, to go through all these formalities?—There is no delay other than what occurs in obtaining the consent of the Land Board.

6. Am I right in assuming that a month would be about the usual time?—No, I should say that a week is probably the minimum; a good deal depends on the application catching the meeting of the Board. I should say that within a week or ten days is a fair average.

7. In regard to the amount applied for, is it a fact, in the case of leasehold property, that the amount granted is frequently less than the amount applied for?—Yes, it does occur fairly frequently. That, of course, is a matter for the Board at Wellington to decide. For instance, an application is made, the valuer states what in his opinion would be a fair advance to make on the security, and the Board in Wellington decides the matter. The local office has nothing further to do with the application after the report is sent to Wellington.

8. What is the percentage of applications that are granted?—The percentage declined is very small. The Department has upon its books 472 mortgages over Crown leasehold lands in the Canterbury District, classified, as at 31st March, 1905, according to counties as follows:—

County.	No.	Amount.
Waimate	44	4,070
Mackenzie	48	4,585
Levels	29	1,590
Geraldine	33	1,760
Ashburton	47	3,515
Selwyn	80	6,085
Akaroa	13	960
Ashley	31	2,875
Cheviot	140	13,880
Amuri	7	1,420
Total	472	£40,740

One leasehold security in Canterbury has been sold by the Department in exercise of the power of sale, and twenty-three applications, amounting to £2,080, have been declined during the three years ended 31st March, 1905.

9. *Mr. Anstey.*] We have heard a great many complaints from settlers that there is considerable delay in respect to applications for advances. Can you suggest any way in which these delays can be avoided? Is it not possible to have some local Board which might facilitate

dealing with the applications?—That would probably be an advantage in some ways; but, on the other hand, it would be difficult for one local Board to keep in touch with local Boards in other parts of the colony.

10. How does the Wellington office know about the needs of the settlers in the various districts?—The Wellington Board only knows what is shown in the reports of the local valuers.

11. Would not local Boards be able to deal more satisfactorily with these questions?—They might be able to do so. Of course, they would be better acquainted with the local conditions.

12. The Advances to Settlers Office has not an unlimited amount of money to lend. Can you say whether the reduced amounts advanced sometimes depends on the amount of money available?—I could not answer that question.

13. It has been stated to us in evidence that applicants have made applications for certain advances, and that the valuer has perhaps recommended that an advance be made up to half the amount applied for, and subsequently the applicant has been offered half the amount recommended by the valuer: can you give us any reason why the Board has recommended the granting of half the amount recommended by the District Valuer?—We are not informed by the Advances to Settlers Board what their reasons may be in agreeing to make advances.

14. Do you think that one reason may be lack of funds for this purpose?—I could not say definitely.

15. *Mr. Paul.*] Do you think that a Ranger or a subordinate officer is justified in saying that the reason why a loan has been refused is that the office has no funds?—I do not think so.

16. You do not think that a local officer should say that?—No; we have never received instructions to refuse applications entirely on that account.

17. Does your office regard the leasehold tenure as inferior to the freehold in making advances on improvements?—No.

18. It has been said that the Advances to Settlers Office has no faith in the leasehold tenure?—I do not think so. We grant applications just as readily to leaseholders as to freeholders.

19. Is the proportion of the refusals to advance the same in both cases? Do you think there is any discrimination whatever between the two tenures?—I do not think there is. I think the leaseholder gets as good treatment as the freeholder.

20. *Mr. Matheson.*] You have suggested that a local Board might overcome some of the present difficulty in regard to delays: would not a local Board have to depend in the same way as the Central Board on the reports of the local valuer?—Undoubtedly; I do not see how you could get beyond that, unless the Act were amended.

21. In the case of a local Board the suggestion is that it would be better able to deal with the facts, as they would know the local conditions. Do you think that local Boards could do better service than a central Board in dealing with these applications?—That is a matter that I have really not considered at all. I do not think that the suggestion as to local Boards would be workable, for the reason I have already given—namely, that it would be very difficult for the local Boards to keep in touch with each other.

22. *Mr. Anstey.*] Supposing a private lender were to make an advance on a leasehold property, would he have the right of foreclosure?—Yes, I should say so; but he would be bound by certain conditions.

23. Would he have to obtain the consent of the Minister?—I could not say, but I know that this Department has sold a leasehold security.

24. The Department has the right to do that but a private individual has not?—I could not say.

25. It has been said by some witnesses that they had been called upon to pay the valuation fee and then their application has been refused?—The valuation fee has to be forwarded, otherwise the application cannot be gone on with. The fee for an advance up to £100 is 10s. 6d., which is to cover the cost of valuation, which cost in many cases exceeds the amount of the fee very largely.

26. What are the other fees?—There are no other fees except for mortgages, and they are on the lowest possible scale.

27. You do not make an advance without a security?—No, not without a registered security.

28. *Mr. Paul.*] What would it cost a settler to obtain a loan of £200—that is, in the case of a leasehold?—The total cost would be about £2 15s.

ANDREW ALLEN examined.

29. *The Chairman.*] What are you?—I am a District Valuer for South Canterbury, and have held that office since 1897.

30. Has the value of land risen very much during that time?—Yes, there has been a steady rise of, say, 30 per cent. since 1897. The rise varies according to the class of the land. In Timaru, for instance, the suburban rise has been very decided.

31. Regarding good farming land round Timaru, has there been an increase in value?—There has been a rise of about 25 per cent. round Timaru. In the case of purely pastoral country, there has not been so large an increase.

32. Have there been many appeals from your valuations?—A good few.

33. Have they been sustained?—No, a very small percentage of them.

34. I suppose the appeals are very often as between the unimproved value and the improvements?—Generally, on the capital value, which includes both.

35. *Mr. Anstey.*] It has been said that there is a difference between the valuation of leaseholds and freeholds in certain districts. For instance, at Pareora a complaint was made to the Commission that the leaseholders are still paying on the original valuation, while in the case of the freeholders in that district, you have increased their valuation very considerably?—The Pareora leaseholders are still on the original valuation.

36. What about the freeholders in that immediate neighbourhood? Are they in the same position as when this land was taken up by the Government?—The leaseholders are still on the original value, but there will be a revaluation this winter.

37. Can you give us the reason why the leaseholds were not revalued at the same time as the freeholds?—They were revalued, but were maintained at the original value.

38. Why did you increase the valuation of the freeholds and not the leaseholds?—In valuing a district it is very difficult to get the valuations at the selling-value. The purchase-money for the Pareora Estate was at the full market value. The freeholds around there were not valued at the full selling-value.

39. I may mention a particular case. I received a complaint from a Mr. Lyall that he is valued at about £16 an acre, whereas a farm of exactly the same value on the other side of his fence is valued at £11 an acre?—Perhaps the comparison is made as between the unimproved value in the one case and the capital value in the other.

40. I should say that both are on the unimproved value?—I think there must be something wrong there. There is too big a difference. I fancy the capital value is given in Mr. Lyall's case and the unimproved value in the other.

41. We have also received complaints the opposite way. For instance, at Fairlie we received complaints that lease-in-perpetuity settlers were valued considerably higher than adjoining leaseholders?—That can be easily accounted for. The Puneroa Settlement is the best land around there. That district was revalued about six months ago.

42. Can you explain to us the system under which you make these valuations? Do you make them once in three years?—No, there is no set time. Formerly it was three years. Puneroa has not been valued for seven years.

43. Then, do you value districts whenever you please?—No, we get instructions from Christchurch.

44. Do they instruct you to value one particular district?—Yes, a Road Board district or a county.

45. Then one district may be valued once in seven years and another district every second year?—I am valuing the whole of the time.

46. Does that not seem a very slipshod way of valuing?—No; we are valuing the whole time.

47. You value districts that you get instructions to value?—Yes.

48. Can you give us information with respect to the runs in the Mackenzie country, and also as to other runs?—I have made a valuation this year of the runs in the Mackenzie country.

49. Have the values risen there?—No, they are stationary.

50. Can you give us any information as to whether some of those runs could be reduced in area and worked with advantage?—Some of them could—not the whole of them.

51. For instance, an instance was mentioned to us where three or four runs were worked together. Could they be reduced in area with advantage?—Yes. But it all depends on the amount of winter country there is.

52. *Mr. Paul.*] You are well acquainted with the Canterbury Land District?—Yes.

53. Do the improvements in farming on leasehold properties compare favourably or unfavourably with the improvements on freehold?—They compare very favourably with the freeholds.

54. Do you know of any marked difference between the two? For instance, could you pick out a leasehold on account of its bad farming, or on account of its want of improvements?—No.

56. Do you think that rise has been due chiefly to the rise in the London market?—It is due, I think, to the general prosperity of the colony. No doubt the increase in the price of mutton and other produce had something to do with it.

57. Do you know of any other reason for the rise in land-values?—No, except that many people have acquired the means to take up land.

58. If the price of produce on the London market drops, do you think the land-values here will fall?—I think the land-values will keep pretty firm.

59. Do you find it difficult to divide the capital value into the value of improvements and the unimproved value?—Not as a rule; but in some cases where there is clearing, draining, &c., there is a difficulty. In the majority of cases, however, we have not much difficulty.

60. When a creamery or butter-factory is established in a district, do you consider it increases the value of the land?—No doubt it helps to increase the value.

61. In that case would you put the increase down to the unimproved value?—If there was any change it would be the unimproved value that would be increased.

ALBERT FREEMAN examined.

62. *The Chairman.*] What are you?—I am a District Valuer, and value the Ashburton and Selwyn Counties, and at one time I valued the Akaroa County.

63. How long have you valued the Ashburton and Selwyn Counties?—I have been permanent valuer since 1897.

64. Have the values gone up in your district very much?—Very considerably.

65. What is the percentage of increase in the case of Crown land?—It depends on the local conditions. I have known some of it double itself. But I would not take that as a general rule. I should say the increase has been anything from 25 per cent. to 40 per cent. In the case of suburban land, the same remark applies. With regard to purely farming land, that depends a good deal on the quality of the soil. The ploughable sheep land has gone up more than anything, and land that can be used for getting off the lambs early. In the case of the Ashburton County in particular, the dry land which they call the plains land, I suppose, has risen fully 60 per cent. I know of farms there that in five years have been sold at nearly double the amount paid for them. I do not think that such an increase in value was justified, but, still, there is the fact.





ment, or would you value it as being worth less than if there was standing bush on it?—No doubt, if the section was near a wharf, it would be worth more if the bush was there.

100. Do you find a great difficulty in arriving at the unimproved value?—No; I should allow a man for stumping and clearing, if I was satisfied in my mind that that had been a *bonâ fide* work.

101. Have you come across cases where *bonâ fide* work has cost more than the present value of the land?—Never.

102. *Mr. Anstey.*] What are the instructions given to valuers for valuation purposes?—To put on a cash value and avoid an excited market; to put what we consider as a reasonable and fair value.

103. Its saleable value?—Its reasonable cash saleable value.

104. Have you ever had any specific instructions? We have been informed that valuers have been told to bump properties up. Have instructions ever been given to you to raise your values?—Never.

105. Have you ever been reminded that in any particular part of the district the values are too high or too low?—No. I have had my attention called to sales that have been taking place in localities very much higher than the assessed value.

106. Your attention has been called to the fact that you have been valuing too low?—Not exactly that; but my attention has been called to the rise in the market.

107. You have not had instructions as to any specific district?—Never.

108. Have you had instructions as to the value of leaseholds as compared with freeholds?—Never, only to put a fair value on improvements.

- WILFRED HALL examined.

109. *The Chairman.*] What are you?—I am a farmer at Glenroy, in the neighbourhood of Rakaia Gorge. I hold 1,073 acres of freehold, and I have been farming here since 1893. It is chiefly a grazing-farm, and I only grow enough crop for my horses.

110. Is there any particular point you wish to bring before the Commission?—I may say I am a member of the executive of the North Canterbury Branch of the Farmers' Union. The union has not had any formal discussion as to the nature of the evidence which should be given before the Commission, but simply appointed certain members to give evidence, and I am one of them. I believe that the State will lose little or nothing by selling land at a fair price, for the unearned increment is so small as not to be worth taking into account, and is probably at the present time a negative quantity. That it is small is shown by the fact that people are willing to sell land; that many who have invested money in land have lost largely; that comparatively few have made large fortunes. I believe it is possible to show that the average rate of increase in land-values owing to increases of population is not more than  $\frac{1}{4}$ d. per acre per annum, and that the rate tends to decrease as time goes on. The recent rise in land-values in this country is not of the nature of unearned increment—*i.e.*, it is not due to increase of population either here or anywhere else—that it is not likely to continue, but that it will probably be followed by a decline in values which will operate more or less steadily for a very considerable time. To any one who has given any thought to the subject it must be apparent that the price of our land depends on the price of our products in the world's markets, and that any increase of population here has no appreciable effect upon it at all. Some seem to think that the price of land rises because a number of people want land. The fact is, of course, that they want the land because its value has risen, and no one can afford to give more for land than the market-price of our produce will warrant, otherwise he will pay more in rent or interest than he can make out of the land. If, then, the price of our land goes up because of a rise in price of our products in the London market, does that mean that it is due to the increase of population in England or in the world at large? If that were so would not the value of land in England also rise. If to supply the wants of the English consumer we were obliged to have recourse to less productive land, would not the English agriculturist be influenced in precisely the same way, for he also is engaged in supplying the wants of the English consumer. And in these days of world-wide commerce all land in the world must be similarly affected by this particular cause. But land in England is not increasing in value for agricultural purposes; so far as I can learn, the process during the last forty or fifty years has been quite the reverse. If, then, in spite of the increase in population land in England tends to fall in value, does not that mean that the unearned increment is at present inoperative. The reason for this tendency is not difficult to see. If rents and land-values rise when the increase of population and its increasing needs compel us to have recourse to inferior land in order to supply those needs, then, supposing a large quantity of superior land to be suddenly made available, it would no longer be necessary to use the inferior land. It would therefore fall out of cultivation, and the "margin of cultivation" would rise—that is, economic rent would fall. Now, during the last fifty years or so, by reason of the development of steam power, and especially of the process of freezing, our land, as well as land in other parts of the world, has been brought nearer the world's chief markets, and so its productiveness has been increased. With this large amount of land of a high degree of productiveness thus made available, it is inevitable that some land, which, though less fertile, was formerly more productive owing to its proximity to a market, should fall out of cultivation. Therefore, as steam communication has been steadily extending for many years, fresh land has constantly been brought into the higher classes of productiveness, land in older countries has been falling out of cultivation, the margin of cultivation has risen, and economic rent has been falling. And I think this process may be fittingly described as a reversal of the process which creates the unearned increment. Our land, therefore, owes its increased value not to any increase of population, but to industrial inventions. Now, it does not seem at all likely that any invention in the near future will place us in a yet more advantageous position as

compared with agriculturists in England; but it does seem extremely likely that the same inventions which have benefited us will before long operate in the same way with regard to other lands which are more favourably situated geographically than we are. There are immense areas of land in many parts of the world which only require a better form of government and an energetic population to place them in a position to compete successfully with us to bring down the price of our products, and so reduce the value of our land. Then we shall be in the position in which the British farmer now finds himself. I, therefore, think it would be an exceedingly wise policy for the State to sell as much of its land as possible at present prices, since everything seems to point to the probability that those prices will not much longer be maintained. It may be said that though the recent rise in values is not due to increase of population, it is none the less unearned, as far as concerns any effort or sacrifice on the part of the owner. I do not think that is a just view of the case. Industry and thrift are not the only qualities which deserve a reward. There is also the pluck and enterprise which prompt men to run the risk of loss in order to earn the chance of profit. That there is always risk of loss in buying land is a matter of experience, though it is denied or disregarded by those who urge the nationalisation of the land, and who have generally had no experience of dealing with it. Therefore, if a man is content to run this risk, he thereby earns any profit he may win, even if it be as much as Major Bulkley is said to have obtained. It must not be lost sight of that the risk that Major Bulkley ran was a very great risk indeed. The odds were very much against him, and, as a matter of fact, he came very near losing his investment, for the Canterbury Association was, I believe, at one time on the verge of bankruptcy, and when a man takes long odds like that he deserves to win a big prize. There is not, and cannot be, any real security for a State tenant. When a tenant takes a lease of land from a private individual for a very long period it may be almost as good as a freehold, for the law will compel the landlord to observe the terms of the lease; but when the State is the landlord it can alter the law as it pleases, and there is no power which can compel it to stick to its bargain. It is assumed by land nationalists that the State will always be a good, just, and considerate landlord. I do not think there is any good ground for that assumption. There have been State landlords in the past, and they have been just as oppressive as individual landlords, and even more so (in India, Egypt, Rome, Turkey). Our own Government is not guiltless of arbitrary and unjust acts. Why should landowners be taxed at a higher rate and with a lower exemption than other payers of direct taxation. Have not many municipalities adopted rating on unimproved values, which amounts to a confiscation of a large part of the value of the land. Have we not seen a Fair Rent Bill introduced into Parliament. And are there not many people now urging the State to revalue leased land, and confiscate freehold land. One could give other instances—Public Revenues Act, Manawatu Railway, Lake Wakatipu Steamship Company. If the State can act unjustly in one instance it can in others, and there is no good ground for thinking that the State will always treat its tenants fairly. On the contrary, it seems likely that under a system of universal State tenancy it would squeeze the utmost possible amount out of its tenants, especially those of them who were so foolish as to be opposed to the party in power. But the greatest drawback to a universal State tenancy is the immense opportunity it would offer for political corruption. It would enable a strong man when once he obtained office to make himself secure in it for an indefinite time, and would convert him into a veritable dictator. The effect on the tenants, even if this were not the case, would be very bad. We should have them always looking to Government for help in times of difficulty, or ready to throw up their holdings if help were not forthcoming. The independence and self-reliance of the freeholder would be lost, and our national character would deteriorate very much. Mr. McCullough says he does not see how aggregation of large estates could be prevented under freehold. It seems to me it could be done with the utmost ease. No sooner is a large estate formed than the Land for Settlements Act can be brought to bear, and the estate reacquired and redivided. If this is not enough a clause might be inserted in the title deeds of lands disposed of under the Act, prohibiting the holding by their owner of more than a specified area of land: or the Land for Settlements Act might be extended so as to provide that if more than one holding created under the Act should come into the possession of any one person, the Crown may give notice that it will acquire, under the conditions laid down in the Act, all sections in excess, if not disposed of within a given time. It is not from a feeling of self-interest that the Farmers' Union advocates freehold tenure. The union has always set its face against asking for concessions at the expense of other sections of the community, and would not now advocate the sale of State lands if it did not believe such a policy to be in the best interests of the State as well as of the farmer. We do not think that those who favour leasehold are actuated entirely by selfish motives: but we believe that their opinions are largely due to lack of knowledge of the conditions and necessities of a farmer's life, and of other matters. I, therefore, wish to protest against the unnecessarily offensive language in which Mr. McCullough referred to those who are asking for the freehold—in comparing them to Jabez Balfour and other miscreants. His statement that, "allowing 10s. reduction is virtually a breach of conditions of lease, and as such is a just ground for confiscating tenants' interest," is absurd. This also applies to Mr. McCullough's statement about "the £864,957 which they propose to steal from the community." This sum does not and never did belong to the community.

111. *Mr. Johnston.*] How far does your experience extend in New Zealand? Not very much beyond my own home. I have lived on the west coast of the North Island.

112. You saw the price that was originally given by Sir George Clifford for his estate: he did not make money out of it, I presume?—He was one of the few.

113. Are there not many in Canterbury who have made money out of land?—If I knew all those who have lost money on land I think they would number more.

114. Do you not think the balance is in favour of the landowner?—Not in favour of a number of men; but if you come to the matter of pounds, there is a balance in favour of the landowner.

115. You seem to think that the State tenants who gave evidence did not know what they were talking about. You practically give them no credit for having improvements of their own?—That is not so.



116. You said if they really knew what they were talking about they would not prefer leasehold to the freehold?—I think most of them prefer the freehold.

117. The evidence we have had at Waikakahi, where the men seem level-headed, and who know what they are talking about, is to the effect that they prefer the leasehold?—I think they are very unwise.

118. You think that the State as a landlord would not be better than a private individual as a landlord?—No. The private individual is bound down by his agreement, which the law will compel him to keep up.

119. Do you not think in cases of adversity, as happened here in regard to snow-storms, that the Crown tenant has a better chance of getting concessions than he would have if he was the tenant of the freeholder?—That may be. I do not think that the State should be placed in the position of having to make concessions to tenants.

120. A freeholder leasing his land would not give those concessions, and the man would have to go out if he did not pay his rent?—Most landlords, if able to afford it, would make concessions.

121. The Farmers' Union is a political body, is it not?—I suppose no body of its nature can entirely keep free from politics, but we try to keep clear of party politics. We do not oppose a man because he belongs to one party or to another; we try to look after the interests of farmers and country settlers.

122. *Mr. McLennan.*] You say that none of the large landowners made much out of their properties by increased value?—I said not many.

123. How about George McLean?—I do not know anything about him I am afraid.

124. *Mr. Anstey.*] You say there is not much unearned increment in land during late years: do you think we should take your opinion in this respect as against that of the two last witnesses?—I did not say there was no increase; but I said there was no increase owing to the pressure of population. There has been a large increase lately, but it is due to an industrial advance due to invention.

125. There is a large unearned increment, then?—No. In political economy the unearned increment is an increase owing to a pressure of population.

126. You said there was a probability of a serious drop in land-values, and that it would be a wise thing on the part of the Government to sell all the land they could?—At the present values, yes.

127. Do you think it would be a desirable thing to make all the people bankrupt who bought all this land?—I do not know that a large number of people would buy the land at its present value. In any case, it is their own look-out. The State does not compel the people to buy, and the people can please themselves and take their chance.

128. Supposing the land is sold to private individuals and this drop comes, do you think it would be a desirable thing, from the point of view of the State, to have a lot of bankrupt farmers?—They would not necessarily be bankrupt, though they would lose a good deal, no doubt.

129. Are there a large number of farmers who buy land for cash?—I do not know.

130. You said that leasehold was no security when the Government could alter the leasehold, and a little later on you said that the Government was confiscating part of the freehold?—I said there was a party who were advocating confiscation of the freehold.

131. Supposing the Government started to do that, in what way would the leasehold suffer more than the freehold?—I do not think they are as likely to tamper with the freehold.

132. You said the graduated land-tax was unfair: do you not think if the Government really wished to touch anybody they could put another screw on that tax much easier than they could alter the lease?—I suppose so.

133. How is the freehold any more secure than the leasehold?—There is a certain amount of insecurity in both.

134. As a representative of the Farmers' Union, what do you advocate should be done with the lease-in-perpetuity settlers? Do you advocate that they should get the freehold?—Yes, I should think so.

135. Do you not think that would be a breach of the agreement entered into between the State and the tenant?—When two people enter into an agreement they can always vary it by mutual consent.

136. Is not that the very thing you are condemning—tampering with titles?—I am not advocating tampering with titles.

137. Is not allowing lease-in-perpetuity settlers to acquire the freehold tampering with the title?—No, not when it is done by mutual consent.

138. Supposing you gave these lease-in-perpetuity settlers the right of the freehold, on what terms would you allow it?—Speaking for myself, I have said already I think it would be to the advantage of the State to have freeholders rather than leaseholders, and therefore I think the State should make it as easy as possible without giving them anything. I should let them have the freehold of the land by paying the Government interest in that land. As far as I understand it, that is practically the amount at which the land was valued when the lease was granted. The Valuer-General sent down a statement explaining how the valuations were made, and in that he incidentally mentioned that the lease in perpetuity was looked upon as what its name applied—viz., a lease in perpetuity, and that the Government had really no interest in any value that has been added to the land since the leases were granted.

139. They should practically sell at the original value?—Yes. Some members of the Farmers' Union do not agree with me in that.

140. You are a strong believer in the freehold. Do you think the option of the freehold ought to be granted to the tenants on all the other public reserves, such as educational, and so on?—That is entirely a matter of expediency. I think most of the land-values are too high just now, and it would be a wise thing for public bodies to sell their endowments and invest the money in other

securities. At the same time I do not think there is the same objection to public bodies holding endowments and leasing them as there is in the case of the State, for public bodies are subject to the law.

141. You advocate the freehold from the landlords' point of view, and not from the tenants' point of view particularly?—I think it would be an advantage to the State and to the tenant. I do not think the private landlord comes into the question at all.

142. If giving the freehold to State tenants is an advantage to the State, why should not educational-endowment tenants get the advantage of the freehold too?—I think it would be a very good thing for the tenants; but that land is set apart for particular purposes, and if those in charge of it think it is better to keep it in that way, I think they would be justified in doing so.

143. Do you think private tenants should have the right of the freehold?—I do not think they have any claim, unless the landlord is willing to vary the bargain.

144. You think the lease-in-perpetuity settlers are the only ones who have a claim on the freehold?—I do not say any one has a claim on the freehold. I say I think it would be an advantage to the State, which is the landlord, not to have tenants, and to get rid of the land. I think it would be much better for the State to have freeholders and no leaseholders.

145. Supposing the State gave the freehold of these lands, what would it do with the money?—The money could be used in extending the land-for-settlements system, or for other public works.

146. You would not be in favour of it being paid back to the man from whom it was borrowed?—You could not pay back to the man it was borrowed from until the end of the loan period, but if there was no other need for it it could certainly be used for redeeming the loan.

147. If you gave the tenants the right to acquire their sections, all the sections with a large margin of value would probably be bought?—I should think so.

148. If particular sections were too dear they would not be bought?—That is so.

149. Supposing you allowed all the sections with a big margin to be sold and others to be retained, do you think the Government could invest that money in land with as big a margin?—I think so.

150. Do you think they could buy land as cheap to-day as seven years ago?—Certainly not.

151. Would not the Government then have all the dear sections left on their hands, whilst anything with a margin of profit would go off?—I suppose that would be the result.

152. You advocate that?—I would advocate that the State should not buy so freely at a time when the land is dear.

153. *Mr. Paul.*] Do you think it wise that these educational and other endowments should be conserved or sold?—My private opinion is that it would be better for them to be sold when land-values are high.

154. Corporation and other endowments as well?—I think it would be profitable.

155. Would you be favourable to the improvements being liberally valued and the properties put up to auction?—No.

156. You think the present tenant has the absolute right of freehold outside of others?—He certainly has an absolute right to any increased value which has arisen since he obtained the lease. It is simply a matter of law and justice.

157. You think the majority of people prefer the freehold to the leasehold?—I certainly do.

158. When these estates were acquired they were subdivided and allotted under the leasehold tenure. Had they been offered to the public under the freehold tenure, do you not think it is very probable many others would have made application for them, and now that the tenure is being changed do you not think those other people have a right to acquire part of that land?—I do not see that at all. In any case there were a great many more applicants than there was land for, and the matter was decided by ballot. It would have been the same if the land had been disposed of under the freehold originally.

159. The fact of a man being successful at the ballot entitles him to the freehold at a very low valuation?—I do not see that it makes any difference.

160. Has the Farmers' Union any members who believe in the leasehold?—I cannot say. I am not acquainted with any of the Government leaseholders of these small sections.

161. Are there any Crown tenants in the union?—Oh, yes.

162. Have any Crown tenants been appointed by the union to give evidence before the Commission?—I cannot say whether they have in the different branches, but I do not think there were any appointed by the North Canterbury executive.

163. Is there any reason for that?—I do not think there happened to be any Crown tenants on the executive. I am quite sure if there had been any they would have been appointed if willing to do so.

164. Was the appointment of witnesses before the Commission restricted to the executive?—The executive could only appoint its own members. The branches have in many cases appointed members to give evidence.

165. How do you view the principle of revaluation of future leases?—I should think it would be better to grant a lease for a definite time, say, thirty years, rather than have revaluation.

166. Do you not think it would be better to give the tenant the right of renewal at the end of that term?—I certainly think the tenant should have the first refusal. If the rent was increased, of course, he might not think it worth while to take it.

167. Do you think it a sound principle to apply the periodical revaluation which existed in the old perpetual lease?—I do not think there is very much difference between that and granting a lease for a definite time.

168. Do you think the New Zealand Government could act like the Egyptian and Turkish Governments as landlords? Do you think their civilisation, and so on, can compare with ours?—No, it does not. But one hears a good deal of the corruption that occurs in America, and I think at a future time it is quite possible that New Zealand politics might come to be so corrupt that the Government might take advantage of its power to oppress the tenants in the way I have suggested.

169. Do you think it would be good financial policy to buy land several times over for the purposes of settlement after that land had been reaggregated into large estates?—So long as the State did not lose money over it, I do not see what harm there could be in it.

170. Do you think it wise for the State to enter into that business, or would you leave it to private enterprise?—Private enterprise would not subdivide the land. I think every one concedes that it is wise that the land should be held in small areas, and the State is the only means that can effect that.

171. As aggregation takes place in future the State should step in in every case and subdivide the land, even if the State had done that several times previously?—Yes, if the land is suitable for subdivision.

172. Do you think that every farmer can be a freeholder? Do you think there is no demand or necessity for the leasehold at all?—I think it is much easier for a man who has not much money to start as a leaseholder. I think the leasehold is an excellent system for getting people on the land. The Farmers' Union is quite of that opinion. We do not want to abolish the leasehold at all.

173. You would not put any man on the land on a straight lease; every one would contain a purchasing clause?—If a man desired a straight-out lease there is no reason why he should not have it, but I would not give it for 999 years.

174. You would give it on shorter terms with a revaluation?—Yes.

175. Do you think that any rise in the value of land is due to the collective effort on the part of the general community?—I do not know quite what that means, but it seems to me to mean bringing the market to the land instead of bringing the land to the market, and that is increasing the productiveness of the land.

176. There is general prosperity in New Zealand at the present time; is not part of the increase in value of land due to that?—All of it is.

177. If there is a progressive public-works policy, does not that increase the value of land?—Perhaps it does to some extent. It depends on what kind of public-works policy it is. If it consists of making roads and railways and opening-up land, it does increase the value of land, because it increases the productiveness of the land. But that increase would not be due to an increase of population.

178. You think that the landowner is entitled to all that increase?—In the case of roads, I think the local bodies in the districts served by them ought to pay a rate towards the cost of construction, and with regard to railways, I do not think they ought to be made where they will not pay something over and above the cost of making and working. In that case the State gets some advantage and the landowner gets more, and I think the landowner ought to be allowed to keep that. If the two values could be accurately ascertained the State might get something extra, but I do not see how you can arrive at it.

179. Would you say that the landowner was entitled to that general increase?—I do not know whether he is entitled to it, but I think it would be well to let him have it.

180. *Mr. Matheson.*] Does a vigorous public-works policy using loan-money increase the liability of land to taxation?—I suppose it does.

181. Is it likely that these estates which have been cut up by the Crown will be reaggregated again to the original blocks?—I should not think so.

182. Do you suggest that the sale of the freehold by the Crown should be compulsory or optional?—Optional, entirely.

183. If the bulk of our land was occupied by Crown tenants, do you think the State would risk a heavy loss as time goes on?—If the value of land fell the State would lose, no doubt.

184. Do you think there is a decided risk of that?—I do.

185. Do you encourage freehold tenure on the ground that you encourage individual enterprise?—Partly that, and partly I think it improves the character of the settlers. It would tend to make them more independent.

186. *Mr. Johnston.*] Do you know anything about the settlements under the Land for Settlements Act?—No.

187. Therefore, you do not know whether the leasehold is a success or not?—I do not know from experience.

188. What area of land would you advocate any one man holding?—I would not like to express an opinion.

189. You believe in large areas?—Certainly not, unless it is very poor land.

190. You think the land should be capable of carrying a certain number of sheep to allow a man to make a living?—Yes.

191. Do you know anything about the Land Board at all?—No; I have not had any experience of it.

192. *Mr. Anstey.*] Do you know whether the Farmers' Union sent round to Crown tenants a circular in favour of the freehold, which they asked them to sign?—A petition was sent round. I think it originated in the North Island, and I believe, though I am not sure, it was at the request of Crown tenants who are members of the union in the North Island. It was circulated by the Farmers' Union, and no doubt officers of the union asked Crown tenants if they were willing to sign it. No pressure was brought to bear, of course.

193. Did you send round an agent?—Not a paid agent.

194. The petition was sent round from the executive?—Yes, of course.

195. Supposing we had a member of your executive who deliberately stated that such was not the case, he must be under a misapprehension, or stating what was not true?—Yes.

195A. *Mr. Paul.*] With regard to reaggregation, you do not think it possible that these estates would be reaggregated again to their original areas?—I said I did not think it was likely.

196. Do you think it would be an evil if five or ten of these 300-acre farms were thrown into one holding?—I think that would be a pity.

197. Would you do anything to prevent that in giving the freehold?—I made one or two suggestions in my statement in that direction.

198. Do you think the freehold tenure containing these restrictions would be of the same value as a freehold without these restrictions?—For selling I should think it would be just as good.

199. Do you think it wise to place restrictions as to area on the freehold? If you restrict the acreage one man can hold you depreciate its value?—Yes; but it is necessary in some cases to interfere with individual liberty in the interests of the State.

200. You think it wise to do that and have a partial freehold?—Yes.

WILLIAM HENRY WILLIAMS examined.

201. *The Chairman.*] What are you?—I am Crown Lands Ranger, and my district is from the Waitaki River to the Rangitata. Up to within the last few months I used to go as far north as the Rakaia. I have held that position since July, 1896.

202. You have a large number of land-for-settlements blocks in your district?—Yes; I have twenty-five. There are about 649 holdings under the Land for Settlements Act. I have a population of 2,500 on these holdings.

203. Are these 649 holdings fairly successful?—I might say almost all.

204. Are they satisfied with their position generally?—Yes; I have had no complaints to the contrary.

205. We had a good deal of evidence from them about the cropping regulations: what is your opinion in regard to that matter?—It depends on the quality of the land. The cropping restrictions, so far as ordinary lands are concerned, are right, but on very rich land I think some concession should be made. For instance, on the very rich land at Waikakahi and Temuka, when you break the land out of grass the first crop is of little value, because it is almost all straw. The second crop is very little better, and the third crop is the best, and so on. I have known them to take five and six crops off.

206. Is that not contrary to the present regulations?—Yes.

207. Did the Land Board give them authority to do so?—I am speaking of freehold lands in the district adjoining the Crown leaseholds.

208. Have the Government cropping restrictions been adhered to?—In some of the settlements they have taken three and four crops from the rich land.

209. With the concurrence of the Land Board?—In some cases with their consent, and in some without.

210. In the case of those who take "French leave," do you warn them not to do so again?—Yes, and I report to the Land Board.

211. Seeing that different land requires different treatment, do you think there should be a variation in the present printed regulations, or do you think the matter should be left to the discretion of the Land Board?—I think it should be left to the discretion of the Land Boards on the report of their officers.

212. Do you think there is any tendency towards overcropping just for the sake of harrying the land?—Not at all. It is only done in the case of rich lands, and where the land is very full of twitch, yarrow, and other weeds. They cannot clean the land with two crops.

213. *Mr. Johnston.*] Is there much Californian thistle in your district?—No.

214. Did you receive any instructions, directly or indirectly, from anybody connected with the Land Board or the Government to ask Crown tenants to give evidence before this Commission?—No.

215. You are positive about that?—I received no instructions whatever.

216. Generally, are the Crown tenants doing well?—Oh, yes.

217. And making money?—Yes, many of them are doing very well.

218. Have many of the sections changed hands at an increase value in the settlements you supervise?—Not many.

219. If the markets went down do you think the tenants would be able to pay the present rentals?—Quite able.

220. Even in bad times?—Yes.

221. There is no overvaluing?—There might be an odd section in a settlement that is overvalued, but they do not represent 1 per cent. of the whole.

222. Are not the valuations at Waikakahi a little erratic?—No, the rentals are fair.

223. You think that estate is fairly valued?—Yes, according to the quality of the land.

224. Are the improvements put on by the tenants in these settlements of a substantial and permanent nature?—Yes.

225. *Mr. Anstey.*] You say that, generally speaking, the two white crops allowed by the law are sufficient?—Yes, and that is acknowledged by the tenants.

226. A lot of the tenants complained that to take two white crops off and then a green crop and grass down is not profitable without a third white crop: would it be any disadvantage to take the green crop between the two straw crops?—No, and I think they might take more green crops.

227. You think they might get over the difficulty by putting a green crop between the two straw crops?—Yes, or by fallowing.

228. The regulations speak of three crops, one of which must be a green crop: in taking a crop of turnips off the section, does the tenant take it off the land?—No.

229. Do you not think it is unfortunate that the regulations should refer to the point as taking three crops off the land? Do you not think it would be better if the regulations referred only to two crops, and not to the third crop at all?—I think the tenants should take as many green crops as they like.

230. Do you not think it would be better that the regulations should apply to two white crops, and not refer to green crops at all?—Yes, the tenants should not be restricted to the number of green crops.

231. You say the tenants complain that they cannot clean their land by taking two white crops: do they clean the land by taking a grain crop?—It depends on the land.

232. Is it not a fact in nine cases out of ten that the land is far dirtier after a straw crop than it was before?—Not on medium land, but on the rich land at Waikakahi, where there is twitch, it is dirtier after cropping.

233. Can they clean the land by taking off a grain crop?—No, not with one. They want to fallow between. A fallow will clean it best of all.

234. It is quite possible to clean it with a succession of green crops, but not with a succession of straw crops?—That is so.

235. We heard a number of complaints as to a number of the sections being too small: what is your experience with regard to that point?—Some of them are too small, and on my representations the Board have grouped some of the sections on the Albury and other settlements.

236. What do you think would be a fair-sized section?—It depends on the quality of the land.

237. We will say in the case of Albury?—A man wants at least 200 acres at Albury, and some of the sections were cut into 40 and 50 acres. They have been grouped since.

238. Have the working-men's settlements, such as Springbrook, been a success?—Yes. The small 10-acre sections cut up in the Albury and Waikakahi Settlements for working-men have not been a success, because the men could not get work close enough to home to be able to attend to them.

239. Have any of the village-settlement sections been grouped?—Just in one or two cases of husband and wife. They have been taken up readily, and many of them have changed hands since. A man who has done well sells out and goes in for another section.

240. Are there many large runs in your district capable of being reduced in area?—Not many.

241. Do you duties take you into the Mackenzie country?—Yes.

242. We had evidence that one or two of the runs are held by one tenant: do you think it is wise that they should be held as they are?—In former days each run kept one person, and they would do so now.

243. Then, you say they could be cut into smaller areas than they are now?—The Loan and Mercantile hold several runs now.

244. Do you think it is in the best interests of the country that a foreign company should be allowed to farm these runs as an absentee?—No; I think the three runs should be held by three people.

245. Do you think any of the runs in the Mackenzie country could be reduced below their original size?—Some of them, but not many. They have very little winter country.

246. A complaint was made at St. Andrew's by a man named O'Connor that the Board refused to allow him and his wife to occupy two sections at Springbrook, but that afterwards the Board allowed another settler to do that very thing: what is your explanation of that?—I would want all the records of the Board to explain that. Shortly, the position is this: the man complained that his rent was too dear, and he surrendered. The section was offered again, but he did not take it up. That was his wife's section. The section lay for some time unoccupied, and the Board grouped it with the adjoining section which was also lying idle, and the present holder took it up. He was the only applicant for the land.

247. *Mr. Paul.*] It has been asserted that the Crown tenants are afraid to come before the Commission and give evidence favouring the freehold: do you think there is any ground for that fear?—I have been amongst them a good deal lately. They told me they had seen the statement made and they laughed at it. They said they did not come before the Commission because they had no occasion to go before it to give evidence.

248. Do you think the evidence that has been given before the Commission is a fair statement of the wishes of the Crown tenants?—You have had evidence from a good many of those who have petty grievances. The statement of the majority of the settlers I have seen is that they are satisfied.

249. Do you think the majority are satisfied with their present holdings and tenures?—I am quite certain of it.

250. Do you think any number of Crown tenants have not come before the Commission because they were afraid?—Not one.

251. Do you know any reason why they should be afraid?—No reason at all. They are not afraid of the Board nor of the Commission. They said they had no occasion to give evidence, because they are satisfied.

252. The proposal has been made that the Ranger should have power to vary the cropping conditions: would you like to be given that power?—Certainly not. I am only a subordinate officer, and I want some one to protect me, though I am not afraid that the tenants and I would not agree.

253. Do you think that the tenant who has paid a large sum for goodwill is likely to bear the strain of bad times as well as the original tenant?—Quite as well. The men who pay large sums for goodwill are men who have money behind them.

254. Can you do justice to the tenant and landlord, having regard to the large area under your control?—I suppose I have done so hitherto. It is hard work, but so far I have done justice to it.

255. You feel you can do it?—I think so. The area is not too large. My only trouble is the want of help in the office when I am away.

256. The reason I ask the question is that some people have said it is impossible for a man to do the work the Ranger is asked to do: I want to know if it is impossible?—I do not think so. I think my reports to the Commissioner will prove that I have done justice to the district.

257. Is there anything in the present regulation that you, if you were a Crown tenant, would resent?—No.

258. *Mr. Matheson.*] Suppose in the case of these 650 land-for-settlement tenants the letter of the law had been strictly carried out, how many of these tenants would have rendered themselves liable to eviction for breaking the cropping regulations?—Very few.

259. Would you say at least fifty?—I should not think more than fifty tenants have seriously broken the cropping regulations.

260. I am not speaking of serious breaches, but of a strict enforcement of the law: have a great many rendered themselves liable?—No.

261. Do you think it would be wiser if the Board had power to fine tenants for breaking the regulations, instead of only having the power to evict them?—The Board do not evict.

262. Do you think it wise for the Crown to fix regulations and then frequently allow them to be broken? Would it not put the Land Board in a securer position if they had some power other than eviction to punish tenants for breaking the regulation?—Yes, the Board should have some discretionary power, such as power to fine, because an eviction never takes place.

263. Can you suggest what form the fine should take?—If a tenant broke the cropping regulations after being warned I would fine him so-much per acre—a sum sufficient to prevent him doing it again. If a man applied for a concession to the Board he invariably gets it if it is reasonable.

264. *Mr. Anstey.*] You spoke of occasional sections being overvalued: what would you suggest should happen in cases of that sort? Do you think it is fair or wise to keep the tenants paying an excessive rent?—I have already reported that I think it would be wise to at once reduce the rent to a fair value in cases where a section has been overvalued.

265. On the other hand, do you know of many sections which are paying a small rent?—No.

266. Have not a number of sections been sold at a very large goodwill?—Yes; but the money has been for improvements and work done by the tenants.

267. Have not a large number sold at a considerable goodwill over and above the value of the improvements?—Yes.

268. In that case does it not mean that the sections are paying too little rent?—It is not so much a matter of rent as an increase in the value of land and stock.

269. Do you think it is necessary for the success of a settlement that these tenants should get the 10-per-cent. rebate that they do? Do you think they would get on right enough without that rebate?—No; I think it has been a help to a good many. I think it is wise to continue it.

270. You think it would be wise to continue that rebate and to keep these tenants paying too much rent as they are now?—No.

271. If you reduce the rents of the tenants where are you going to get that money from? I would take it out of the 10-per-cent. rebate.

272. Do you know of any settlements in your neighbourhood that were settled under the deferred-payment system?—Yes, but they were before my time. These deferred-payment sections have been nearly all grouped. One man has bought out five or six of the others, so that where perhaps there were originally fifteen settlers there are now only four.

273. Has that happened in most cases?—Yes, at Belfield and Adair.

274. Do you think it wise to allow these small sections to be grouped in that way?—No, because people are constantly applying to the Government to cut up more land for small settlements.

275. *Mr. Matheson.*] Do you think that these lands which were cut up under deferred payment and have since been aggregated were as suitable for close settlement as the lands that are being cut up now?—Yes; the poor lands have not been grouped. The land that was taken up under deferred payment at 6s. or 7s. per acre has been grouped and sold since at £25 per acre.

276. And the land has been aggregated at what extent?—Four or five 10-acre sections might have been bought and grouped.

277. Do you mean that the aggregation does not amount to more than 100 acres in area?—Yes. The holdings were very small.

JOHN RENNIE examined.

278. *The Chairman.*] What are you?—I am a farmer at Doyleston. I hold 600 acres of freehold and 125 acres of private leasehold. I have been in the district since 1863. I started at Prebbleton with 20 acres. I am Chairman of the School Commissioners. I have two sons who are Crown tenants under lease in perpetuity.

279. What are your views on the question of leasehold *versus* freehold tenure?—I think the lease in perpetuity is the best system that has been adopted yet. If I had a chance at that when I started I would not have started on 20 acres.

280. In regard to School Commissioners' land, we have a good deal of evidence from their tenants, especially in Otago, who complain that they did not receive sufficient valuation at the end of their term for improvements, and that altogether they were somewhat restricted in their leases: can you tell us shortly what terms your tenants had?—They mostly have fourteen-years leases. We have the right to give twenty-one-years leases.

281. What improvements do you allow for?—They are allowed valuation for buildings, but Mr. Pitman, who is present, will be able to give you details. There are about 43,000 acres let, and we have about two hundred tenants. We have not the least trouble with our tenants. When the leases run out we renew them by arbitration, if the tenants have resided on the property and made improvements; but the lands that have been taken up by runholders and large holders are put up to competition.

282. *Mr. Johnston.*] How long have you been Chairman of the School Commissioners?—For the last five or six years.

283. It is the habit in other places for the Commissioner of Crown Lands to be Chairman of the School Commissioners: why is it not so here?—It was so here in Mr. Marchant's time; but when Mr. Humphreys came he did not care about undertaking the work. He preferred another member to take it.

284. Do you not think it would be more advantageous to the State if the Government came to terms with the School Commissioners and said, "We will hand you debentures of a value realising 5 per cent. to give you the same income that you get now, and we will hand your lands over to the Land Board to be administered by them"?—I do not know if the Land Board would administer them as cheaply as we do.

285. It is not so much a matter of the cheapness of the administration as that all Crown lands should be administered by one body instead of by several bodies. Do you think it is advisable that one body should administer all the Crown lands, or do you think it would be better to leave things as they are?—I think the position is better as it is. You see, the Education Board appoint two members, and the others are appointed by the Government, and the land is administered by people resident in the province. We have a very good officer in Mr. Pitman, and he goes round the district every year and sees the land, and tells the Board how it is being worked.

286. So far as the Education Boards are concerned, would they not get the same income as they receive at the present time?—Yes.

287. But do you think it would be advisable to continue to administer these lands as at present?—I think so, in regard to our district.

288. You are a farmer, and therefore will know something about the other matters we have to inquire into: what settlements are your two sons on?—On the Lake Ellesmere flat. One has been there ten years.

289. You say if you had had the same opportunities as they had you could have got into a better position quicker?—I think so. I have visited Cheviot and Highbank, and I am quite satisfied the tenants there have twenty-five years' start of the original settlers in our district. The original settlers in our district had to get agents to buy land for them. The land cost the agents £2 per acre, and the settlers took that land from them at £4 or £5 per acre, payable in four or five years, and they paid 12 per cent. interest on the money as rent. It took a number of them many years to redeem themselves, but I believe they have all done so, owing to the quality of the land.

290. Who did these land agents buy from?—The Government.

291. And then they resold to the settlers on deferred payments?—Yes, that is how a large amount of land was settled around Springston and Ellesmere. Land-speculation has retarded settlement here a great deal. I have known land to be sold at £4 per acre; before it was bought from the Crown at £2.

292. I suppose what Mr. Hall said is true, that very few men in this district made money out of land?—I do not know what else they made it out of.

293. You think the bulk of the wealth of Canterbury has been made out of land?—I think so; in fact, our future prosperity depends on the use we make of the land.

294. I am referring to the settlements under the Land for Settlements Act?—Yes, Cheviot and Highbank are very prosperous, and there are as good homesteads and as much planting on them as if it was freehold.

295. Is the School Commissioners' land mostly rough or high country?—No; we have one or two runs, but the bulk of the land is agricultural land.

296. Has it depreciated in value at all? Are you getting as much rent now as you did ten years ago?—We get more.

297. Do you get as much rent now from your high country?—We have only one run let.

298. Is there much Californian thistle on your land?—I do not think so. There are some patches here and there, but we see that it is kept down.

299. *Mr. Anstey.*] Does the valuation you allow for improvements extend to buildings and fences?—Mostly to buildings. Most of the holdings have been fenced by previous tenants.

300. Do you think it would be advisable that valuation for improvements to include all improvements, such as fencing, drainage, and so forth?—When a tenant is going to make improvements he makes a written application, and states what he is going to do, so that we may know the position. As a rule we consent to these improvements. We allow so-many improvements to be put on, according to the size of the holding.

301. Do you think it a wise principle to allow them full valuation up to a certain limit for all improvements?—Certainly.

302. Do you think that the want of full valuation interferes with the letting of your farms at all?—No; I think they are all easily let.

303. Supposing you as a public body, or any other public body having control of reserves, refuse to give valuation for improvements, do you think that refusal would be in the interests either of the trusts or the tenants?—No. It is a wise thing to give valuation for improvements.

304. Supposing you or any other body refuse to give valuation for improvements, do you think it would be a wise thing for the State to take over the control of the reserves?—Perhaps it would.

305. We had evidence that the Christchurch City Council have a reserve near Ashburton, and we had evidence that land on one side of the road from it is worth £7 per acre, while this reserve owing to the disgraceful state into which it has been allowed to get, is only worth £2 per acre: do you think it is wise or in the interests of the State that any public body should allow its land to get into that state?—No, it is not.

306. Do you think the State would be justified in taking that land out of their control?—If it is in that condition I think the State would.

307. Do you think it would be wise for the State to pass a law to compel all landlords to give their tenants valuation for improvements within reasonable limits?—That is rather a wide question,



and I have not considered it quite enough to give an answer. I expect it would affect private individuals as well as public bodies.

308. Do you think that all public reserves should be held under leases, giving valuation for improvements?—Yes.

309. But you are rather doubtful about applying that principle to private individuals?—That is so.

310. *Mr. Paul.*] Do you think it would be a wise policy to sell these endowments?—I do not think so. I am on the Education Board, and I see the money comes in handy.

311. From your experience, the revenue has been an increasing one for the last ten years?—Yes.

312. Do you think it is likely to increase as the colony becomes more thickly populated?—Yes; I believe it will increase.

313. *Mr. Matheson.*] You say that the present dual administration of the lands in this province is wise, because your body work more economically than the Land Board?—I think so.

314. Is it not a fact that you get a great deal of work done for you by the Land Board without payment?—That is so.

315. Seeing that is the position, and looking at it from a broad point of view, does it not seem wise that one body should administer these Crown lands, and so save a duplication of officers?—It might be.

316. Do you think it would be wiser than the present system?—I cannot say.

WILLIAM DUNLOP examined.

317. *The Chairman.*] You are Chairman of the Selwyn County Council?—Yes. I am also a small farmer. I hold 220 acres of freehold. I have been fifty years in the colony.

318. What is your view in regard to the question of land-tenure?—Personally, I much prefer the freehold. I think the leasehold is best to enable a man to get a start, but I think ultimately he should have the option of the freehold. I think a freeholder, as a rule, is better contented, and makes a better settler than the leaseholder.

319. I suppose as County Chairman the various classes of settlers come under your observation: do you notice any difference, so far as freeholders and leaseholders are concerned, in their style of farming?—I used to say some years ago that I could tell a leasehold from a freehold when driving anywhere along a road. Of course, there are exceptions in both cases; but, as a rule, freeholds are much better cared for in the county than leaseholds.

320. *Mr. Johnston.*] Do you refer to private leaseholds?—I think, as a rule, leaseholds of all sorts are not so well kept.

321. Have you visited any of the settlements under the Land for Settlements Act?—No.

322. So you cannot express an opinion as to the leaseholds under the Land for Settlements Act?—No, I have not been on any of the latter settlements.

323. Have you seen any of the settlements?—I am speaking of leaseholds in the Selwyn County; they are principally private leases.

324. Do you approve of the Land Board as at present constituted?—I have never had anything to do with them.

325. As County Chairman, do you think the Land Board is well constituted?—So far as I know, they work fairly well. I have not heard much complaint. I think the Board is composed of impartial men who do their best.

326. *Mr. Anstey.*] Are there many lease-in-perpetuity settlers in the Selwyn County?—I do not think so.

327. Can you tell us what were the terms of the leases in regard to length of tenure and valuation for improvements granted to the people who did not farm their lands so very well?—All sorts of terms, as a rule.

328. Did any of them get valuation for improvements?—I do not think there was much of that.

329. Is not the bad farming to be accounted for by the absence of security for the improvements they put on the land?—I do not know that it is. I do not think they take the same interest in it.

330. Do you think a man would improve his land just as much if he got no valuation for improvements?—I do not think so.

331. Were any of these ill-kept leaseholds the property of the School Commissioners or under their control?—I do not think so. A lot of property in our district belonging to the Church is in a very backward state. It has been keeping back the district very considerably.

332. Do you know if they give valuation for improvements or any security?—I think not. I think that is probably the cause of the trouble.

333. Do you think it would be a fair thing for the State to interfere when the land is held in such a manner that the man is not allowed to properly improve and produce from it?—I do not know.

334. Do you think it would be a fair thing for the State to compel landlords of that description to give their tenants full valuation for improvements?—I think so, under certain conditions. I think an agreement should be come to between landlord and tenant as to what are considered improvements if they cannot agree to be decided by arbitration.

335. Do you think it would be fair for the State to interfere under proper limitations?—Yes, there is no doubt the tenant would do much better.

336. I suppose the land will be made to produce more?—I do not know that it would very much.

337. Have you had any experience of the expenditure of Government grants in your county?—We never have very much of that. The money goes somewhere else, as a rule.

338. I presume you have had some Government grants?—Yes.

339. Was any condition attached to them as to the manner in which they were to be expended?—I think we were allowed to spend the money as we thought best.

340. Is the outlet to Lake Ellesmere under your jurisdiction?—Yes.

341. We had evidence the other day that a lot of money had been wasted there, and that the drain has been constructed in such a way that the water has to run uphill?—The work was done under professional advice, and was sanctioned by the Government engineers, so if it is not what it ought to be you know who to blame.

342. Is it not a success?—It is a partial success. But it is not quite what we expect to make it yet.

343. Did your county do the work?—Yes, by contract.

343A. Have you had any experience of co-operative labour at all?—No.

344. *Mr. Paul.*] Do you think a good farmer would be a bad farmer under a leasehold tenure?—He would not be so good as if he had a freehold.

345. Can you say why?—I do not think he takes the same interest in it.

346. Do you see any reason why he should not take the same interest in, say, a lease in perpetuity?—He might take an interest in a lease in perpetuity, but, for my own part, I should not take the same interest in it.

347. As a public man, do you think it would be a wise policy to sell educational and other endowments?—I do not think so. I think it was very wise to make these endowments, and I see no reason why they should be parted with now, so long as they are properly utilised.

348. Do you think it would have been a good policy for the State to have conserved a large area of good land, instead of selling the freehold of it?—The State did conserve a very large area.

349. Do you think it would have been a good policy if it had conserved a still larger area?—I do not know. I think the fact of selling the land at the time they did, when money was very much wanted to give the country a start, was just as wise a policy as could have been adopted.

350. We are told that the State sold a lot of land to speculators, and that these speculators sold to somebody else: do you think that was wise?—It was very hard on those who had to buy, for they had to pay dearly for the land.

351. *Mr. Matheson.*] Do you think the State would have been wise to have retained the whole of the titles if it could have financed matters, and if it had done so and all the land was now occupied by Crown tenants, do you think the colony would have prospered as it has?—I do not think there would be so many people here. I for one would not have come here if there had been no prospect of getting a piece of land of my own some day.

352. Suppose the tenants on school reserves had the right of purchase, do you think they would put more improvements on the land, and use the land better than they do under lease?—I think they would probably.

353. Then, would it not be a benefit to the State to give them that option, seeing that the education revenue is guaranteed to the province, no matter what the reserve would bring in?—It might be advisable, but once the land is turned into money the probability is it would vanish.

354. Would that not be due to the want of good administration?—I have seen lots of money that was supposed to be ear-marked disappear very quickly.

355. If the expense of electing a Land Board was undertaken, do you think it would be likely to result in the selection of more suitable men than the present members?—I do not think so, so far as my knowledge goes.

GEORGE ALEXANDER McLEAN examined.

356. *The Chairman.*] What are you?—I am a farmer and a Crown tenant on a pastoral lease. The land I lease is part of Mount Grey. The area is 4,100 acres. I have had the lease for five years. My rental is £120 per annum.

357. Is there any particular point you would like to bring before the Commission?—I would like to point out that the tenure is hardly secure enough. In order to winter sheep I would want to sow grasses, and it does not do at the present time to surface-sow without being paid for it. My lease has nine years to run, five years having already gone. I would like to be able to plough some of the land. My idea is that at the end of the term we should get the land at a valuation. I have 80 acres of freehold, and I grow turnips on it.

358. *Mr. McLennan.*] Have you tried surface-sowing?—Yes; I sowed twenty bags, and it took very well.

359. Did you sow clean seed?—I sowed cocksfoot, and some white-clover with it.

360. Supposing the lease were amended so that at the end of the term arbitrators should determine the rental, would you be prepared to take up a fresh lease at their valuation?—Yes, so long as it was a fair valuation.

361. Would you require a valuation for your sown grasses?—If I lost the lease I should, but if I did not that would not be necessary.

362. *Mr. Anstey.*] Would it be fair if you got full valuation for improvements to submit the land to public competition at the end of the lease?—It would be hard to see how you could get full valuation for surface-sowing on a mountain. It is very extensive. If I could get full value that would be fair. I think that a tenant in a place like that is a better man, because he understands the country, than any new tenant coming in.

363. Suppose you got the right of renewal at an arbitration rental, would you consider that a sufficiently secure tenure to put all the necessary improvements on the land?—Yes.

364. How much of that land did you surface-sow and improve generally?—Pretty well the whole of the mountain would take cocksfoot.

365. Would you surface-sow the whole of it if you got a security of tenure?—Yes, I would do so in course of time.

366. If they agreed to give you a renewal with arbitration as to rental, would you have any objection to putting it in grass within a reasonable time?—No.

367. How are your relations with the Land Board?—I have not had many direct dealings with the Land Board, but in whatever dealings I have had with them they have always treated me fairly.

368. Do you think it would be an advantage to have the Land Board elected?—I think if they were elected on the ordinary franchise the townspeople would put in their representatives, who would probably be men who would not understand the country so well as the present members of the Land Board.

369. Then you think that the present constitution of the Land Board is satisfactory?—Yes.

370. Have you had any dealings with the Advances to Settlers Office?—Yes.

371. Have those been satisfactory?—Yes.

372. Has there been any undue delay or any undue expense?—There has been no delay, and the dealing I had with the office was the cheapest transaction I ever had of that kind.

373. Did you succeed in getting as high an advance as you asked for?—Yes.

374. You only asked for what was reasonable?—Yes.

375. Do you think that there would be any risk to the State if it allowed tenants to crop any portion of the land they required, or an unlimited area of land?—I do not think it would be right to give an unlimited right of cropping.

376. Why?—Because the land would get dirty.

377. Then, how would you propose to crop?—Sow the land in turnips. My land now is mostly manuka, and that has to be cleared, and I would sow it in turnip, and the following year sow either rape or grass. If I sowed rape, I would sow grass the next year.

378. If you were compelled to follow with grass, would there be any risk to the State?—No; the State would be a gainer.

379. *Mr. Paul.*] How does this country compare now in productiveness and carrying-capacity with what it was ten years ago?—I do not think there has been any decrease in carrying-capacity.

WILLIAM JAMESON examined.

380. *The Chairman.*] What are you?—I am Clerk of the Selwyn County Council, and I have occupied that position since 1878.

381. You have certain areas within that county called “planting reserves”?—Yes; about 15,475 acres.

382. How much of that land is under plantation now?—Roughly speaking, about 14,000 acres. It is nearly all planted or partially planted.

383. Do you lease the open land?—Yes, and also these plantations when the trees are sufficiently grown. Some of the leases are for seven years, and others for fourteen years. We have a clause in the lease allowing us to resume any portion of the open land we require for planting purposes.

384. Are the rents accruing from the leases devoted to planting?—Yes.

385. What trees do you generally cultivate?—Red-gum, stringy-bark, and all kinds of pines.

386. Do you sell the timber?—Not so far; but we may do so in future.

387. *Mr. Johnston.*] Has the blight attacked the gums in your plantations?—No.

388. Are there any Crown settlements within your county?—Yes; there is the Mead Settlement, and there are the suburban settlements around Christchurch.

389. Have you had any trouble in collecting rates from the Crown settlers?—The rating is done by the Road Boards. The County Council has had no trouble with those settlers in respect to rates.

390. *Mr. Anstey.*] What security have the tenants on these reserves? Have they a right of renewal or valuation for improvements?—No.

391. Do you propose to plant the whole of the 14,000 acres?—Yes. The plantations are mostly for shelter purposes on the plain, and most of them consist of strips of land.

WILLIAM FREDERICK APLIN examined.

392. *The Chairman.*] What are you?—I am a wool-sorter, but I was brought up to agricultural work. I have been thirty years in the colony.

393. Have you any particular matter you would like to bring before the Commission?—Some years ago I took a prominent part in bringing about the settlement of the land—in fact, I think I was one of the first persons who advocated on the public platform the compulsory taking of large estates for the purpose of closer settlement. Now, after the lapse of some years, I come back and find the country in a very prosperous condition, and I also find that the lease-in-perpetuity system has been adopted. I was under the impression before I left the colony that the lease would be for ninety-nine years. I feel it is a mistake to give such a long lease as 999 years, and I think the State should now say, seeing that they have made a mistake, “We will give the present occupiers of those leases the present market value.” For argument’s sake, let us suppose the land was worth £6 an acre when they took it up and it is now worth £8 an acre, I think they should be given £2 an acre cash, and then give them the leases for thirty years, and have a revaluation every subsequent thirty years. At the same time, I think the tenant who holds the land at the expiration of the term of thirty years should have the option of renewal at revaluation. I make that statement because I find that a great number of proposals that I advocated in my early political career have since become law, and other people have received the credit for them. I may say that I was formerly on the Edendale Estate, and was agricultural manager at Windsor for the late Mr. Menlove for a considerable time, and I also know some of the Otago country.

394. *Mr. Johnston.*] You were not at Edendale when the land was first sold?—No.

395. Is the land at Edendale worth as much now as it was in your time?—We considered the land was worth fully £8 an acre at that time. I do not know the value now.

396. Do you know the high country in the Mackenzie country?—Yes; I was manager of the “Mistake” Run, on the Godley River. I know the Mackenzie country generally.

397. When you were in Southland was there any ragwort or Californian thistle there?—I never saw Californian thistle until I returned to the colony after an absence of ten years, and there was no ragwort there when I was in Southland.

398. Have you ever seen grass-seed sown on the “Mistake” Station?—No; but I should imagine it would take grass-seed readily on the sunny face. There is a sunny face fully fifteen miles in length.

399. Have you had any experience in grassing high country?—No.

400. You formerly advocated the bursting-up of large estates: do you advocate the cutting-up of runs more than the land is cut up at the present time?—As far as the runs in the Mackenzie country are concerned, I think they are cut up small enough now. But some runs might, I think, be cut up to better advantage; that is, in cases where it is possible to winter the sheep.

401. Up to what altitude do you think you can winter sheep in that country?—You can winter sheep right up to Mount Cook. My experience is that they will do very much better at the Mount Cook Station than on some of the lower country. For instance, at Balmoral, because I have seen snow remain on the latter places for a very long time.

402. *Mr. Anstey.*] Have you wintered any ewes on the “Mistake” Station?—At one time, I understand, they wintered ewes there, but that was not when I was there. I was only there for about six months.

403. What did they generally winter there?—Generally dry sheep.

404. Did they winter a large number of ewes in the Mackenzie country?—Yes, usually a good number of “wools.”

405. And at Glentanner?—Yes, just sufficient to keep up the carrying-capacity of the run.

406. You said you were in favour of the State buying out the unearned increment of the 999-years lease?—Yes.

407. Have you given the matter any particular study?—Yes.

408. Have you any idea what it would cost to do that?—I have not gone into figures; I am only speaking from a broad political point of view.

409. Do you think it would cost a couple of millions?—I do not think it would cost that, over and above the present value.

410. Do you think it would cost one million?—Possibly it would.

411. Would you propose to borrow the money?—The freehold would practically be given to them. The fairest way would be either to do that or give them the freehold right out.

412. If you were to buy it out would you approve of borrowing another million to do so?—Yes, rather than give them the freehold.

413. Having bought the land once you think the State should say, “We have made a mistake in giving a lease of 999 years, and we will pay the difference”?—Yes, the present difference.

414. How do you propose to recoup the State for the money they have had to borrow for that purpose?—The land would be revalued, and I understand that a number of the Crown tenants are on land capitalised at £6 an acre, the present value of which land is £12 an acre.

415. Do you think the tenants would agree to that?—It is not a matter of what the tenants would agree to; it is a matter of what the public have to say.

416. *Mr. Paul.*] Do you think that settlements would go on satisfactorily under the tenure that you advocate?—Yes, far more satisfactorily than under the present tenure, because the tenants would have an absolute security for thirty years.

417. Would you be in favour of revaluing the present leases without compensation?—No, because I consider that the State has entered into a compact. It would not be fair to raise the rent, because the tenants took up the land on the understanding that the rent was to be a certain amount for 999 years.

418. You think the State should stand to its bad bargain, and pay for any alterations they want to make?—Yes.

419. Do you think it would be a good policy to conserve the remaining Crown lands?—Yes; I think it would be one of the greatest of follies if the State were to dispose of a single acre more of Crown land.

FREDERICK OZANNE examined.

420. *The Chairman.*] What are you?—I am a farmer, and have been here for thirty-two years. I hold a section under lease in perpetuity at Roimata, Woolston; the area is  $1\frac{1}{4}$  acres. I have been there for nine years.

421. Are you perfectly satisfied with your holding?—Perfectly satisfied.

422. Do you believe in the lease in perpetuity?—I do.

423. Are your neighbours fairly well satisfied?—As far as I know, all my neighbours are absolutely satisfied with their leases and with the way in which the Government have placed them on the land. And I, for my part, am fully satisfied with the way we have been treated. I think that the lease in perpetuity is a boon to the working-man of the colony, and I would very much like to see some more land opened up so as to give more working-men an opportunity of acquiring homes for themselves. Some years ago I paid rent for six years, and whatever improvement I put on the place went to the private landlord. The consequence was that I had either to pay more money as rent for the property, or I had to make room for another tenant. My present rent is £3 18s. 6d. for the  $1\frac{1}{4}$  acres; that is about 1s. 6d. per week. The consequence is I can live a great deal more comfortably than when I was living under a private landlord.

424. *Mr. Johnston.*] Do you come here of your own free will?—Yes.

425. You have not been requested by any one to come here?—No.
426. Could you have got on this land if it had not been for the lease-in-perpetuity system?—No: I had barely enough money to pay my deposit.
427. Have you had anything to do with the Advances to Settlers Office?—Yes.
428. How did they treat you?—Very well.
429. Did the Land Board treat you well?—Yes.
430. *Mr. Anstey.*] You have built a house on this section?—Yes.
431. Do you consider the lease in perpetuity a sufficiently secure tenure to put a valuable house on it?—Yes. We had to put up a house to live in; but they did not bind us as to its value.
432. You do not think the Government was likely to step in and revalue the land?—No, I am not at all afraid of that.
433. You say you are satisfied with the Advances to Settlers Office?—Yes.
434. You have got quite sufficient advance for the improvements you wish to make?—Yes.
435. Do you think that pound for pound up to £50 is sufficient to enable a working-man to build a cottage?—In a good many cases I think it would be a very good thing for a working-man, especially if he had a family, if the Government were to give him a little more assistance, so as to enable him to put up a house, say, worth £150, and charge him interest on that money, and give him so-many years to pay it back in.
436. Do you think the Government would be safe in advancing so much?—I think so, because the building would be on the property.
437. Supposing the tenant were to allow the building to tumble to pieces?—I think there should be some clause to compel him to keep the building in repair.
438. Do you think there is a demand for an extension of these workmen's-home settlements?—I have no doubt if another settlement were opened up close at hand it would be taken up very quickly.
439. *Mr. Paul.*] Do you think that when these settlements were not successful it was because of the unsuitability of the land?—In some cases it was.
440. Do you think if suitable land were acquired to-day it would be readily taken up?—Yes.
441. As a working-man in the town, do you find that the increase in rent is out of proportion to the increase in wages?—For private houses it is. The rent is more than a working-man can afford to pay—that is, 10s. and 12s. a week for a house.
442. Do you think the position is serious enough to warrant the Government entering on this policy on a larger scale?—Yes. I only pay £3 18s. 6d. a year, and at the present time, if I had to get a house the same size, I do not suppose I would get it under £30 a year; and that would be far too great a drain on my yearly income.
443. *Mr. Matheson.*] After paying for the building, do you think the Government should allow him to pay off the value of the land, so that he would be entirely free of rent?—No, I am not in favour of that. I think the Crown should retain the title of the land.

## ALFRED BUNN examined.

444. *The Chairman.*] What are you?—I am a farmer at Oxford. I farm 350 acres, partly freehold and partly with right of purchase. I have 292 acres with right of purchase. The rent is 10½d. per acre. It is scrub land. I will have had the land for two years at the end of the present month. I am satisfied with it. I think the present land-tenures should be upheld. I am of opinion that they give a man the best inducement to do his best with the land, and I think he should be entitled to the benefit of his labours. I went out into the country with a young family, and I have had to do a lot of hard work and struggling to get our little home together. I think after all our hard work it is scarcely right for the State to step in and say, "We are going to revalue your home." I do not believe in cash sales, except they include compulsory residence on sections large enough to settle upon. I believe also that the clauses limiting the freehold should apply not only to obtaining land from the Crown, but should apply to all sales of land being effected, and it would check land-monopoly.

445. *Mr. Johnston.*] Do you not think you would have got on better if you had started under the lease in perpetuity than under the freehold?—I was not aware of the existence of the lease in perpetuity at that time.

446. If it was in existence, do not you think a man would have done better to have taken up land under that tenure?—It might have been so, but I had to gain my experience.

447. *Mr. Matheson.*] Do you think the right of purchase should be extended to lease-in-perpetuity holders?—I would let the present leases stand exactly as they are. A man knows when he takes up the land under what conditions he can best go on the land.

448. But in the case of future leases from the Crown, do you think the right of purchase ought to be given?—I think so.

## JOHN MAFFEY examined.

449. *The Chairman.*] What are you?—I am a gardener, and have a garden of my own. I have 3 acres in the Summer district. My land is freehold. I have a short statement which I have prepared which embodies my views on the land-tenure question. It is as follows: I believe in a leasehold system that should hold good for at least one generation, or, say, from twenty-five to fifty years, the holder to have the right of renewal. Provision should be made for redistribution. I believe that all future leases should be subject to revaluation, as the only way to put Crown leaseholders on an equal footing, the revaluation to cut both ways, the same as with the freehold at present. I believe the only fair way to deal with the present leaseholders is to buy back their goodwills and give them the option of taking them on again under amended conditions. In dealing with the public estate the aim of the authorities should be to allow every man just sufficient land that he and his family can work without employing labour. As for the back blocks, no doubt some induce-

ment should be held out. I would suggest that settlers should be given the first term of, say, five or ten years (according to quality) rent free, or at a nominal rent. In short, I believe that the leasehold should be as near the freehold as possible, with one exception, the leaseholder not having to find the capital. The only title that he is entitled to is the fruits of his own labour; but I believe he should be allowed to reduce his rent by paying off a certain amount of capital—just what amount I would not like to say. Cropping restrictions are not necessary when dealing with practical farmers, and in no case should be hard-and-fast. As for village settlements, I would recommend a visit to the Roimata Settlement. I might state that some seven or eight years ago I made application for a Government leasehold, but was not successful. The ballot was fair. I have made a close study of the land question ever since, and hope some day to become a Crown tenant under reasonable conditions.

450. *Mr. Anstey.*] You say you are in favour of cutting up the larger holdings into farms, so that a man could work it himself with the assistance of his family, thus avoiding employing outside labour?—Yes.

451. How, then, would you propose that outside labour should be employed?—I think that every man should have an opportunity of going on the land himself.

452. Do you think it would be advisable to put every man on a bit of land?—Yes.

453. Do you think that would be a satisfactory way of settling the land?—Yes. I think that every man who wishes to take up land should have an opportunity of getting a piece.

454. Suppose you got a labouring man without any capital, and he went on to the back blocks, how would he do in the first few years?—Under the present system there are other employers without the Government making more. There are plenty of employers. I am not prepared to deal with the question after the whole of the land is nationalised.

455. *Mr. Paul.*] You would not be a party to revaluing the present leases?—No, not without compensation. I believe the best way to deal with them would be to buy out the goodwill and sell to them again as in the case of a private individual.

456. Do you think there is a demand for more settlement of the same class as that at Roimata?—I certainly do. There is no doubt the Roimata Settlement has been a God-send to the lucky persons who have got on to that land.

457. Would you allow those tenants to acquire the freehold?—No, under no circumstances.

458. Would you allow any Crown tenant to acquire the freehold?—No. I think that any man who wants the freehold should be prepared to go into the open market and obtain a section under that system.

459. Do you think it would be wise for the State to conserve the remaining Crown lands of the colony?—Yes, every acre.

460. *Mr. Matheson.*] Do you believe that all the Crown lands of the colony will be nationalised?—I believe that will be the ultimate result, but I think it will be many generations before it is brought about.

HENRY HERBERT PITMAN examined.

461. *The Chairman.*] What are you?—I am steward of education reserves in Canterbury, a position I have held for twenty-seven years. We have 43,857 acres of agricultural land, and one pastoral run of 23,315 acres. The agricultural land has been subdivided into 240 sections, which are held by about two hundred tenants. The annual rental from that endowment is now about £18,521. When first I started the rental was about £6,000 a year, but there were some unlet sections then. The rental has gradually worked up to the present amount, and I think it has now almost reached its highest point. The total cost of administration last year was only £619, which included £31 spent in drain-pipes, &c. The fair cost of administration is 3½ per cent. on the annual rental.

462. You are Inspector as well?—Yes.

463. Have you many exchanges?—Tenants transfer occasionally.

464. At the end of the term do you give the old tenant an opportunity of remaining?—We do now under clause 244 of the Land Act. The leases are renewed on arbitration rents, and in the last four years nearly 25 per cent. of the tenants have had their holdings renewed. That gives them a fixity of tenure which they would not have under the Land Board, as the lands, I presume, would have to go to ballot.

465. Are they all fairly satisfied?—Yes. No doubt they obtain their land at a lower rent under arbitration than by tender.

466. If the tenant does not accept the arbitration rental, what about his improvements?—Both the Board and the tenant are bound under the Act to accept the rental fixed by arbitration. If the tenant did not take up the land under the rental as fixed he would lose his improvements.

467. *Mr. Johnston.*] Are the improvements the tenants are putting on substantial?—Yes.

468. At the end of the lease do they get valuation for improvements?—Only the buildings.

469. Do you not give compensation for fencing or draining?—No; we have been supplying tiles for draining.

470. Do these tenants farm their land and carry out their improvements and generally take care of the land as much as a freeholder would?—The bulk of them do.

471. There is no attempt to deteriorate the land towards the end of the lease?—No. In many cases applications for renewal are made twelve months before the lease expires, and in one or two cases substantial buildings were put on at the end of the lease.

472. Do you allow anything for plantations?—Just lately we have agreed to pay half the cost of plantations and extra fencing.

473. You have no plantation reserves?—No. We only have one pastoral run, which was obtained in 1892 from the Crown in exchange for agricultural land it required for small settlements near Waimate.

474. What run is that?—Mr. Tripp's run at Orari Gorge.

475. Has Mr. Tripp tried surface-sowing, or have you encouraged him to do it?—I believe the late Mr. C. G. Tripp did surface-sowing on his runs a great many years since. I was over his runs in 1878 to value same for a private firm. I noticed some seed had taken, but there was a good deal of cape-weed, the result, I thought, of inferior seed. Of course, much of the land is of a nature that would not take grass well.

476. *Mr. Anstey.*] What is the general run of crops on your agricultural land?—Two grain-crops on the generality of our land, and three grain-crops on swamp lands.

477. Supposing a man had a failure in his crop one year?—If a man had a failure or was working out twitch the Board would agree to let him put down grass in the following spring with oats.

478. Under the lease in perpetuity there is one set of cropping for all sorts of land: do you think that should be varied?—Yes. Those conditions are too hard-and-fast. It is unwise that the same conditions should apply to land worth £2 10s. an acre and land worth £15 an acre.

479. You say that under existing conditions you are giving all your tenants the right of renewal?—Yes, if they are good tenants.

480. What constitutes a good tenant?—A man who carries out the conditions and keeps his farm in good order. A few years ago one man did not get a renewal because his fences were not kept in order.

481. It is not compulsory on the Board to give a renewal?—No, the Board has the option.

482. There is no security of tenure, then—it depends on the Board?—The Board has practically adopted a system which gives fixity.

483. Previous to some fourteen years ago or so you let all the land by tender; but I understand you to say that you got higher rents by tender?—Yes, I think from 10 to 20 per cent. higher.

484. Did you always get these higher rents paid?—When the times were good we did, but when they were bad there was, of course, trouble in some cases. We have had very few losses.

485. Do many surrender after the rent has been fixed by arbitration?—No, we have never had a case. Of reserves let by tender during the whole period of twenty-seven years we have had four surrenders, I think, in South Canterbury.

486. In the case of the existing leases the fencing was on the land when the leases were taken up?—Yes, on those let for many years past.

487. You do not allow valuation for fencing?—No, because most of the present tenants got their fences with the land.

488. You have appropriated the property, then, of the original tenants?—Yes, that will be so; but the tenants at that time paid very low rents and had to fence and subdivide.

489. Do you say you are now giving valuation for fences?—No, only for buildings, except in the case of plantations, where we have just agreed to allow half the cost of the plantation and the necessary fencing.

490. In the event of further subdivision a man would get no valuation for the fencing he put up?—No.

491. Would you include grassing as an improvement to get value for?—No. They have, according to the terms of the lease, to deliver half the land back in grass.

492. You would not consider grassing on an agricultural lease an improvement in any circumstances?—No.

493. We had evidence that the Government valuer has to value grass as an improvement. Do you consider grass as a permanent improvement on an agricultural farm and a subject for valuation?—It is called an improvement if it is new grass; it might be called an improvement.

494. Is the run which is part of your endowment let for a term of years?—Yes, for twenty-one years.

495. Has the holder valuation for improvements?—Yes, the ordinary Crown conditions.

496. That would include fencing?—It was already fenced and subdivided. There is no valuation for sowing grass.

497. Do you think tenants on runs like that ought to have some encouragement to grass their land?—I think so. I do not believe these runs could be grassed to a great extent. On the rocky and damp faces and alongside streams grass can be sown, I think, successfully.

498. Towards the end of the lease it would be to his interest to make the place look as bad as possible if he wants to get it back again?—He cannot very well do that without injuring himself.

499. You do not think it well to give him any inducement to improve the run by surface-sowing?—In the main it would be a good thing, I think.

500. *Mr. Paul.*] Is this run increasing or decreasing in carrying-capacity?—I think it keeps about the same.

501. Do you think that this settlement under lease with an arbitration rental is satisfactory?—Yes, I think it is. Our tenants are satisfied.

502. *Mr. Matheson.*] Do you propose to pay for these plantations and extra fencing at the end of the lease or when the work is done?—When the work is done.

503. Supposing the Crown resume the whole of these reserves, would primary education in Canterbury suffer?—No, because what we pay now to the Education Boards is deducted from the Government grant to the Boards. The tenants would be prejudiced very much, because they know that under us they have continuity of tenure.

504. It is reasonable to suppose that if the Crown took over your tenants justice would be done to them; but, apart from the tenants, as a business-man, does not this dual administration of estates in the same district appear to you to be a mistake?—I cannot say it does.

505. With regard to Crown lands, do you think it wise, as a citizen, to grant the option of the freehold?—Yes. There is no doubt that the subdivision of large estates has done a great deal of good for Canterbury.



506. Do you think that the Crown, having successfully settled these large estates, should give the right of purchase? No. I think they should keep them to the original contract. I think a mistake was made in the first place by giving a 999-years lease. I think a thirty-one-years perpetual lease is preferable.

507. Would you give the right of purchase?—No, I would not.

508. *Mr. Anstey.*] Are you satisfied that the system under which you are now letting land, giving the tenants reasonable security, is satisfactory both to you as landlords and the tenants as tenants?—Yes.

509. Do you think it wise that all public lands of the colony should be administered under somewhat similar regulations?—I think it would be very wise.

510. Do you think it wise that the Government should step in where the administrators of public reserves refuse to give the tenants any valuation for improvements, and thereby leave the land practically waste? That is practically to interfere with them. I think pressure might fairly be brought to bear on them, and that has been done in the case of one or two other endowments.

511. We had an instance the other day at Geraldine. The City Council of Christchurch has a small reserve there which is covered with manuka scrub, whilst the value of land across the road has been put up to £7 or £8 an acre owing to the land being improved, and the Christchurch reserve remains at the same value? The other land to which you refer was sold, I think, only about two years ago for about £5 an acre.

512. Do you think it right that the State should step in and insist on reasonable security being given to the tenants of reserves?—I think so.

JOHN HEATH NEWLYN examined.

513. *The Chairman.*] What are you?—I am a retired schoolmaster, living at St. Albans. My reasons for appearing before the Commission are twofold. When living in country districts, I have taken some interest in the difficulties and progress of the small farmers, and on more than one occasion took the chief part in forming farmers' associations and leagues, such as the Colonial Land Association, which was brought into existence in 1884, to better the state of rural mortgagors. I may also say that few private persons have had as much correspondence with the various New Zealand Governments upon progressive land-settlement and kindred subjects as I have carried on since 1881. I have taken a very keen interest in the formation of special settlements, having made a proposal in 1881 to the Agent-General in London to form a company to place some Cornish and Hampshire yeomen on land to be acquired from the New Zealand Government upon a sliding scale of deferred payments. Some of the land near Oxford was then under the expiring pre-emptive rights, which were renewed shortly after for a term of years. In the Lands Report for the year ending the 31st March, 1904, allusion is made to 8,000 acres near Oxford, released by the removal of the Midland Railway restrictions. There was keen competition when the land was taken up under the optional system. Possibly had the land been under some local control in 1881 some farmers from Great Britain might have settled along the downs between Oxford and Mount Somers under my proposals. Elective Land Boards met with the approval of a farmers' conference in Sydney as far back as July, 1894, so that the demand for a change in New Zealand cannot be termed a frivolous or socialistic desire for novelty. It is said that there is luck in odd numbers, and five members ought to be able, except in the very large districts, to keep up with the work. The presence of an administrative officer or an active politician on a Land Board has been deprecated by some people, who are also opposed to seeing a large number of public bodies controlled by a few select persons; but as this occurs under the elective system there should always be a Government nominee on each Land Board, though not necessarily as Chairman. The Board might comprise one member elected by the runholders owning freeholds, one member elected by farmers owning freeholds, one member elected by the leaseholders, and one member elected by the town electors, and one Government representative. Electors should have the option of voting under any one qualification. The land-tenure appears to offer variety enough to meet most requirements, although there appears to be an obstacle in the way of the man who desires to acquire land without personal residence at the start. Had some men in town or official employment been able to invest in some of the Government land—leasehold, for instance—they might have been able to employ labour and acquire something worth leaving to their children. The ballot system might certainly have been used by them up to a successful drawing (if they were allowed to get that far), and they might have sold their lucky number for, say, £100, a not unknown occurrence, it is said; but this would not have been getting on the land. The amendment made in 1901 may possibly prevent the lucky man at the ballot from absorbing what is the most glaring example of the unearned increment. Vol. I., A to C, of the parliamentary papers, 1903, contains several criticisms of the ballot system. Climate and configuration have a great influence upon the steadiness of progress even with the most progressive farmers, those in the hilly country demanding access to some flat land—in fact, they expect fat and lean, much the same as we demand it in their sheep. Possibly, if, when cutting up estates for close settlement, the Government could reserve paddocks where the hill sheep from the snowy ranges could be driven some time before lambing, the extra percentage saved would be worth the cost. The unearned increment has again been prominently brought forward. Some members of the Commission will recall to mind the importance which the question assumed in 1884, when the great name of the late Sir George Grey was coupled with it. In an address delivered in the Ashburton County in July, 1884, I put the matter before the farmers present from the small freeholders' point of view, and made two estimates of the value of the interest of the farmer and his family, who prior to the sale of a farm had put all their capital, either in money or undrawn wages, into the property. In one case I reckoned the family's interest to be at the end of eight years' occupancy £2,457, allowing 5 per cent. annual interest for their work or money. By disposing of the land at £5 10s. per acre (more than the top price then obtainable) the unearned increment, so-called,

amounted to £293, or 11s. 8½d. per acre for the 500-acre farm, bought eight years before at £2 per acre. By the sale of the farm for £5 5s. per acre—a price hardly obtainable for the Chertsey land in 1884—and the allowance of the current rate of 7½ per cent. annual interest, I showed that the family would go off the land with £228 2s. 3d. of their earnings and money sunk in it. So that, as far as the despised “cockatoo” is concerned, there is not much unearned increment for the State. Although in some instances a man may have held unimproved land near commercial centres for years, and have ultimately sold at a great apparent profit on original cost, there may not have been much unearned increment after computing compound interest on purchase-money, rates, and other charges. But the most glaring cases of profit without individual work will probably be found in relation to town and suburban lands. Readjustment of taxation may partly remedy the evil. The aggregation of large estates began to occupy serious public attention when the New Zealand domesday-book was first printed, and in 1884 what was called the “bursting-up policy” was freely ventilated. As an alternative remedy (see Appendix) I suggested in the Christchurch papers what I thought was a more reasonable and scientific mode of adjusting land monopoly to the welfare of the people generally, and thus avoiding any hasty attempts at confiscation. I propose to show, if possible, where the early graduated land-tax fell short of my proposal. The letters which I request permission to read will throw some light upon the views I have held for over twenty years upon the subject of land-taxation. (The letters will be found in the Appendix.) I trust that there can be no impropriety in submitting for the subsequent study of the Commission a skeleton scheme for what I venture to term a scientific progression in the mode of levying a graduated land-tax. If the farthing rate as the unit should be found either too large or too small the scale can still be made available, say, by using seven-eighths of the scale rate if too oppressive, or by multiplying the schedule rate if too small. (The scheme will be found in the Appendix.) The scientific progression I have had in mind may be very briefly explained. If what I may call the unit of value be taken at £10,000, and its accompanying graduated rate of taxation at a farthing, then values below the amount named will have rates attached to them which are aliquot and decimal parts of ¼d. in the pound. On the other hand, land-values above £10,000 will entail rates over ¼d. in the pound with increases corresponding to the decreases for the amounts below £10,000. Although it is unnecessary to explain to the Commission the ease with which the calculations can be made by the revenue officers, one example, where the figures are very ordinary, will show the system to advantage. Where a man owns land worth £87,000, the officer, knowing that the scale gives a tax of ¼d. in the pound on each £10,000, divides by 10,000, or, in other words, puts a decimal point between the 8 and the 7. So the sums reads 8.75 articles at 8.75 farthings each = £797 10s. 6½d., the graduated tax payable. The Land and Income Tax Act Amendment Act of 1891 started with a tax of ½d. on land valued at £5,000, with an increment of ½d. when the value exceeded £10,000, with a similar rise for each £10,000 up to £210,000. The amending Act of 1903 came nearer to my suggestion of a steady and progressive rise in the tax for the large estates. But the continuity of the rise in each £2,000 of value is broken by a step of £3,000 to get to each complete £10,000—for example, the larger jumps are £17,000 to £20,000, with a rise of ⅓d. in the pound, £27,000 to £30,000, and so on, although the other early rises are usually in couples of thousands. But what I advocate in this connection is that the man who makes the best possible use of his land according to its qualities, market facilities, roading, and railing shall be let off much more lightly than the man who uses high-class and accessible agricultural land merely as a sheep-run to employ only a few hands until he gets the unearned increment. But, in the absence of any accepted and legal prohibition, as far as the holding of a large acreage or land worth a large sum of money is concerned, there seems to be no reason why the owner of land with, say, £200,000 should pay a higher rate of taxation than the small farmer, provided he spends an equal sum in the pound of land-value in providing work profitable to the country, and I advocate a reform in this direction. I thank the Commission for a very full and courteous hearing, and shall be glad to answer any questions.

HUGH MCGLOIN examined.

514. *The Chairman.*] What are you?—I am a carpenter, residing in Christchurch, where I have been for fifteen years. I have no land, but I had practical farming experience in my early days. My object in coming here was to make a few remarks with reference to the lease in perpetuity. I approve of that lease, and would not approve of the option of purchase. I think, however, that the Government should have the whole of the dealing with the lease. They purchase the land at the expense of the colony, and hold only one ballot for it. As soon as the ballot is over, and even before, bargains for the purchase of the leaseholds are made, and new people come in and buy out the lucky man who was successful at the ballot. I do not think that is right. If a man wants to part with his lease it should revert again to the Government, and there should be another ballot. It is a common thing to see forty applicants for one section in a ballot, each of whom has probably spent £10 in looking over the section, and they are debarred from any chance of getting it after the ballot. When Mr. McKenzie first initiated the scheme he led the people to believe that the Government would have the whole of the dealing with the land, and the fact of these land agents now having the disposal of leases is a great set back to the original supporters of this land scheme. Take, for instance, Dalgety and Co., of Christchurch: out of a hundred farms in Canterbury alone offered to the public for sale twelve were lease in perpetuity. Over 10 per cent. of their business in Canterbury is with regard to land belonging to the Government. That is not right.

515. If a man's circumstances altered and he wanted to sell his lease, you would not restrict him doing that?—It should be sold to the Government, and no one else.

516. The man might have put a lot of improvements on the land, and the land might have gone up in value for various reasons?—The Act says that the Government is willing to take it at a reasonable valuation.

517. You want to prevent the leaseholder getting the unearned increment?—I would give the leaseholder a fair and substantial sum for all his useful improvements. That should be advanced by the Government, and the land put up to ballot again.

518. *Mr. Johnston.*] Have you ever been a settler on the land? Yes. I lived for three years at Paringa, on the West Coast.

519. Was that a State settlement?—No, it was freehold.

520. Did you work on the land?—I did.

521. You say you would only give valuation for improvements, but a great many improvements are not visible? I did not say a man should not get valuation for improvements, visible or invisible. I said that he should get fair value for improvements.

522. You would not allow a man to get a penny-piece for his labour on the land, except for his improvements?—Not on Government land.

523. Would you take up land under those conditions?—I would.

524. You are a practical farmer: why do you not do it?—I have not the money.

525. We have evidence of men who went on Cheviot with £35, and have made a success of it?—The Land Board was not so stringent then as now. You must have a good deal of capital now before you are allowed to take up a section—£300 or £400.

526. Did you ever take part in a ballot for land?—No.

527. How do you know so much about it?—I have made inquiries.

528. It is only hearsay, then?—I made personal inquiries, and there is no hearsay about it.

529. *Mr. Paul.*] Do you think future leases under the lease in perpetuity should be revalued?—Yes, because the State loses a lot of land-tax revenue now by taking over the estates. Every ten years, I think, the leases should be revalued. Some would be reduced, others increased.

530. Is there any demand for land for workmen's homes in the immediate neighbourhood of Christchurch?—I have made no inquiries, but at the rate land is taken up in the immediate vicinity there should be no difficulty in disposing of the leases.

531. Do you rent your house?—I do.

532. Do you find that the rent increases out of proportion to any increase in wages?—Out of all proportion.

533. Do you not think it would be good policy for the Government to extend the provisions of the Land for Settlements Act into the cities?—Personally, I do not approve of the Government putting men on to small sections at all. They should take large estates. The policy of the Government should be to attract the surplus population in the cities to the land.

534. Can you suggest any way by which a poor man can get on this land?—I cannot under present conditions. When the Land Act was first introduced it was an easy thing for a poor man to get on, but he is required to produce a signed cheque from his banker now. Farming experience does not count if a man has not a cheque behind him.

535. You think a man of large experience and little capital is more likely to be successful than a man with large capital and little experience?—I do, at the ballot-box.

536. *Mr. Matheson.*] You think the Crown should endeavour to attract people from the towns to the land?—Yes.

537. Which do you think should prove the most attractive to people who want land, lease with the right of purchase, or lease with renewal at an arbitration rent?—The lease in perpetuity would.

538. Which of the two I suggested would be the most attractive—lease with right of purchase or lease with revaluation every ten years?—Revaluation would not alter the popularity of lease in perpetuity.

WALTER DANIEL examined.

539. *The Chairman.*] What are you?—I am a member of the Wharf Labourers' Union at Lyttelton, and I am also a leaseholder under the Crown on a village-settlement allotment. I consider the condition of working-men is worse now than it was fifteen years ago. My experience is that this has been brought about by the enormous growth in the cost of the necessaries of life, and especially of rent. In my opinion, the cure for this or a much-needed relief would be more village settlements for men employed at casual labour. Owing to the rush now to discharge and load the big steamers, the work is more broken and intermittent than ever it was, and much worse than it was in the old sailing-ship days. Although this is good for the general community, it is much worse for the men. The acquisition of my allotment has materially assisted me in maintaining the standard of living I and my family now enjoy. Previous to my present selection I used to pay 9s. and 10s. per week for a small cottage, with practically no land attached to it. The 2-acre section on Roimata, which I have just alluded to, together with the house, would probably be less than a four- or five-roomed cottage in the town without any land attached. Under the present system I can produce for my own consumption milk and butter, poultry, bacon, fruit, and vegetables when the seasons are favourable, and that reduces the expenditure in those commodities very considerably. I have no hesitation in saying that the workers generally need an immediate and large extension of the system of land and homes for their use. I am satisfied with the conditions of tenures generally, with the exception of a few minor details, such as defective drainage, &c., which the local office ought to be able to negotiate satisfactorily. I would emphatically protest against the conditions of the lease being interfered with. An agreement between the Crown and the tenants should be held sacred, and any interference in that direction would be a betrayal and a violation of the trust. I have asserted that from the time I took up my section I treated it exactly as if it was a freehold. I have spent, I may say, almost the results of a lifetime on it to make a home on it, so that I could end my days there and leave something to my family. If

I had had any thought that the conditions of the lease were going to be interfered with, I would not have spent one single farthing in improving the section. We consider it would be a very serious betrayal indeed if the conditions of the existing leases were interfered with.

540. *Mr. Johnston.*] What is your occupation? I am a casual wharf labourer, working for the Government.

541. You belong to the Casual Wharf Labourers' Union?—Yes.

542. And you say the union do not want to interfere with existing leases?—Yes.

543. Do you know if the Trades and Labour Council have ever expressed any intention of interfering with the existing leases?—It is not within my knowledge. I might say that my remarks have been based on a statement made before this Commission a week or ten days ago by a prominent member of the Trades and Labour Council.

544. Did not Mr. McCullough make it perfectly clear that that was not the opinion of the Trades and Labour Council, but only his own individual opinion?—I would go further, and I say that both the journals in Christchurch here—the *Lyttelton Times* and the *Press*—have stated in their leaders that they did not suppose for a moment that a Government could be found that would interfere with the conditions of the existing leases. But, still, it is within the bounds of possibility that it could be done. You know there is a great deal of agitation in that direction at the present time.

545. Is it the wish of your organization that the present lease-in-perpetuity leases should be interfered with?—No.

546. Are you satisfied with the Land Board?—Perfectly.

547. Would you suggest any alteration in the constitution of the Board?—No. I have never had any occasion to go before the Board.

548. You have not been pressed to come here to give evidence by any Crown Lands Ranger?—No.

549. You are a free and thoroughly independent British elector?—Thoroughly independent.

550. You say you want more village settlements: are you aware that the small sections which have been laid off in the large settlements have been a failure?—I am not aware of anything of the sort. I can only speak of my own, close to Christchurch, and that has been a great success.

551. Then, it is village settlements nearer the towns you want?—I would say wherever the land is available.

552. *Mr. Anstey.*] Have you had any dealings with the Advances to Settlers Office?—Yes.

553. With what result?—I did not get what I wanted. But they treated me fairly well. As is the case with all institutions of that sort, they used their discretionary power on the safe side, and one cannot blame them for that.

554. What were they prepared to advance you for building?—I asked for a certain sum, and they did not seem to want to go so far as that, and I wanted to know why, because I had more than the value of the advance. That was admitted, but the position they took up was this: that in the event of a forced sale through adverse circumstances the land would be assured, but not the value of the improvements, and for that reason they did not care to give scarcely half the value of the improvements on the place.

555. Does not the Act provide that they can only advance you £50 on a pound-for-pound basis?—They did not do that in my case. It is some seven years since I got this loan. I am satisfied now with what I got then. But I think they might show more consideration to people where the actual value is on the land. In my case the improvements were worth something like £300, and they did not care to advance me more than £100. I asked for £125.

556. At the present time they can only advance £50 under the Workmen's Homes Act?—I cannot speak of that.

557. Do you think that would be enough to advance to a working-man to enable him to build a house?—It is a very poor house you could get for £100.

558. Do you think a workman could put up a home that would do for the time being for £100?—For the matter of that I think every right-minded man can accommodate himself to circumstances; but it would be a very indifferent house that you could build and finish for £100 according to the standard of these days.

559. Do you think it would be wise for a working-man to spend more than £100 in building a house if he has to borrow to do so?—Probably not.

560. Do you not think it would be wiser for him to make that do until he was in a position to do something better?—I think he should deny himself as much as possible, and only go to the Government for help when he cannot possibly do without it.

561. Do you think it would be wise for the Government to build the homes and lease them to working-men?—I do, indeed. That proposal has my entire favour. If the Government built homes and charged working-men an extra percentage on the rent until the price of the house was paid off, I am satisfied it would be a boon to all working-classes about here, and would be a safeguard to the Government, because the tenants would have an incentive to take care of the property. There are many here craving to go on the land.

562. *Mr. Paul.*] Do you think the private landlord has got more than a fair proportion of the increase in wages?—Yes.

563. Do you think the increase in rent is generally out of proportion to any increase in wages?—I do.

564. Can you give any indication as to the general increase in rent of small cottage properties in the last few years?—I have had no personal experience of this during the last nine years, but I know that many of my fellow-workmen get most indifferent premises for almost fabulous prices. They have to pay 8s. or 10s. per week for houses that are altogether inadequate to house a family in. But they have to pay these rents, because the demand for the houses is so great.

565. You think the Government should come to the relief of these men?—That is the only fair solution I can see for it. It is a question that will have to be faced.

566. Has there been any agitation to interfere with the present leases by way of any revaluation?—No more than what you see in the daily papers and what you hear here.

567. In condemning those who propose to interfere with existing leases, do you include Crown tenants who demand the freehold? Do you think they are jeopardizing the conditions of the lease?—I cannot speak of them because I do not know who they are. There are none in our settlement demanding the freehold, and no Crown tenant I have ever spoken to has demanded it.

568. Do you think it is fair to demand a freehold?—I do not.

569. Has any responsible party in Christchurch, such as the Trades Council, ever advocated the revaluation of existing leases, or do they only advocate revaluation to apply to future leases?—I think it would be to apply to future leases. I do not think any reasonable or sane man could advocate that leases in existence should be revalued. I am not a delegate to the Trades Council, and for that reason I cannot answer your question other than as I have.

570. You are a resident of the city: have you heard of any agitation on the part of the Trades Council to revalue existing leases?—Not so far as I know.

571. *Mr. Matheson.*] What is the proportion of your interest in your holding compared to that of the State? Suppose your holding was freehold, would it fetch as it stands, with the improvements, £400?—Yes, more than that: £600.

572. What is the capital value owned by the Government on which you pay rent?—I think £100.

573. They have parted with that capital value to you for a thousand years: do you think they would be wrong to let you acquire the fractional portion they possess so that you might hold the title for the land you live on?—It would be a great mistake to do so. What is the use of taking the land from a freeholder to make it leasehold, and then selling the freehold again.

WILLIAM FREDERICK APLIN further examined.

574. *The Chairman.*] What further point do you wish to bring before the Commission?—I wish to say something in connection with the wages question. The Farmers' Union have repeatedly said that wages have gone up during the last ten years. I may say that in 1876 all ploughmen on Edendale received £1 5s. per week, and at Pareora in the same year they received £1 7s. 6d. per week. I think at the time the City of Glasgow Bank failed things were at their lowest ebb in New Zealand. Since that time, owing to the initiation of the frozen-meat industry and the dairy industry, land has gone up in value from 15 to 30 per cent., and yet wages have not gone up one iota. The proof of that is, we see to-day, that ploughmen are advertised for at £1 2s. 6d. per week.

575. *Mr. Johnston.*] Your reference is to farm labourers only?—Absolutely, I know nothing about town labourers.

576. *Mr. Anstey.*] Can you give us the rate of wages, say, ten years or twenty years ago?—Throughout my experience I have personally never given ploughmen less than £1 5s. per week anywhere. At that time there was no Farmers' Union, and very few labourers' unions.

577. Did that £1 5s. per week include board?—Yes, and a bonus at harvest.

578. Do you say that during the period from 1876 up to the present time wages have not been much lower than that?—I believe they were much lower. I was away from the colony for ten years.

579. Are you quite sure that the New Zealand and Australian Land Company did not pay as low as 15s. per week?—Possibly; and I have paid as low as 15s. per week for general farm and station hands, but not for ploughmen.

580. Are you prepared to say that the average wage paid from fifteen to twenty years ago was 15s. to £1 per week for ploughmen?—I was in the Timaru district at that time, and I never paid ploughmen less than £1 5s. per week. I do not know what other people paid, but I believe numbers of the farmers did pay £1 and less than £1.

581. *Mr. Paul.*] You think the country wage-earner is not getting a fair proportion of the increased prosperity?—He is not getting a tithe of the increased prosperity. He is not getting nearly so much as the town worker.

CHRISTCHURCH, WEDNESDAY, 26TH APRIL, 1905.

ARCHIE DONALD PATERSON examined.

1. *The Chairman.*] What are you?—I am engineer to the Selwyn County Council.

2. How long have you occupied that position?—I have been acting for about five months, and was appointed permanently about six weeks ago.

3. Is there any money that the County Council expends on behalf of the settlers—what are called "thirds" and "fourths"?—I am not aware of it. That does not come under my jurisdiction.

4. The actual works are under your care?—I fancy that the work on some of the bridges have come under that head. It is only the water-races and plantations I have to do with so far.

5. *Mr. Anstey.*] What were you engaged in previously to your appointment here?—I was a surveyor.

6. Have you had any experience of Government co-operative works?—Yes, a little. I was assistant in one camp at Tauranga about nine years ago.

7. Did you find the system an economic one?—No.

8. Do you think private contracts would be more economic?—I am not in favour of private contracts; but the conditions under which labour was then organized were not on a paying basis, because that was in 1891, when things were very bad, and when married men were given a preference, and there were many men employed on work for which they were unfit. Skilled labour was not available for the money they were giving.

9. What would you suggest as the best method to adopt in carrying out such work—that is, from a public point of view?—I am in favour of day-labour with skilled supervision.

10. Do you think that would be the most economic way of expending public money?—I have proved it to be so.

11. Would you pay the men at the same rate of wages per day?—Yes, all except the gangers.

12. Do you find your men to be all of equal ability?—If they are not fit for the work they must go.

13. Then, the others who have to go away must find some other work beside Government work?—Yes.

14. Then, it is only the efficient whom you would employ?—I have only to do with men who have to work hard. There are lots of positions that men can work at who are not really in their prime. In engineering and excavation work men have to be in their prime to be any good.

15. From that point of view it is necessary, if the Government wishes to employ the unemployed, that they should find some other work for them?—There is such a variety of work that I presume they can find work for a number of these men.

16. You think it is not desirable to have a differential wage?—No.

17. Did you have anything to do with the outlet of Lake Ellesmere?—No, except odd maintenance work.

18. Some people speak of it as a great failure, owing to bad engineering?—The work is a success so far as the scheme is concerned; but it is inadequate to carry away the supply.

19. The opening at the outlet is too small?—Yes.

20. Is it at the proper level?—Yes, to give sufficient fall to the scour.

21. Do you think it would be advisable to find a lower level so as to reduce the height of the lake?—It might be advisable to take it 18 in. lower.

22. Would that provide sufficient outfall to the sea?—No.

23. Then, what is the use of putting it lower if you have not an outfall?—I would leave the present arrangement as it is, but I would duplicate the outfall.

24. If you put in another outfall could you reduce the level of the lake by 18 in.?—Yes.

25. What would that cost?—An outfall sufficient to carry away the water is estimated at about £10,000.

26. What did the existing one cost?—Between £4,000 and £5,000.

27. Why would an additional one cost more than the original?—Because it would have to be a larger one. I understand that the present one was put in for experimental purposes, in order to see whether the present scheme would act. The scheme is working satisfactorily; it is running now, but it is not sufficient.

28. *Mr. Paul.*] Are you quite certain that day-labour with competent supervision is better than the contract system?—Yes.

29. You have proved that in your own experience?—Yes.

WILLIAM H. WILLIAMS further examined.

30. *The Chairman.*] I understand you wish to make a supplementary statement as to residence?—Yes. I will read the following statement, which I wish to be regarded as an addition to the evidence which I gave yesterday. [For statement see Appendices.]

31. *Mr. Austey.*] With regard to residence, what you now suggest would prevent a town resident investing his savings in a section, unless he was prepared to reside on it. You would not think of that?—No; but it might be a different thing in the case of a bush section.

32. There are plenty of good farmers ready to go on the land, and you do not think it advisable to encourage town residents who are not prepared to reside on the land to take up sections?—That is so.

33. With regard to grouping for the ballot, I understand that you are in favour of the first ballot and not the second ballot?—I approve of an applicant being allowed to take up a certain area of land or land up to a certain value. I think a man ought to apply for the section he wishes. He should say that he would like, say, Section 1, 2, or 3, and he should have the chance of securing one of these sections.

34. What is the objection to allowing him to apply for any section in the block under the ballot?—I think he should indicate the section he wants.

35. Supposing the section he wants has been already taken, has he to stand out altogether?—No; he would have the choice of two or three sections. He has three chances.

36. *Mr. Paul.*] You would not relax the residence conditions in any case?—Not on settlements where the settlers can get a return.

37. Not on improved estates?—No.

38. *Mr. Matheson.*] Do you think the ballot might be more satisfactorily worked in this way: Suppose there are fifty sections in a block, the Board examines the applicants and decides that a man is eligible for certain sections. Then the names of all who are eligible for any of those sections are put into a box and a name drawn out, and he has the first pick. Then there is another drawn out, and thus it goes on. Does that not seem to you the most simple method of disposing of the land?—Yes, so long as the applicant has indicated that the sections are acceptable to him. He in that case has his freedom of choice.

FRANK STURT YATES examined.

39. *The Chairman.*] What are you?—I am an ex-president of the Progressive Liberal Association, and I have been asked by a number of people to give evidence before the Commission.

40. What are you in business? I am an upholsterer, and I am a native of New Zealand.

41. Will you kindly state what you wish particularly to bring before the Commission?—I simply wish to make a general statement as an ordinary city dweller who has taken a little interest in the land question. I may say that I do not altogether agree with the view that city dwellers do not know anything about the land question, simply because they are not practical farmers. I look at it in this way: we were born into this world without being asked, and after some years we are sent out to earn our own living, and one of the first questions that confronts a thoughtful man is the land question. Although we have to get our living in the towns, still the land question is just as much a city question as it is a country question. For instance, if any ordinary young man wishes to get married he immediately is confronted with the fact that he has to pay rent, and if he is at all thoughtful he asks himself, "Why have I to pay rent?" and he is then immediately confronted with the land question. If a man wants to go into business and get a section on which he will not always have to pay rent he very soon finds that he has to pay a great price for the land, and he in his turn is immediately confronted with the land question. Therefore we find that it is as much a city question as a country question. And when we inquire further into the matter we find that it is eminently a city question, for this amongst other reasons: we find that in the case of the four chief cities of the colony, including also Napier and Nelson, the value of land, taken altogether, is as much as the whole of the rest of the colony put together. Then, looking at it from an economic standpoint, you cannot judge this question from the results of a year or two's experience. I will go back a good few years. I may point out that a few years ago the freehold was practically the only tenure in the colony. Then, at one period there occurred a great economical depression, and that depression was not relieved until the Liberal Administration came into power and succeeded in passing liberal land laws. We believe that the present prosperity of the colony is largely due to the liberal land laws of the Liberal Administration. Amongst those laws is that providing for the lease in perpetuity. As you know, most of the dwellers in the city are believers in the lease in perpetuity as against the freehold. I may be allowed to say that we can only deal with this question in a general way, but these are some of the considerations that bring us city dwellers to the conclusion that the leasehold system is a good one. There is, I may state, no provincial district in New Zealand in which there is so much land-monopoly as in Canterbury. Twenty-three persons own one-twelfth of Canterbury. Then, taking Banks Peninsula, there is a place called the Wainui Road Board, with an area of 54,152 acres. It has 256 ratepayers, and one-fifth of the area of that district is held by three persons. It is what they call "fattening" country. Then, there is the case of Okain's Bay. The area of the district is 16,836 acres. There are ninety-nine ratepayers there. One-third of that district is held by one family. There is also the case of Pigeon Bay, 22,225 acres, fifty-one ratepayers, and one-half of the area is held by two families. I have given these figures as illustrations of what I mean, and as showing why we come to the conclusion that the freehold is a bad tenure—namely, because of the tendency to reaggregation of large estates. I may also mention that in the Ashburton County last year the report from about fifteen schoolmasters was to the effect that the attendance had decreased, and they attributed that fact to the aggregation of large estates in the Ashburton County. This question came up for discussion in the House, and the statement was challenged: but Mr. Studholme, a large landowner down there, stated that it was just as well the land had been acquired by wealthy persons, because poor people could not afford to pay for the land at its present value. These are facts which bring us to the conclusions I have mentioned. Speaking at the annual meeting of the Christchurch Frozen-meat Company, Mr. Gilbert Anderson, who is well known in commercial circles, and who is also a director of that company, said, "Nothing but praise can be given to the policy of the Government in cutting up for close settlement the front country suitable for cultivation." Then, I came across an extract from the paper recently, in which the chairman of the Levels Estate Company, in moving the adoption of the last annual report, speaking of reinvestment, said that he did not think New Zealand was a profitable field for investment just now, because that class of company had done its work in the past, and they were the pioneers of that form of settlement, and the people of New Zealand could not be blamed if they retained the land for farming, because the land was eminently suitable for farming. He said that it was a marvellous thing that New Zealand could afford to allow £60,000 to go out of the colony without asking for it to be reinvested. That I take to be one of the results of the leasehold policy of the present Administration. It has been said, and I say it now, that there is no one in the colony—no farmer or landowner—who can point to a parliamentary representative who has ever advocated confiscation or repudiation. On the other hand, we say that every parliamentary representative has maintained that the existing contracts in respect to land must be strictly adhered to, both by the tenant and by the Government. So far as I know, the general opinion held by city men is that there should be no breaking of contracts between the Crown on the one hand and the Crown tenants on the other. Then, in respect to security of tenure, I need only refer the Commission to the last report of the Surveyor-General, Mr. Marchant, who said that the tenure known as the lease in perpetuity was in all respects equal to the freehold. I think that no one in the cities has ever advocated anything else. Then, in reference to the question of the unearned increment. I have read in the newspapers the evidence given by several witnesses before the Commission, who have stated that there is no such thing as unearned increment. I will read the following extract from a newspaper bearing on this point: "Property Sales.—The Canterbury Farmers' Co-operative Association offered several properties at auction at Timaru on Saturday. A farm of 153 acres, close to the Sherwood Estate, Makikihi, was passed in at £11 15s. A farm of 116 acres, the property of Mr. Edwin Evans, Seadown was sold at £20 to Mr. W. R. Clarke, of Ashburton. A property of 160 acres, belong-



ing to Mr. S. Armstrong, situated near Hadlow Estate, five miles from Timaru, passed at £12 17s. 6d. The goodwill of a lease in perpetuity, of 175 acres, at Hilton, was offered for Mr. Griffiths, and, starting at £500, it was passed at £600. The annual rental is £70." The opinion of the average city man is that the difference between a man's improvements and what he asks for his property is the unearned increment. We do not know what political economists call it, but that is what we call the "unearned increment." According to a table prepared by the Valuer-General for the information of the Right Hon. the Premier, there is £350,000 of unearned increment in connection with the lease-in-perpetuity land in this colony—that is, up to last year. We say that this brings up the question of the demand for the freehold at its original valuation, and we say that the money that has been paid for the acquirement of the estates is public money. I have noticed that some tenants who gave evidence before the Commission have admitted that they could never have got on the land if it had not been for the lease in perpetuity, because they were practically without capital. We hold that it is not right for the State to borrow money to purchase estates and break them up and then hand the freehold back, which would result in it being resold, because that would establish what we regard as a very vicious principle. We say that if you put up for sale land after acquiring it from the freeholder there is no freeholder in this colony who is safe. Generally speaking, our platform is: that there should be no more Crown land sold. There is a great difference of opinion, I find, amongst so-called land-reformers as to what the future leases should be: but we are perfectly satisfied that the present leases should be strictly adhered to, and, although we say the country has made a bad bargain in connection with the lease in perpetuity, we would not interfere with existing leases. Personally, I think that future leases should be short leases. I do not think it is the duty of Parliament in respect to this matter to legislate for more than, at any rate, two generations, and, personally, I may say that I advocate leases of about sixty-three years, with periodical revaluation every twenty-one years; but that question has never been definitely settled by the city workers. If I could have it placed on record, I would like to say that the general position taken up by the people of the city who take an interest in this land question is—(1) That there should be no more Crown land sold; (2) that existing contracts as between tenants and the Crown should be strictly adhered to; and (3) that all future leases should be subject to periodical revaluation. That is practically the position taken up by land-reformers all over the colony.

42. How many persons do you represent in this association?—We are not very active just now. We have found that it is very difficult to arouse public opinion. Most of us represent half a dozen small associations. I may add that we held a meeting some time ago in regard to the land question, and that meeting was attended by two thousand persons—the largest meeting ever held in the colony in connection with the land question. When the association was in full swing the membership was 250. That was two or three years ago. But there are a number of associations that are not organized, and practically the only mouthpiece of these associations in most cases is the Trades and Labour Council.

43. I gathered from your statement that you are very decidedly in favour of the leasehold as against the freehold?—I would like to supplement my previous remarks by saying that I was a leaseholder before this system came into operation in New Zealand. The economic depression which took place sent me away from this colony in my teens. I was quite a lad when I was forced to go to Australia to earn my living in my trade, and whilst I was there I lived in the country, and I saw a private estate, owned by Sir William Clark, called the Dowling Forest Estate, 16,000 acres of agricultural land. He had subdivided it into sixty farms, and he kept a manager at a salary of £1,000 a year. I thought to myself that if that man can afford to farm out an estate like that for short leases—they were leases of not more than ten years—it would be a good thing for the people of any country to do the same thing. I became convinced that if the leasehold was good for a private individual it was also good for the State, and when I came back to New Zealand I found that the present land laws were in operation.

44. *Mr. Anstey.*] You say you are in favour of the lease in perpetuity?—I think the present lease in perpetuity is worse than the freehold, but I approve of the leasehold. If I used the words "lease in perpetuity," meaning that form of tenure as at present, I wish to withdraw those words, because I consider the lease in perpetuity for 999 years is a worse tenure than the freehold.

45. You approve of carrying out or maintaining the present contracts?—Yes; I believe the present contracts ought to be held as sacred as the marriage contract.

46. To whom do you consider the unearned increment ought to belong?—It is a difficult question, but it should be assessed. If a man puts his capital into a farm, and by his labour and his capital his goodwill is increased, he ought to be allowed something; but, in my opinion, it is not right that a farmer should be allowed all the increase, seeing that, in the first place, he could not have got on the land without the assistance of the State. I think the State is entitled to what is called "the unearned increment"; but I am not prepared to say that the farmer is not entitled to some of it too.

47. Supposing the land were leased with revaluation at short periods, I presume the State would acquire the goodwill?—At the end of the term the land would naturally fall into the hands of the State—say, at the end of sixty-three years, when the lease ran out.

48. But the goodwill disappears if a man has to pay the full rent from time to time?—That is a question for the District Valuer.

48A. Under your proposal the goodwill would then belong to the State?—A man takes up a lease for, say, sixty-three years, with periodical revaluation every twenty-one years, and at the end of the sixty-three years the land reverts to the State.

49. At the end of every revaluation period—presuming the revaluation was made fairly—the tenant would be paying the full value of the land, and consequently there would be no goodwill?—I have already quoted a case showing that there is goodwill. That is a question that could only be worked out as a result of experience.

50. You say that no more Crown land should be sold?—Yes; that is the position taken up by many of us.

51. I suppose you are aware that much of the Crown land in the remoter districts is almost valueless without labour?—Yes.

52. Do you think that without giving the tenant something more than a lease that he will be tempted to go back into the wilderness and settle down, without any award in the way of what is called "the unearned increment"?—Judging by the way in which people are rushing to take up land, I should say they are prepared to go anywhere. I think, however, the State should be very liberal with the tenants.

53. Can you properly value a tenant's improvements?—Yes.

54. Could you value improvements twenty-one or sixty-three years after they were made?—I think that could be done.

55. You are aware that a considerable area of Crown land is bush land?—Yes.

56. In respect to clearing that bush, how could you tell sixty-three years afterwards the value of the improvements that have been made?—I should say that the valuation of the improvements could be properly made at the end of the first twenty-one years.

57. Supposing a man has land valued at £4 an acre, and he spends £6 an acre on it, what do you think should be done by the State in such a case?—I should say that the valuer would recommend that that man's rent should be reduced.

58. You say that you would secure to the tenant the full value of his improvements?—According to evidence which I have given, I do not think that works out.

59. Would your association be in favour of a Tenant's Right Bill, which would secure to all tenants the full value of all the improvements effected on their farms under reasonable restrictions?—I am not prepared to speak for the association on that question, because that matter has not cropped up for consideration. We look at this question from its general broad aspect. We take our figures from books, and we believe that the present system is a success, because the figures work out our way.

60. You are probably already aware that there are thousands of acres of the very best land in Canterbury, for instance, vested in certain public bodies, and that the tenants in many cases dare not build a house on their section, fearing that it will be confiscated at the end of the lease. Are you in favour of passing legislation compelling those landlords to give their tenants proper security?—Yes, I am.

61. Do you not think it would be a good thing if your association were to consider such a question as that, and leave the question of land-settlement to be dealt with when you know more about it?—We have only laid down a general platform, and we have stuck to it. I do not know much about the remote bush land. We have to take up our present position for this reason: we find that there is something at work—we do not know exactly what—by which the present system of leasehold is in danger of being taken from us, and by which the Crown tenants are being made to ask for the freehold, and we have to defend the present position. That question has been brought prominently before the people by such men as Mr. Ell, and I have no doubt it will be discussed in the future more than it has been considered in the past.

62. *Mr. Paul.*] Is it not a fact that the several progressive association platforms have insisted that the tenants' improvements must be protected under all circumstances?—It has been more an academic question than a general or practical question.

63. Has it not appeared, to your knowledge, in several of the platforms of these associations?—Our own platform did not work that way. When we revised our platform last time we made it very clear that the existing leases should remain as at present, and that there should be periodical revaluation in the case of future leases.

64. While it is generally fair to give tenants full valuation for improvements, is it not a fact that in some cases the tenants get a lower rent simply because they get no valuation for improvements at the end of the term?—There is a difference of opinion as between tenants, and you cannot always believe the statements of these people; but, speaking generally, I believe that is so.

65. As a general principle, you believe that the tenants' improvements should be absolutely protected?—Yes.

66. A case has been mentioned where land may be valued at £4 an acre and the improvements on it to be valued at £6 an acre. Do you believe any community can properly fix the value equitably to all concerned in the case of it being converted into a freehold?—That could only be done by the land being put up to auction, and then it would bring the market price.

67. Though there may be a difference of £2 an acre at the end of one period, is it not a fact that in, say, ten years the difference might be the other way?—That is a question for the valuers who are appointed to adjust matters in all such cases. It may be the case that in one valuation a man has got £6 of improvements, and at the end of the next period the position would be changed, and his improvements would decrease in value. I have known several of such cases in the city.

68. Do you think it is possible to give men who go on bush land the equivalent to the freehold—say, by a long lease at a nominal rental?—That would require special legislation. I am speaking in a general sense. For instance, Parliament passed a Crown Lands Bush and Swamp Act to meet certain cases, and I presume Parliament may pass similar legislation to meet other cases.

69. Do you recognise the great difficulties that have to be encountered in taking up bush land?—Yes; but I know of quite a number of city men who have taken up bush land and have become successful farmers.

70. Do you think an average man will take up land in the bush with the knowledge that at the end of his term he will lose the money and labour he has put on the farm?—I do not think the average man would be so foolish.

71. Do you know of any responsible body which has advocated the periodical revaluation of existing leases?—No. I think there is a great deal of confusion as to what these bodies really do want; but I do not know that there is any responsible body which actually advocated the revaluation of existing leases. I know, however, of numbers of members of such bodies who are under the impression that existing leases should be revalued. As I said before, no parliamentary representative has ever advocated it.

72. Do you think it would be just to revalue existing leases?—No, I do not.

73. Do you think they should be given the option?—I would not give them the option until I was defeated on every other point; but if I were defeated on the other points I would fight that out until my latest breath.

74. Would you give tenants full valuation for improvements?—Yes.

75. I understood you to say that the State and the tenant should adhere to the present bargain, but that the lease-in-perpetuity tenure should be altered in the future in the way of giving shorter leases with revaluation?—Yes, practically an equivalent of the old perpetual lease.

76. *Mr. Matheson.*] You spoke of the present prosperity of the colony being due to the Liberal Government and the land laws passed by them: do you realise that the chief alteration they have made in regard to land-tenure is the lease in perpetuity, which you have spoken of as a bad bargain for the State?—I admit that.

77. You said that no member of the House had advocated the breaking of any existing contracts: how do you account for the compulsory clause in the Land for Settlements Act?—I am speaking of the lease in perpetuity.

78. You spoke in a broad sense of any existing land contracts?—I meant lease in perpetuity.

79. Do you realise that in that case the existing contract was broken?—Yes.

80. With regard to the increment, you wish to secure to the tenant the result of his own work?—Yes.

81. Take a case where the value of property has gone up through the erection of dairy factories or freezing-works: would you secure that to the tenant? Do you think it is equitable that he should get that increased value secured to him? Supposing twenty people on a land-for-settlement block erected works which increased the value of the property by £1 an acre, do you think that the £1 increase should be secured to the people who erected the works?—Yes, if it is due to their own labour.

82. Take a second case, where the value of the property has been increased by £1 per acre owing to the increased price of produce on the London market: do you think that should be secured to the tenant or to the Crown?—That is a question of fluctuation in values.

83. It is on that point that the greatest fluctuation depends?—That, of course, would be a question for the valuer who valued the property at the end of the term.

84. When a valuer values a property it is his business to see how much capital belongs to the State and how much to the tenant, and then there is the question as to the London markets?—That increase is not altogether due to the tenant. That is practically owing to the expenditure of public money. Everything depends on the law of supply and demand. It would depend on the value of the land when the valuer is doing his work.

85. In respect to the increment and the price of produce in the London market, and its effect on the value of the land, what is your opinion? Of course, I will not press you if you have not thought the matter out carefully?—I would rather not answer that question without further consideration. That is a question affecting the law of supply and demand.

86. Do you advocate land nationalisation?—No. I laid down the platform for the party I represent, and I made it as concise as I could.

87. Speaking generally, do you think it would be for the good of the colony if we had land nationalisation?—No, I do not think it would be good now; but I think that if no Crown land had ever been parted with in New Zealand it would have been a good thing. I am not prepared to advocate it now, and, so far as I know, there are very few people in the cities who actually advocate land-nationalisation.

88. *Mr. Forbes.*] In connection with the unearned increment of leasehold land which has never been settled, do you look on it in this light: that the State is a partner with the tenant, and is therefore entitled to some share of the unearned increment?—Yes.

89. Do you not think it is a fair and just thing that the State, being a partner, and having supplied the money to put the tenant on the land, is entitled to a share of the increment?—Yes, I think so. That is my own personal opinion.

90. Do you not consider that a city man is quite capable of judging of the fairness and equity of the land laws as a man who has been following the plough all his life?—If I may be allowed to say so, I think the city man is in a better position to judge.

91. *Mr. Anstey.*] You say you are not in favour of any breach of contract, so far as it applies to the lease in perpetuity, and you refuse to give the same answer in respect to the freehold. Are you in favour of allowing any breach of contract when it applies to freehold?—I gave an illustration of that. I stated that at the last annual meeting of the New Zealand and Australian Land Company the chairman of directors said it was quite reasonable in a young country like New Zealand that the people should acquire large estates for settlement after the large companies had done the work of settlement.

92. You think it is quite right to break a contract when it applies to freehold, but not when it applies to lease in perpetuity?—That brings up the whole question of settlement. It is a question whether men are better than sheep, and I hold it is the duty of every country to grow men and women in preference to sheep and bulls.

93. According to your theory, the lease in perpetuity is a contract which must be held sacred, but no other one need be?—Not necessarily. The lease in perpetuity has only been in existence ten years, and already there is a certain amount of dissatisfaction with it. I stated that it was not

right that a nation or country should legislate for all future generations. If it legislated for the present generation and the one ahead it was doing as much as could be expected of it. So far as breaking a contract with regard to the freehold is concerned, there is no actual freehold in any country, because so long as land is liable to be taxed the State has always got the right to interfere, and it is always open to the State to bump up the tax that settlement may take place.

94. Supposing a breach of contract occurs in regard to the freehold, are you in favour of allowing that breach of contract without full compensation?—No.

95. Are you in favour of it with full compensation?—That is the law of the land at present. I approve of the present law.

96. Supposing it is necessary to make a breach of contract with the lease in perpetuity, would you allow that also with full compensation?—That is a very difficult question to answer.

WILLIAM LOWRIE examined.

97. *The Chairman.*] What are you?—I am Director of the Agricultural College at Lincoln, which position I have held for three years and a half. Prior to that I held a similar position in South Australia for fifteen years.

98. From your position, you must have a very great and extensive knowledge of cropping land, and of the restrictions that ought to be applied to maintain land in what might be called its standard fertility. The Commission would be pleased if you can give information in regard to that, and also as to whether you concur in the present cropping regulations of the Government, or whether you think it wise that there should be some modification thereof?—I could not concur in asking the tenants to submit to any set of restrictions in the matter of cropping which provides for two white crops and one green crop and grass for three years. My position is that I believe it would work out better for the individual and better for the State if the matter of cropping is left entirely and absolutely to the tenants' discretion. Restrictions in cropping, like most other things, have an historical origin and development, and those restrictions came into practice before the knowledge of natural science was advanced to any such degree as it is in the modern day. Land used to be worked as out-field and in-field. It was three years in crop and three years out of crop, or thereabout. That was modified to some extent after the period when fences and enclosures were introduced, but before the time of the knowledge of manures for plants or of the constituents of plant-food. These restrictions arose in Britain, where, of course, the land is largely worked by tenants, but the reason for them has largely disappeared. It has been demonstrated at Rothemstead and elsewhere that the same crop can be grown year after year for sixty or seventy years, and that the average has not fallen. I have not the latest details, but I believe it would be found that at Rothemstead the average for the last ten years for land suitably manured and apart from climatic modifications will be as high as for the first ten years when it was first undertaken. Not only has that been done with wheat, but it has been done with some of the most exhausting crops, such as mangolds. The notion originally was that by severe cropping the land became exhausted, but that exhaustion conveys far too wide an impression. It is only a temporary exhaustion. I have myself bought land for the Government of South Australia—exhausted land it was called, which would not average 7 bushels to the acre—for £3 5s. an acre, and after fallowing it for one season I got sufficient from the land the following season to pay the cost of purchase, the cost of fallowing and working and all expenses, and to leave me a balance besides. It had been exhausted to the extreme of exhaustion—wheat, wheat, wheat every year—but by using 2 cwt. or 3 cwt. of manure I took off a crop that paid for the land and expenses and left a balance. So that exhaustion is not a permanent matter; it is a mere temporary condition. It is a mere using-up of what is immediately available plant-food in the soil. A rest or its equivalent, through tillage and adding manures, will bring the land rapidly, at any rate, back in full fruition. That is one of the reasons I have against restricting the tenant at all. Then, again, I think if a tenant is so foolish as to go on cropping his land without putting anything into it, and reducing it to such an impoverished state that it will only grow half a crop, that man, however tied down with restrictions, would be a bad tenant. He will have half his ground in grass, but it will be sown with bad seed and will be infested with weeds. Then, again, his sheep may be of a nondescript class of little value. The result, then, for the State is just the same. Restrictions in themselves also spoil the enterprise or initiative of a good man. A man who is thoroughly well up in land modifies his practice from year to year or from period to period according to the market. If through economic reasons cereals make a jump it would pay him to crop for a series of years, and no harm would be done to the land if manures were used properly. I could mention cases where it works out to the direct loss of the tenant to be so restricted. If a dry spring comes and a man has sown out in grass—at a large expense if he is a good tenant—he gets a very bad strike, and he knows perfectly well it would pay him much better after harvest to root up that grass; but if these restrictions are adhered to strictly he has to let that bad grass lie for three years and trust to Providence for it to thicken up. Any one working land knows that it may be advisable to leave grass for a run-off when feeding ewes on turnips, and if bound to a definite rotation manure is lost on the road, in addition to perhaps driving his sheep too far. Then, take the case of the grass-grub coming in in the second year. I had one paddock where I was working, three-quarters of which took the grass-grub in the second year. It would have been a mistake to keep that land down for the three years in grass. Then, again, looking at these restrictions as a mere matter of economics to the State, at the present time I believe it bad. I believe there should be a greater proportion of forage crops than is indicated. Forage crops at the present time are probably the most profitable we can grow, and yet on a farm of 600 acres a man is limited to 100 acres for turnips, kail, mangolds, peas, and beans. I noticed on one of the settlements that I visited lately that if there was any tendency at all on the part of the tenants it was to go back to grass. The tenants asked me for suggestions as to permanent grasses. They were inclined to imitate the large owners alongside. It would be a great mistake

for the State if small settlers begin to do with as little labour as possible. They should rather be forced in the other direction, though I must say I honestly think it is a mistake, for the reasons I have given, to restrict the tenants.

99. Do you think the State should have no control whatever over the cropping of the land?—There should be control to the extent of inspection to see that the man is keeping his land free from noxious weeds; but so far as the conduct of his business is concerned there should be no restriction whatever.

100. Would you not require him to keep up the fertility of the land by manuring?—I do not think it would be practicable for the State to do that.

101. Where do you think the State should step in, then, if a man is practically making a “botch” of his land?—When he did not pay his rent.

102. But he might pay his rent all along?—It is a matter of degree. The State should not step in at all, I think.

103. The Government has invested now over £4,000,000, and it is quite conceivable that by bad farming some of the best lands would be depreciated, which would eventuate in great loss to the State unless there was control to prevent that being done?—It is not practicable for the State to do it. You can limit a man in the matter of crops, but you cannot stop a man making a mess of his ground by sowing bad seed. He may be farming his place unprofitably and still keep within the regulations as to cropping. A man who is grazing milk-cows and selling milk is exhausting his land much more than a man who is keeping sheep, and three or four times more than a man who is keeping cattle; but the State does not say that a tenant must keep certain proportions of cattle, sheep, and milk-cows. It is an obsolete, musty, lawyer's form, giving rules with relation to white crops and omitting all the other matters of farming economics. Why not leave this particular one out too.

104. You would have no restrictions at all?—No; apart from seeing that the man kept his land in proper order and did not allow it to be infested with noxious weeds.

105. *Mr. Johnston.*] Would you insist on manuring? Supposing a man took off three white crops without manure, would you insist on the fourth being manured?—I think it must be left to the man's judgment. There are lands in this district, at any rate, that even to this day are too strong to carry a satisfactory cereal crop, although they have been cropping at them since the colony was settled. They grow too much straw. A man might find when going on to newly opened land that has been lying for many years in grass that the best thing he can do is to proceed to the best means of exhausting it.

106. What would you do to prevent a man taking a series of crops from his land and going away without paying his last year's rent?—That exhaustion would only be a temporary one, and I would not be afraid to buy that land at a very little discount.

107. It would be a very awkward position for the State to be put in; no one would go on that land straight away?—Not nearly so difficult a position as if the man left the land in couch or foul with weeds.

108. The man who took it up would have to leave it for a year idle, and would not make his first year's rent out of it?—Not necessarily, unless the land was foul. It is only a temporary exhaustion. He might have to give it a summer's fallowing, and with manure to the value of 15s. or £1 he would probably grow as good a crop in the second year as when the land was first cropped.

109. That means £200 capital straight away for 200 acres?—If he cropped the whole of it it would; but he would only reap probably £1,000 to £1,200, and the £200 would thus be well spent, as all the influence of a dressing of the value of £1 per acre would by no means be recovered in the first year.

110. If the Land Board could discriminate between good and bad farmers, that would be all right; but you get all sorts and conditions of men applying for land?—I know how it works out, and were it not for touching on political matters I could tell you very well.

111. A man puts in for a ballot and gets a section, and is examined by the Board. He says he is a farmer of some experience, but for all that he may be a bad farmer?—If he is a bad farmer in one sense he is a bad farmer in every other sense.

112. I admit that, but the question is how far to go?—It is impracticable to tie him up all round.

113. In regard to a farm of, say, 300 acres, what area would you limit for cropping?—I would put no limit on it. Markets are so variable. It would pay him at one time to devote much to dairying or sheep and at another time to cereal it.

114. Have you been on any of the land-for-settlement estates?—I have had a good look at Cheviot.

115. Generally speaking, do you think that is well farmed?—I thought it was satisfactorily farmed, and some of it very well farmed. I should have liked to see, as a general matter, less grass and more plough there. I was astonished to find the small settlers using the plough so little.

116. Can you give us any opinion about the high country of this colony?—I have seen it, but I have no practical knowledge of it. I have only been three years in New Zealand, and I have not been a fortnight away from the college.

117. Can you tell us what grasses to grow at different latitudes?—A matter like that is better left to the men with practical experience. You cannot approach it from the outside. Modifying factors are so varied and there are so many of them that the matter cannot be well approached from the outside. I know, for example; one man working high country who is sowing a very inferior grass, and he knows it is an inferior grass, but he is sowing it on his very worst country. That grass down here would be a real blackguard, but he says it is the best available for him in the circumstances. I give that as an illustration of how one really requires to have practical experience of the district before he can give an opinion worth a rap.

118. Can you tell us what is the best means of eradicating ragwort and Californian thistle?—I have had no experience of Californian thistle, but I know what has been tried in different places.

119. Supposing you had it at Lincoln, what would, in your opinion, be the best means of eradicating it?—I would make up my mind to lose money in the first instance, and work the very life out of it. I would never allow a green blade above the ground for, say, upwards of two seasons, and put the scarifier on to it. It might cost as much as the value of the land in the first instance to get rid of it. A small spot might be heavily salted or dressed with carbonate of soda.

120. It would pay in the end?—Yes, and you would gain a great deal by the frequent working of the land.

121. What would you do with the ragwort?—I was brought up in the south of Scotland where ragwort is very plentiful, but it never got beyond the backs of the fences.

122. In Southland it was everywhere?—That arises through allowing it to get the upper hand. A good farmer can keep ragwort under.

123. How would you get rid of it?—Never allow it to flower, as far as possible. Apart from ragwort some of my neighbours run the mower over their paddocks to catch the weeds that the sheep have missed, and so prevent them seeding. I cannot see why there should be much of a bogey in ragwort if a man tackles it with any determination whatever. Californian thistle is quite another thing.

124. Do you think the Government should insist on the Noxious Weeds Act being carried out without any quarter whatever?—Yes, to its utmost limit; but they should be careful to see that the weeds in the schedule are really noxious weeds. After that harry the very life out of the individuals who continue to grow them.

125. Have you seen the blight on the gum-trees in South Canterbury?—It has been pointed out to me, but I have never studied it.

126. *Mr. McLennan.*] What would you suggest as the best means of cleaning a paddock infested with couch and yarrow?—I inherited a paddock very bad with couch, and I have not finished the cleaning process yet. I am doing it by cropping, but cropping that would not be allowed under the Government regulations. I am growing, for instance, rape after turnips, then a white crop, and then turnips or mustard, and after that rape again. I am trying to smother it with a thickly-sown crop of Cape barley, and then I will go at it again with two successive forage crops, so that I get the spring-time for cleaning, which is the best time. I have had two "goes" at it, and it is not clean yet.

127. Crown tenants can take off three crops. How are they to rid their land of couch in those three crops?—Vote for an M.H.R. who will do away with the restrictions.

128. Under the regulations the only way we can clean is by fallowing immediately after the crop is taken off, and working it up as much as possible until the turnips are put in. In your opinion, would it be desirable for the man to put in turnips on the flat, or drill the crop and hand-hoe?—If the climate is damp enough it would be preferable to use the drill and hand-hoe. If you are working in a district where there are severe frosts and the land was turned up in the winter-time, probably as much good would be done to kill couch as by working it in the spring.

129. If when the man is finished the land is still not quite cleaned of couch, what should the do?—Follow the turnips with rape, unless he is prepared to fallow it altogether.

130. Turnips will not pay him as well as wheat, and he may want to get something to pay his rent?—Turnips are nowhere regarded as a paying crop; they are a fallow crop and really to keep up the fertility of the land, but indirectly profitable by increasing the stock-carrying capacity of the farm.

131. If the turnips were followed with rape the ground would be in first-class order next year for wheat?—If it is good land it would be too strong for wheat probably.

132. According to the regulations I must put it down in grass. The ground would be in a better condition than when I first fallowed it?—That is so.

133. If permitted to take another crop of oats, do you not think it would be an advantage to the State and to the farmer?—I certainly think it would. It would be an advantage to the farmer, and if an advantage to the individual the State benefits.

134. Do you not think that land would stand two or three crops of oats?—That depends a good deal on the ground. This year, at the college farm, I grew oats after lea, and got 46 bushels to the acre, and I grew oats after wheat and got 86 bushels. You might with advantage carry two or three crops and you might not. It all depends on the conditions under which you are working, and the quality of the land.

135. In your opinion, you would give a practical farmer full discretion as to how he would work his farm?—Yes; I would make him absolutely free, except in so far as he was a danger to the district from harbouring weeds.

136. How would you prevent him harbouring weeds?—The Noxious Weeds Act would do it.

137. But the County Councils do not bring the Act into force? Do you not think it would be sufficient for the Inspector to see that the man is keeping his land clear, and allow him to use his own discretion?—Yes.

138. *Mr. Anstey.*] Generally speaking, can you succeed in cleaning land while growing cereal crops?—Not well.

139. I suppose in real practice it gets dirtier?—Yes.

140. Can you succeed in fairly cleaning land while growing a green crop, such as turnips?—Certainly.

141. The more green crops there are the better the chance of cleaning it is?—Yes, and the better the farm is too.

142. The more cereal crops there are the more likelihood there is of the land getting dirty?—Yes.

143. You said that the Noxious Weeds Act should be rigorously enforced if quite certain that they are noxious weeds: are there any weeds in the schedule that are not noxious weeds?—I have not studied the schedule closely enough for that. What made me make that remark was that I was working in a country where for years Scotch thistle was put down as a weed.

144. Would you consider a heavy crop of Scotch thistles a splendid preparation for wheat?—If land has grown a good crop of thistles you know it is aerated below, and the subsoil has been opened up under conditions that very few crops could equal.

145. Thistles is a splendid preparation for wheat?—For anything.

146. You told us something about experiments at Rothemstead: but is it not a fact that the crops there were always very small?—The average of some of the manured plots was 42 bushels for over sixty years.

147. Can you tell us whether that sort of thing would be really economical?—It would not be.

148. It would be much more economical to follow a suitable rotation?—Certainly. I am not arguing against rotation. I am arguing against restrictions, because they tie a man up so much.

149. Do you think it wise for the Government to vary the restrictions according to the quality of the land?—I should think it would be a matter of ordinary common-sense to vary the restrictions according to the quality of the land. If there are restrictions at all most certainly they should be varied. There is some light land down the railway where it would be a mistake for a man to take off a white crop at all.

150. *Mr. Paul.*] Do you follow any set course in your cropping?—No, but I like to vary the cropping. In thinking over the cropping scheme for any one year, I have to take into consideration the number of sheep I want to carry that year, and various other details in regard to the situation of paddocks, and their distance from buildings, &c. Then, again, if the land is heavy I may put it into kale, and if it is light land I put it into turnips. I cannot keep any definite rotation, but I do crop in rotation.

151. Do you think the average farmer is in exactly the same position as yourself?—Yes.

152. And that he requires the same liberty?—Yes, I am sure of it. I very often take a second cereal crop after a white crop, simply because it allows me to get more in for the autumn.

153. Do you regard the average size of holdings on these improved estates as too large or too small? Have you considered the matter at all?—Generally, I should say that it works out best for the State if a man has a block sufficiently large to make a good living and educate his family well. If his block is too small and he cannot get enough off it to enable him to live comfortably and educate his family, it is a mistake.

154. Is it not a fact that a man with a small holding—not too small—is more likely to farm that better than a man with a larger holding?—So long as the farm is within the range of his immediate personal supervision a small farm need not necessarily be farmed better than a large farm. I have in my mind the position of the crofters in Scotland, or the position of the Irish peasants, with blocks of land altogether too small. The probability is a man when newly married can live on one of these farms, but when his family grows he cannot do so. He hangs around getting odd work here and there, and he becomes a bad factor, so far as the State is concerned.

155. With your experience, do you think the average farms in this colony are not too large?—I should say they were not too large. I am sure it will work out better, as I say, to make a sturdy free yeomanry in the country. A farmer ought to be able to send his sons into a town to be apprenticed, and he ought to be able to afford to keep them while they are there. If he cannot do that they hang around the home and get into a lazy kind of existence. But if a man has 300 or 500 acres of the class of land where I am working he could work his farm well and cheaply, and make the best use of the land for the State.

156. Do you think it is absolutely necessary under the present conditions for a farmer's sons to go into the town to learn a trade?—I am taking the position where a man has a block of land so small that he cannot make enough out of it to send his son out. If he has a fair-sized farm on which he can comfortably raise a family, he can keep one or two of his sons at home, as the case may be, and he can buy land for the others or send them out to learn a profession, or to enter business.

157. *Mr. Matheson.*] Is it a fair expression of your opinion to say that it would be profitable for the State to encourage individual enterprise by giving the tenants a free hand, rather than trying to frame a huge set of regulations, and make a man a mere machine under State supervision?—I think that is practically what I meant to say.

158. Would you say, further, that the soundest way to make the colony more productive is to encourage with a generous hand a comprehensive system of technical agricultural education? Is that how you would work up to a wise management of the land?—Well, it is one of the direct roads to it.

159. Do you admit there is a good deal to be learned by farmers in order to make the best use of the land here?—Yes.

160. Do you think they are more likely to learn it by a system of education of that sort, or by home experience?—Home experience, so far as it goes, is unequalled.

161. But is the other absolutely necessary to complement it?—Well, a man who makes a good farmer, if he had had technical education, would have made a better farmer; but a man who is in the first place a bad farmer will not be much improved by any technical education. He is a "duffer," and will remain a "duffer."

162. Do you think that the expenditure of a handsome sum of money on more agricultural education would be one of the surest means of making best use of the State's land?—It would be a good means, at any rate.

163. Do you think it would be wise to give the Land Board, who are the stewards, power to fine their tenant for foul paddocks, in addition to the powers under the Noxious Weeds Act? Sup-



posing you gave them a free hand in regard to cropping?—I question whether the Board would be found altogether competent to discriminate. You might get an individual of wide experience who could do it, but the average Land Board member would not be able to do it. I think it would be better to keep things as they are.

164. *Mr. Forbes.*] Following Regulation 21, Regulation 22 says, "The lessee shall at all times during the term of the lease so farm the land, if the area of the whole exceeds 20 acres, as that not less than one-half of the total area shall be maintained in permanent pasture": do you think that would be necessary if the tenants were given free hand in regard to cropping?—No. At the present time I do not think that it is economically best to keep half the land in grass. We are suffering this year from lung-worm and stomach-worm, and there would be less of that if there was less grass.

165. Regulation 23 says, "The lessee shall not cut the cultivated grass or clovers for hay or seed during the first year from the time of sowing as aforesaid, nor shall he at any time remove from the land or burn any straw grown upon the land": do you think that is a reasonable regulation?—No; I do not think it is. Very often the mistake is made of feeding the first year's grass altogether too heavily in the autumn and in the following spring. In the remaining two or three years that the land is in grass it suffers accordingly. It is one effective means of getting rid of the clovers in it. Clover mown will do better than clover grazed, and more than that, the land curiously enough will benefit more, and be in a better condition if the clovers are mown in the first year than if they are grazed. If you were lifting the land in the second year a block that was mown would show better results in cropping than a block that was grazed. It seems contrary to what one would think, but that has been the result of experience.

166. That would be on account of the clover having a better root?—Yes.

167. You think that regulation could be done away with?—Yes.

168. What is your opinion about burning straw on the land?—There is some straw that should be burned, particularly when there are bad weeds in it, and it might be well to sacrifice the very few shillings it is worth per ton for manure to get rid of the seeds of weeds in it. Then, there are cases very often where the land has grown a rank crop, and the farmer does the land good by cutting the stubble high and burning it. I suppose that would be called burning straw.

169. In the case of a crop being rusty or smutty, would it not be better to burn the straw?—It is useful for very little else, and in New Zealand, with the conditions such as they are, it is not practicable to make much farm manure out of straw. It will cost as much after making to lift and take out to the land as a good dressing of artificial manure. Therefore, the straw might as well be burnt, when in excess for feeding or shelter.

170. You think the regulation is rather an absurd one, and could be removed altogether?—Yes.

171. The Cheviot regulations differ from the ordinary regulations inasmuch as the former provide for one white crop, then a green crop, and then another white crop, whereas the ordinary regulations allow the two white crops to follow one another: do you think the one system is as workable as the other?—It would not meet the case I mentioned of the grass failing and you want that land back into grass. If the grass has failed you either have to sow out the grass with the green crop or sow it with no crop at all. I think it very often works out better to grow a second cereal crop.

172. You do not think it as reasonable to restrict the number of green crops a man may take off his land?—I think he ought to be patted on the back for every green crop he feeds on the land. At the present prices he can do nothing better.

173. Evidence has been brought before us to show, so far as heavy land is concerned, that the first crop, say, of wheat grows too much straw, and that the second crop grows too much straw, and if it is then sown down in grass the same thing occurs when the land is broken up again: would that not be a very serious handicap to a settler on that class of land?—Yes, it means he could not grow wheat at all. It would be far better to give him a free hand, and get the land reduced a bit by growing something like mangolds or two crops in succession, or more than two to reduce latent fertility.

174. The evidence has shown us that it takes five or six crops on virgin land to get it into condition to grow grain profitably: do you think that is a reasonable statement?—Yes; I am quite sure it is a fact from the short experience I have had here on good land.

EDWARD GEORGE STAVELEY examined.

175. *The Chairman.*] What are you?—I am manager of the Loan and Mercantile Agency Company in Christchurch. I have been twenty years in the stock and station business with them, and I have been ten years manager.

176. I think your agency has a large area of high mountain country in its charge near Hanmer?—Yes, we have about 170,000 acres at St. Helen's Station.

177. The greater proportion of that is very high land, running from about 1,200 ft. to 5,000 ft. or 6,000 ft. in altitude?—I believe that is so.

178. Has your company carried out any experiments to improve this high country in the way of grassing, subdividing, and resting?—That information you will be better able to get from the gentleman who controls the practical management of the property—Mr. Lyons, in Wellington. I have chiefly to do with the management of the financial part of the business.

179. I believe that country was very badly infested with rabbits once: what is its condition now?—We have quite reduced them. The rabbits are now in hundreds where they were in thousands when we took the run over.

180. I suppose you lost very heavily in some of the snow-storms of 1893 and before that?—We did.

181. Did you get any relief?—Yes, we got an extension of our tenure to twenty-one years.

182. *Mr. Johnston.*] Can you give us any information about the grassing of the high country generally? Has there been much grassing done by the runholders apart from your own property?—To some extent, but not nearly as much as could be done.

183. Do you know if it has been done to advantage?—As I have had no practical experience I would not like to say.

184. If their tenure was made more secure do you think they would go in for improving the country and regrassing it?—I should say Yes, decidedly.

185. Would it be advantageous to the colony, in your opinion, to increase the tenure of these large runs?—Yes, I think the country would be improved.

186. Would it tend to a better development of the country generally if the runholders were encouraged to improve this high country?—It would increase the carrying-capacity.

187. Do you know if the runholders are making any improvements at the present time?—They are, but not to the extent I think they would if their tenure was improved.

188. We have had petitions from some runholders in South Canterbury and North Otago, and they advocate giving valuation for certain improvements they do not get at the present time: do you think that would be an advantage to them?—I think it would be an inducement to improve more extensively.

189. Do you think that anything that would increase the carrying-capacity of that land would be an advantage?—Undoubtedly.

190. Is there any reaggregation of estates here?—I think the tendency is the other way.

191. Have some of the larger holdings been cut up privately?—Yes.

192. Do you know if their settlements have been a success?—I do not think I could give actual examples, but I should say, in general terms, they have been a success.

193. Generally speaking, has the value of the flat land in Canterbury increased?—Certainly.

194. Have you been through any of the Government special settlements, such as Cheviot or those in South Canterbury?—I was through Cheviot not long ago.

195. Is it a success?—Yes, a very great success. It was a very different picture from what it was twelve years ago when I was there as chief salesman at the selling-off.

196. The settlers are prosperous?—Yes.

197. And you think the land has not been leased too dearly for bad times?—I should say not.

198. Say we had the bad times of some years back, would the settlers be able to make a living and do fairly well?—I do not know that they could if very bad times came.

199. I do not mean the bad times of 1879 and 1880, but I mean if there was a general fall in the price of wool and produce, do you think they would be able to continue their rentals?—I cannot answer that. It is a question of limits entirely.

200. Generally speaking, you do not consider they pay too dear a rent for average years?—I think not, because the fact is public property that many of these selections have been turned over at a profit on the goodwill.

201. In regard to the large runs which have been cut up into small grazing-runs, do you know if the present holders are doing well?—I do not know of an instance of runs being cut up here.

202. *Mr. Anstey.*] You have a large number of runs besides St. Helen's?—Not a large number. We have disposed of a great many of them. That is the only one under my control in North Canterbury.

203. In addition to getting an extended tenure for the St. Helen's Station, did you not get a concession in rent as well?—I believe we did, but I am not quite sure.

204. I believe your firm goes in extensively for rendering financial assistance to settlers?—Yes.

205. Do you find any difficulty in advancing money to holders under lease in perpetuity?—Yes.

206. Upon what ground?—Because there is no valid security except the goodwill in the lease that they can make over to us.

207. Can they make the goodwill of the lease over to you?—I do not know that they could do that to be a legal security, but they give us a sort of lien over it.

208. Do you think they ought to be able to pledge that to you?—I think it would be to their advantage. They would be able to borrow on better terms.

209. Do you think it is necessary for a leasehold settler to borrow occasionally?—It is an advantage to be able to do so, and sometimes it is necessary. They would not have tided over many of their years if they had not had assistance.

210. Do you think it would be a wise thing to allow them to pledge their interest in their holdings to financial companies when they want assistance?—I think, undoubtedly, it would be wise for them to be in a position to receive assistance when they require it.

211. *Mr. Paul.*] Have you power to foreclose on a lease-in-perpetuity holding in the event of the borrower not fulfilling his obligation?—We can put his goodwill up for sale if he has pledged it, but we cannot take possession of his leasehold, because we cannot occupy it.

212. Is it a fair question to ask you whether large sums have been paid for goodwills through your firm?—We have not sold any.

213. What terms of lease do you think would be fair for this high country?—I think the lease should be at least for twenty-one years.

214. And at the end of that time valuation for improvements?—Yes.

215. Do you think it would be advantageous to give the tenant the right of renewal at an arbitration rent?—I think so, certainly.

216. Have any large landowners in this district added to their holdings?—I do not know of any striking example of it. As I say, the tendency is the other way.

217. *Mr. Matheson.*] Do you think the success in reducing rabbits has been chiefly due to the use of their natural enemies?—No, to poison.

218. If the Crown runholders were given the right of purchase do you think that would be a strong inducement to make the best use of the country?—Well, I believe that in all cases the freeholder makes better use of this land, so my answer would be Yes.

219. As a financial man, do you think the State would be wise to grant such a right?—Yes, I think they would.

220. *Mr. Forbes.*] In granting the right of the freehold to men occupying these lease-in-perpetuity sections would you allow them to acquire their holdings at the original valuation or at the present valuation?—I am afraid that is rather a hard question for me to answer. I would like to add to my remarks, in regard to the tenure and extended leases for the runs, that a very important factor for the State to bear in mind is that these high-country runs are absolutely useless, and spell ruination to anybody without a sufficient area of low country to carry breeding ewes for the flocks of sheep that graze on the hills. There must be sufficient low breeding country attached to the high country to enable the flocks to be maintained. No run is profitable where you have to buy stock annually to keep up the flock.

221. *Mr. Johnston.*] Generally speaking, do you consider that there is enough low country in Canterbury attached to the runs at the present time?—Generally speaking, I think so.

222. And you think the low land should not be further interfered with?—That is so.

CHARLES LEWIS examined.

223. *The Chairman.*] You are Chairman of the Board of Governors of the Canterbury College?—Yes.

224. Your college has some endowments?—Yes.

225. Might I ask what area you have?—223,775 acres.

226. We are making investigation as to the terms of leases of the Crown tenants, and, of course, we want to make our inquiries as wide as possible, so that we may derive valuable information from you and others dealing with endowment lands?—Anticipating this question, I have here the usual form of lease, which I will put in as an exhibit. That deals solely with our agricultural land. Our pastoral lands are subject to another form of lease, a copy of which I could not obtain; but I may say they have to be approved by the Government, and I think that the Department could refer you to them in the *Gazette*. Briefly, the terms of the lease handed in are fourteen years, with certain cropping conditions and certain conditions relating to improvements. Such improvements as we approve of have to be put on in the first place, and they have to be paid for by the incoming tenant. That is made a condition of the next lease.

227. Do you give renewals subject to arbitration?—It is not compulsory on us to do so. The Act demands that we shall let the land to the best possible advantage from the point of view of the College.

228. Are your rentals increasing from one period to another?—Not very materially.

229. I suppose your pastoral land has gone down a little?—Yes.

230. Is the agricultural land going up?—Yes. We have had some in recently, and we have got an advance of a shilling or two per acre. Much of our land, even of agricultural land, is not of a high quality.

231. *Mr. Johnston.*] Are any of these endowments lands gridironed?—Not that I am aware of, but I will ascertain. I know in connection with several of our runs that the homestead and yards are on the freehold property of our tenant who leases the adjoining land from us. I apprehend, however, that the value of their freehold without the surrounding leasehold would be very little.

232. Do you mean that the freehold is the winter country?—Perhaps; but the area of the freehold is so small as a rule as to be not worth holding by itself. Without our land it would be useless to the tenant.

233. Have your tenants made any improvements in the way of grassing?—Well, I have heard of experiments having been made.

234. Do you know with what result?—It was not encouraging. I heard of one man who sowed two hundred sacks of seed with no result. I heard of another man who took particular pains with a piece of flat land. He fenced it and harrowed it, and worked it, and he thought he might grow some grass from which he could get his own seed. But he got absolutely nothing from it.

235. How was that accounted for?—Well, the climate of the country accounted for it. Country that practically derives all its moisture from snow, with a dry summer and a very severe winter, is not good enough to experiment with. I do not think they will be inclined to repeat the experiment.

236. We had evidence in South Canterbury of successful sowing in wet gullies from which the grass spread?—Just so, but they represent a very small proportion of the land. In any case there are generally good native grasses there.

237. Do you think anything at all could be done to regrass this country?—I have had no experience of it myself, and the reports which have reached me are such as I have given you.

238. Have you a Ranger?—We have an Inspector. It is from him and from his annual reports that I have derived my information.

239. Are there any noxious weeds on the lands belonging to the College?—The only one I know of, if you do not include gorse, is Californian thistle.

240. Is it spreading?—I am afraid it is. We make our tenants do what they can to keep it from seeding, but I dare say the eradication of Californian thistle in the main is altogether out of question, so far as the tenants are concerned.

241. I suppose you have seen what it is like in Southland?—I have a farm of my own, and I need not go to Southland. But I have seen it in Southland and on the Taieri Plains, and I recognise it is a very serious question.

242. *Mr. Anstey.*] Could you tell us roughly if the amount of land vested in your Board of Governors is something like 200,000 acres?—The exact area is 223,775 acres of Crown land.

243. Is it not a fact that your rentals amount to about £60,000 per annum?—The amount is £16,165.

244. You said you have a good deal of poor land, and I inferred that the bulk of your land is poor: is it not a fact that you have land leased for £1 per acre?—Yes.

245. A good deal of it?—I would be sorry to say what proportion. I indicated that we had a fair proportion of good land. What I said was that included in what we rate as agricultural land there is a good deal of land that is rated at 8s. and 9s. per acre. I do not call that good agricultural land.

246. Still, you have a very large quantity of land that is let at from 8s. to £1 per acres?—Yes.

247. This lease applies to agricultural land?—Yes.

248. I notice it provides for valuation for improvements?—Yes.

249. I notice there is the following proviso: “Provided further that in no case shall any incoming tenant be required to pay or the said lessee entitled to recover a greater sum than——”: I take it you insert a limited sum there?—Yes.

250. Is it not a fact that in almost every case that blank has been filled up by inserting a trumpery sum in no way adequate to the necessities of the farm?—I do not think so. We consider each case on its merits. Before a tenant erects any improvements on the place he applies to us, and we have to take into consideration the size of his holdings, &c., before we approve.

251. Is this blank filled in at the time the lease is signed?—I cannot say what was the practice before I was Chairman, and I should not like to swear as to what has been done in the case of every lease; but I know that when the question of improvements comes along each case is decided by itself. There is no arbitrary scale.

252. It is a limited amount?—Yes, in the sense of not “unlimited.”

253. Suppose you had 200 acres of good agricultural land valued at 10s. per acre, would you put in the sum of, say, £50 in the blank when signing the lease?—We would be largely guided by the amount of improvements on the land already.

254. It is not a question of improvements at all; it is a question of the limit which is inserted in the lease when it is signed: is it not a fact that the tenant cannot exceed that limit unless he afterwards receives a concession, for which he has to apply to the Board?—I think so.

255. Then the question of improvements does not come in when the limit is fixed?—But, as you have already indicated, afterwards we are prepared to extend the limit.

256. Is it not a fact that in all cases only a trumpery sum is inserted in this blank?—No, it is not.

257. Would you be prepared to swear on oath that in the case of a farm leased at 10s. per acre the limit for improvements has not been fixed at 10s.?—I am not prepared to swear on oath in regard to any matter of detail. You must remember that we have 120 farms on agricultural lease.

258. Supposing a farm was valued at 10s. per acre annual rent, do you think that 10s. per acre would be a sufficient amount to allow for improvements?—It would all depend on what improvements were on the place when it was taken up. If we have a farm already fenced and subdivided, and carrying what we regard as sufficient buildings and appliances, do you not think the probabilities are that a man would not require to spend anything at all after we have let it again.

259. Suppose there are no houses or buildings on it?—That is a different matter. He is not confined to a limit of 10s. per acre.

260. Are you sure of it?—I am not sure of anything with reference to any individual farm. The probabilities are that you know more about some one farm out of the 120 than I do, and you are not going to betray me into making any statement that you can disprove.

261. Will you tell us how long that form of lease has been in existence?—During my term of office as Chairman, and I have been Chairman about fifteen months. I am not responsible for anything before that.

262. Can you tell us what proportion of your tenants are working under that particular form of lease?—I cannot.

263. Would you like to contradict me if I say that at least 95 per cent. are not under that lease at all?—I would contradict you if you said that 95 per cent. with whom I have had to deal are not under it.

264. Is it not a fact that the vast majority of your tenants get no valuation for improvements whatever?—It is not a fact as to those I have had to do with. I have signed a good number of renewed leases since I have been Chairman, and this is the form.

265. Did the leases issued prior to your taking office as Chairman provide for giving compensation for improvements?—I think the one who will know about that better than I do is the Registrar, or the previous Chairman.

266. Do you think it would be wise in leasing your land to bring the conditions of your leases somewhat into line with the Government conditions, which provide much better security for the tenants' improvements?—I am under the impression that these conditions are to be found in this lease now.

267. Would your Board suffer if your tenants got full security for their improvements?—Not so long as the Board has some control over the improvements to be put on the land.

268. Would it interfere with your letting the land, supposing your tenants were able to claim a fair valuation for improvements?—It might in some cases. For instance, if it were allowed a

man might put on a 40- or 50-acre section a house out of all proportion to the requirements of the tenant who might follow.

269. Generally speaking, you think there would be no harm whatever in giving a tenant proper security for his improvements?—No.

270. Would there be any objection to giving tenants the right of renewal at an arbitration rental?—No, I do not think so.

271. Would you have any objection to these two special conditions I have named being attached to your leases?—I have none, but you must understand that I am only speaking as a single member of the Board.

272. *Mr. Paul.*] Do you think the dual control of public land is wise?—I do not see anything against it. I might say, with respect to our pastoral country, that the conditions under which we let it have to be approved by the Government, so that the dual control to a large extent disappears.

273. You think there is nothing to be gained by bringing it all under the administration of one body?—I do not think so, so long as you get capable bodies. The central body would very likely have a great deal more on its hands than it could probably overtake if it gave any attention to detail.

274. From your point of view as Chairman of the Board of Governors, do you think it would be wise to sell these endowments?—I have never heard any suggestion that they should be sold. Undoubtedly, I do not think it would be wise.

275. You think they ought to be conserved?—Yes. As you have asked the question, I may say the difference between our leases and the Crown leases, in respect to which the suggestion has been made, is that our leases are for fourteen years, and the Board have a very large reversionary interest at that time. The Government leases for 999 years are interminable, and the reversionary interest to the State is practically nil. I would not give you sixpence for the State's reversionary interest in Cheviot, but I would give a very large sum for the Board's reversionary interest in our land.

276. Are you prepared to say whether it is wise for the State to lease land under lease in perpetuity?—I do not think the Chairman of the Board of Governors has any views on that matter.

277. *Mr. Matheson.*] Have you heard Mr. Lowrie's evidence with regard to the cropping regulations?—I heard a good deal of it.

278. Do you think it would be wise for your Board to remove all cropping restrictions, and give their tenants a free hand?—No; I am not sure that it would.

279. Have you ever gone into that question?—I have never considered it from the standpoint that Mr. Lowrie took up, but we have suffered through tenants overcropping, and in one case at all events I know we recovered very heavy damages from a man who exceeded the cropping limits of his lease.

280. So that, so far as your experience goes, you would not like to see the cropping restrictions done away with?—No; but I must say I recognise the difficulty of drafting regulations which could apply to all the land in one paddock, let alone every farm in the district, or every farm in the colony. I have one paddock in my farm with four different qualities of land, each of which requires different treatment.

281. If you cannot deal with the matter intelligently by regulations, would it not be wiser to give a man a free hand?—If somebody has to suffer through the want of ability to draft intelligent regulations, I think the general public have a better right to escape than the tenant.

282. *Mr. Forbes.*] You have a quantity of pastoral country which is let on the same terms as the Government pastoral lands?—Yes.

283. Have any representations come before you from the tenants asking for an extension of their leases?—No.

284. There has been no dissatisfaction expressed, so far as you know, in regard to the terms of your pastoral leases?—It has never reached us.

285. *Mr. Johnston.*] Would not your Board do well to adopt the same course as Otago and hand over these endowments to the Government, on the receipt of a guaranteed income equivalent to the present rentals?—You see I am afraid the Otago University found its revenues falling every year, and likely either to fall further or to entail a considerable expense to maintain the properties at their present values. Our anticipations are that our properties will improve.

286. Would you be inclined to hand them over to the Government on a revaluation at the present time, the Government to give you bonds bringing in 5 per cent. on the capital value?—No, because if you get bonds they have a fixed value. But as the population of this colony increases and the educational requirements increase, we anticipate theoretically a corresponding increase in our revenue from these endowments. We hope our revenues will extend with the necessities of the institution.

287. You think it is better to keep your endowments as they are?—Yes. If I may say so, I do not think Otago would have done what they did if they could have helped themselves. Their finance is not so strong as ours, and they had to do it.

CHARLES EDWARD BAYNON examined.

288. *The Chairman.*] What are you?—I am a tailor, and am a native of the colony. I have 2½ acres of land in the Wharenui Settlement at Riccarton. It is held under lease in perpetuity. My rent is £8 5s. for the year, reducible to £7 8s. 6d. with the rebate taken off. I have been on the land for eighteen months. I think the terms are very satisfactory. When I went on the settlement I bought out another man's improvements. There was a house of two rooms on the place and a little fencing. I paid £107 for the improvements. I consider that the amount I paid was a fair payment for what I received. I do not think I paid very much, if anything, for goodwill. When I took up the place all the money I had was £110, and I had to borrow from the

Advances to Settlers Office. I applied for a loan of £50, in order to put up two more rooms. I was earning fairly good money at the time. I applied, as I have said, for £50, and they only let me have £40, so I had to borrow £10 from a friend. I think such a system as that adopted by the Advances to Settlers Office is likely to lead to abuse, in this way: that an applicant will apply for more money than he really requires, thereby making provision for a possible reduction. I got the loan very promptly. I notice some people have complained of the delay in obtaining loans from the Department. I think I got my loan within a week. It was necessary I should get it promptly, as I thus obtained a discount on the price of the timber. The loan of £40 cost me £2 9s. I thought at the time it was a very high charge, as it came to a little more than 6 per cent. I had to go to a lawyer in obtaining the loan, and I strongly object to that. I think if the Government lend money to settlers they should complete the whole business, and not necessitate the applicant going to an outside lawyer. I had to pay £1 18s. 6d. for costs and 10s. 6d. for the valuation fee, so that the loan cost me altogether £2 9s. In looking up the Year-book I find that I was charged too much. There is 6s. that I cannot account for.

289. *Mr. Johnston.*] Do you not know that there is a regulation charge?—The facts are as I have stated, and there is 6s. that I cannot account for.

290. *Mr. McLennan.*] Are you satisfied with the lease in perpetuity?—I do not believe in the principle of the lease in perpetuity. I think it is ridiculous to give a man a lease of a piece of land for close on a thousand years. That lease must be broken some time. I do not think any body of men can make a contract for a thousand years and reasonably expect that it will not be broken.

291. You do not wish to have it broken just now?—I am quite willing, and since I have been on the settlement I have gone round with a petition advocating the revaluation of existing leases.

292. You do not wish the option of the freehold?—No; of the two systems, freehold and leasehold, I prefer the leasehold. I am a firm believer in land-nationalisation. But in comparing the leasehold with the freehold, I think the leasehold is preferable.

293. *Mr. Anstey.*] Did you have to pay £2 9s. for the loan of £40?—Yes.

294. Then, you only actually got £37 11s.?—Yes.

295. And upon that £37 11s. you have to pay interest upon £40?—Yes.

296. Do you think the charge is too high?—Yes.

297. *Mr. Paul.*] Is there a demand for similar settlements to the one where you are?—Yes, I think so.

298. Do you know of any cases where the tenants have sold out to advantage?—I do not know whether they have sold out to advantage, but I know of one man who was asking a good figure for his section.

299. Do you think that you have an advantage over the ordinary tenant in town who has to pay rent to a private landlord?—Yes. My place is not so convenient to the town as where I lived previously, but the benefit I am receiving in the way of rent more than compensates me for the extra distance of my section from the town.

300. Do you think that rent increases out of all proportion to any rise in wages in the cities?—Yes, I think it is.

301. Do you think it would be fair to revalue existing leases under the lease in perpetuity?—Certainly.

302. Do you think the freeholder should also pay a certain sum to the State when his land increases in value?—Yes. His land increases in value not simply owing to his own labour, but through the labour of other people, and to which he (the landowner) has no moral right.

303. Do not you think it is better that the State should stick to its bargain and keep faith with the tenant? Do you think this agreement should be broken?—I would ask, how can any body of men such as the House of Representatives make any contract for a thousand years and reasonably expect it to be kept.

304. Seeing that they have made it, and that some of the people want a variation, do you not think the Government should pay compensation to the present lessees?—Not anything above their improvements. I would be quite willing that the lessees should be paid for their improvements if the Government broke the contract. I think they would be quite justified in breaking the contract at any time, the compensation being fixed by arbitration.

305. In the past has the State not given fair compensation in the case of freehold land being taken?—That may or may not be so. I have had no means of knowing.

306. Do not you think the same rule should apply when the State wants to vary or alter their leasehold tenure?—Yes, to improvements only.

307. You think that arbitration would be a fair way to settle these cases?—Yes; I would be favourable to that where either party disagreed.

308. *Mr. Matheson.*] Can you tell us, briefly, the wording of that petition that you took round?—No.

309. Was it because you thought the rent was too high, or because you thought the State ought to increase your rent as time went on?—It was simply a question of principle.

310. You said that if a freehold property increases in value you thought the State should be empowered to share it. Supposing a man takes up land and it drops in value, do you think the State ought to share in his loss?—I know of no case where land has dropped in value except where there has been speculation, and where land has been really above its value.

311. Do you think that speculation makes the land rise or fall in value?—Chiefly, but not wholly.

312. Do you think the State would be doing a good thing in cutting up land and making workmen's homes on it?—Yes, I think they ought to erect buildings. It would be a great assistance to poor men in getting homes for themselves and their families if the State built houses and charged them interest on the capital invested.

313. Is it possible for an ordinary tradesman to save £100 in five years out of his wages if he is really a thrifty man?—It depends on whether a man is married or single.

314. Do you think the State would be wise to put up such buildings and offer them at a certain rental by ballot?—Yes; and I also think that settlements that become surrounded by a thickly populated district should be cut up for this purpose.

HENRY ALBERT ATKINSON examined.

315. *The Chairman.*] What are you?—I am a life insurance agent in Christchurch, and have been engaged as such for eight months. I am a mechanical engineer by profession. I only hold a small section of land in the town.

316. Is there any particular point you wish to bring before the Commission?—Yes. I desire to make the following statement: I wish to place before the Commission something of the upshot of my observations and reading relative to land-tenure, and to state some amendments necessary in our land laws that we may in a measure assure to the people of the colony for all time equitable opportunities for the earning of a full and sufficient livelihood. At the present time the Government returns (1904) show that the lands of the colony are occupied under different tenures in the following proportions: Freehold, 15,989,655 acres; leased from private persons or public bodies, 3,642,476 acres; leased from Natives, 1,816,740 acres; lease in perpetuity, 2,083,944 acres; pastoral runs and other leases, 13,686,187 acres; tenures from Crown with right of purchase, 949,565 acres. These returns show broadly—lands worked by freeholders, 16,939,220 acres; lands worked by leaseholders, 21,229,347 acres. If the freehold tenure were necessary to the well-being of the producer, all leaseholders should be given the right of purchase at a fair valuation from the owners, private or public. That the freehold is not necessary, however, is proved by the prosperous conditions obtaining on various settlements already visited by the Commission where the lands are held on lease from the Crown at sufficiently low rentals. Security of tenure and equitable rentals are the things necessary for the independent farmer. The cry for the freehold is the cry of the money-lender, whether he be a country man or a town resident. What is claimed is not so much the right of freehold for a cultivator as the right of free sale to another—the right of unfettered trade in land; the right of one man to batten on another. Its success means the fastening on the backs of the poorer cultivators and producers an incubus of debt that will for ever insure a poverty-stricken community. Granting the right of freehold has placed in the hands of individuals monopolist powers whereby the owners from time to time levy a heavy toll of rent from the occupiers, competition often forcing up rents and land-values to such a point as to leave the genuine small farmer who pays rent or interest only a bare existence. The freehold system is not in the best interest of the colony, nor is it well for the colony that long leases of the colony's land be let without provision being made for reversion to the Government at stated periods, and for reassessment of rent at reasonably short intervals. It is not possible to guarantee, nor is it right for any Government to pretend to give a guarantee to uphold for all time obligations against the interest of future generations. Means must be found, therefore, whereby without unnecessary hardship to present owners the lands of the colony can shortly become the property of the public, to be worked in their interest under such conditions as from generation to generation shall be found most suitable. As one means to this end the land-tax should be considerably increased, and the exemptions under the present Act abolished. Land taxation, whilst it tends to lower the market price of land, does not affect the cultivator materially in any way. The amount he pays in interest, rates, and taxes together, or rent, rates, and taxes together, being always fixed on new leases by the amount which is offered in the competitive market. If the rates and taxes are high then the rent charges or the capital charges for the land will be low in proportion. The degree of this competition in the open market is ultimately fixed by the standard of comfort of the competing people by the amount of hardship they are prepared to endure for the opportunity to earn a livelihood. The Government in letting lands on lease should endeavour to fix the rent, not on the competitive market value, but by assuming a certain standard income as being necessary to the well-being of a settler, and so fixing the areas and rentals that as near as possible at least that amount may be earned by the tenant with careful and consistent farming. Reduction in Customs taxation on the necessities of life—placing this amount on the land-values would relieve those workers and others whose present economically strong position enables them to resist any reduction of wages or profits, but it would not materially benefit agricultural or pastoral disorganized workers whose wages would have a tendency to fall as their cost of living fell. The cure for this lies in the provision by the people as a whole of an organization of workers of all grades in producing from the land and other natural resources, and by the best-known means a sufficiency for their own proper maintenance, without the intervention of those who would take charges for the use of money or land. By means of co-operative settlements, working in conjunction with each other throughout the colony, and financed to a large extent with the proceeds of taxation, this could be done. Such a system of settlements would need to be in the main self-sufficing—*i.e.*, they would constitute a body of co-operative producers, and would form also the chief market for their own produce. In this connection I would like to refer the Commissioners to a work by Herbert V. Mills, "Poverty and the State" (Kegan, Paul, Trench, and Co., London), which deals very fully with this question. It is a modification of Mill's scheme I am proposing should be put into practice here, so that we may deal with the land question and the unemployment question generally at one and the same time. As showing the extent to which people are burdened when working with small capital on rented land, a glance at the conditions about Christchurch is sufficient. One man, who is recognised as a good farmer, or, rather, a market-gardener, works 6 acres, for which he pays £4 per acre rent and £8 in rates per annum. He went on the land thirty years ago with his father, and used his whole capital, £150, in putting a house on the land which was wholly unimproved. He has brought the ground into a high state of cultivation, but has



been able to save practically nothing, and his present lease runs out very shortly, when his whole property will be at the absolute disposal of the landlord. Another man, now doing jobbing work at gardening about this town, was until lately working a small highly improved place here; his takings for one year amounted to £260, out of which he utilised £50 for living expenses, the balance was eaten up by necessary expenditure on the place and rent and taxes, which two items come to £125. One man of my acquaintance lets a place to his son at £2 per acre. The market price would be £3 or £3 5s. It is not in his heart to sweat his own flesh and blood. One pays £50 a year for 13 acres of what is described as very "dirty" land. £5 an acre has been paid many years ago for 5 acres, with nothing but a two-roomed shanty on it. The land is more valuable now, and the owner lives on it. Persons living by agriculture are most unfairly taxed under the system of private ownership, and, though immediate relief might be given by the operations of a Fair Rent Court, ultimately the land must come back to the people as a whole to be dealt with according to the dictates of common-sense and common decency. There are many blocks of land about Christchurch purchased and set apart by the Government for workmen's homes. A rental charge has been placed on these holdings which is supposed to remain the same for 999 years. It is considered by some that it would be iniquitous if any revaluation were made during that term in the interests of the State. I would like to point out that, according to the Land Act, the rent is to be "an amount equal to 4 per centum of the cash price of such land," consequently any covenant entered into with a tenant without making provision for the discovery of this price at any time and the necessary reassessment of rent is *ultra vires*, and therefore null and void. Apart from this, however, there is another consideration that should make us hesitate in our attempt to carry out this vicious contract. Each allotment is used once for the purpose for which it was purchased—it provides a workman with a cheap home. Instead of then coming again into the hands of the authorities for the purpose of again letting on easy terms, the first settler, when he is tired of it, or thinks it advisable to move for any reason, puts his holding in the market and sells it at a profit or a loss, according to the market and his personal exigencies. In some cases considerable sums of money change hands on these occasions, and poor men are debarred from the advantage which the land was purchased especially to give them. The whole spirit of the Act is directly against the present procedure, which is supposed to be carried out under its provisions. To show the openness with which the trade I have referred to is carried on, I would call the attention of the Commission to the following advertisement appearing in one of our daily papers of the 13th instant: "£75 for village-settlement lease, 999 years; rent 1s. a week, with cottage of two rooms, large stables, &c. Call early and secure this bargain." Some years back considerable correspondence was exchanged between private individuals and the authorities relative to a transfer which took place in respect to a Tamai section and house. The original lessee has barely been in a year when he transferred his holding, and it was stated he received £90 for the goodwill, though his improvements were very small. He had been lucky in getting a cheap allotment, and did very well out of it. What I am advocating in the direction of land reform, briefly put, is this: no land shall in future be sold by the State; all leasehold lands shall, at stated intervals, revert to the State, to be dealt with as then thought best; all leaseholds shall be made subject to revaluation at reasonably short intervals; no traffic in leasehold lands shall be permitted; a system of co-operative settlements shall be inaugurated for working the land and other industries, the products of the settlements being in the main such as to directly meet the needs of the settlers, who may so be able to avoid the fluctuations and other dangers of an unknown outside market. A considerable increase in the land-tax is desirable, and all exemptions should be abolished. Funds raised by this means should be used in the repurchase of lands and in promoting the co-operative settlements mentioned above. A Fair Rent Court should be established to assess rents on a fair basis.

317. You advocate co-operative farms?—Yes, with allied industries. I think you can get more people to the acre on the land under that system than under any other system. They make their own market, as well as being their own producers. If you have a thousand farmers you have so-many people whom they can supply with food, &c., and if there are so-many people supplied with food that means that there will be so-many people engaged in other trades to supply the wants of the community. With a proper adjustment of the proportions of labour of various sorts, and capital and land, you can so arrange things that the people will supply their own needs, and not be dependent on other local and outside markets as all the farmers are at the present time.

318. Are you aware that the present prosperity of New Zealand depends mainly upon the prices of produce sold outside the country altogether?—It is in order to do away with that dependence that I would suggest this scheme. We do not depend on the outside markets now, but that is not necessary.

319. Then, you would have New Zealand a self-contained country?—Very much so.

320. I rather think we would get back to the condition of the Maoris under that scheme?—No, we would get on all right. We would get along without many of the charges we are hampered with at present. We are now hampered with all the charges of middlemen, who come in between the producer here and the people at Home.

321. Would you stop all commerce with the outside world?—No, I would not stop anything. I would simply say that we would under my suggestion get a better living without nursing people who are of no use to us. We do not want to be always nursing any one who might be usefully employed. Under my scheme, the people would get the best living that could be got off the land and from the general industry of the community.

322. Are you aware that New Zealand is sending enormous quantities of frozen meat outside the colony?—Yes.

323. How would that be consumed in the colony?—We need not consume it; we need not produce it.

324. What would be the position, say, of the iron industry?—There is no reason why the iron industry should not flourish here. Of course, there are many things we could not make at once, and we could not ever make the colony quite self-contained, and, to begin with, we would have to go slowly with such means as we have.

325. *Mr. Johnston.*] You have never been on the land?—I am not a farmer, but I have worked on the land. I have worked with a surveyor, and as a boy I worked on the land and travelled a great deal about the colony.

326. Have you worked for a week on a farm?—Yes.

327. Have you worked for a month on a farm?—Perhaps not a month.

328. *Mr. Anstey.*] You said just now that it is not necessary that we should produce any more than we can consume. I suppose you are aware that we have a large public and private debt?—Yes. I did not say we need not produce more than we can consume, because there are some things you could not get in the colony; but my idea is that the colony ought to be as largely as possible independent of outside fluctuating markets.

329. You said that there is nothing very wrong in breaking the existing contracts with private individuals in regard to the land?—Yes.

330. Could not you apply that principle to the foreign money-lender?—It might not be advisable to do so.

331. You think you would do it if you thought it was advisable?—I do not suggest that.

332. Do you think it would be a wise thing to do if it was advisable?—Yes, if it was advisable, but I do not think it is.

333. *Mr. Paul.*] Would you break the present leases and revalue them?—Yes.

334. Would you give compensation to the present holders of leases?—No, I would not give them anything that did not belong to them. I would be as easy with them as I could.

335. Then, do you believe that the State should give the freeholder compensation when it takes his freehold land?—Not of necessity. It is a matter of humanity. As I say, I do not believe in dealing more hardly with people than is absolutely necessary, either leaseholders or freeholders. But we must get the land. We have parted with land which did not belong to us, and which does not belong to us. We have parted with rights which we cannot give away, because they are not ours.

336. Granted that the State made a huge mistake when it leased the land for 999 years, do you not think it should stand to its bargain or pay money for breaking it?—We shall doubtless have to pay something for breaking it, but it is not for us to leave future generations to bear the brunt of the wrong that has been done.

337. Do you think that compensation should be paid to the present lease-in-perpetuity holders? Some of these tenants are selling their properties with a goodwill outside the improvements: are you going to take away that value from them?—I do not propose in any cases of leases that we should enter into the possession of the leasehold at once. That is what some people seem to think with respect to this revaluation. What I suggest we should do is to make the leases terminable at the end of, say, twenty years. We had a lease in existence before the lease in perpetuity was adopted, and in that case the first lease was for thirty years, with a right of renewal after revaluation for another twenty-one years. That system has a good many points in its favour. But that period does not go beyond the present generation in dealing with the land, and I do not think it is so bad as the other lease, which I do not think can be upheld.

338. Is there any responsible body of men or party advocating retrospective revaluation?—I do not think there is any body of men who advocate that, but there are numbers of individuals who do.

339. Is there any association or society which advocates that principle?—Not that I am aware of. I may mention, however, that I think the Socialist Church has passed a resolution, but it is a small body.

340. How does the rent of lease-in-perpetuity holders compare with the rents charged by private landlords?—I have not had wide experience of that. I only know of certain cases, and I think there is not much difference; but I should say it is in favour of the lease in perpetuity.

341. What was your object in quoting the advertisement you have read?—Simply to show that these properties are traded in; that there is this traffic in leaseholds; a traffic which I think should be suppressed.

342. In advocating the exemptions under the land-tax, do you recognise that without those exemptions it is a fair tax?—Yes.

343. *Mr. Matheson.*] Do your figures go to show that the bulk of our exports are produced on freehold land?—No.

344. Do you admit that we are very prosperous with a large portion of our land in the hands of freeholders?—I do not think the colony can be called prosperous when we have unemployed people in it. But I would say that we are probably better off than most other colonies under our present system.

345. Would you say that Denmark under freehold is prosperous, seeing the large volume of its exports?—No; it would be a question of the conditions under which the people live.

346. But if it is shown that the average life of the people there is better than that of many other countries, what would you say?—I think in the case of all the Scandinavian countries the conditions of life are much more equal amongst the various classes than in most other countries.

347. If I say that our exports are very large, and that our average life in this colony is a comfortable one, would you still say that the land-administration is not in keeping with common-sense and decency, seeing that our land is almost entirely freehold?—The average life may be comfortable compared with the life of the people in other countries, but that may be in spite of

the freehold. There are many conditions that conduce to the people's well-being. There is not only one evil to fight against—the land-monopoly is but one of the evils.

348. You reiterate that a country which parts with its freehold is acting without common-sense or decency?—Yes.

349. *Mr. Forbes.*] Do you not see the injustice that would be done by altering the leases without compensation, inasmuch as a great many of the leases have gone out of the original holders' hands at a certain amount of value because of the belief that original conditions would be adhered to?—There is a hardship there, but it cannot be helped. There is a great hardship in the case of land-tax to people who bought land under the impression that there would be no tax. The only thing to do would be to minimise the hardship without doing an injustice to the great body of the people. We must legislate in the interests of the great bulk of the people.

350. Do you not admit that the legislation of this country is the expression of the wish of the people through the Legislature?—Nominally it is, of course.

351. These men are elected on a broad franchise, and they pass legislation dealing with our lands, and it is acquiesced in by the bulk of the people. Is not that, as far as we can understand it, an agreement entered into by the people?—The appointed representatives of the people and bodies appointed in other ways to administer our affairs have often done things that they had no right to do. They thought they were acting within their powers, and have afterwards found they were not. This is such a case.

352. It has been acquiesced in by the people of the colony supporting them?—Even so, I do not see that I can give away what does not belong to me even if every person in the colony conspires to do so. They cannot give away the heritage of their lands which does not belong to them. The effect of allowing this in England and other countries has been to amass estates in such a way that the poorer people cannot get access to them, or when they do it is at such a rental that they cannot make a decent living.

352A. You believe in the Employers' Liability Act?—Yes.

352B. Under that an employer is responsible for the actions of his employee, and is not the State responsible for the actions of its employees—in this case members of Parliament? Should not the State bear any loss that is made?—Yes.

353. You say the lease in perpetuity is a mistake: should not the State bear the loss incurred through that mistake?—I do not say there is any loss. There should be a date fixed in some reasonable number of years when the land should fall back to the Crown again.

354. You would destroy the present lease and substitute another for twenty-one years, and would not compensate the people for taking that from them?—No. When those leases fall into the State I would say pay the value of all improvements.

355. But nothing for the fact that you have substituted a short lease for a 999-years lease?—No.

ALEXANDER WILLIAM MILLER examined.

356. *The Chairman.*] What are you?—I am a blacksmith and wheelwright at Gebbie's Valley, near Motukarara, on the Little River line. I hold 3 acres of land under a lease from the Little River Road Board.

357. I understand you are here as leader of a deputation representing the settlers of Motukarara?—There was a meeting of Motukarara residents to consider the land question. I was chairman of that meeting, and I am here to give the views of the meeting. The meeting was publicly called for the discussion of the land question, without any prejudice to any particular phase of it. It was mostly attended by Crown settlers, there being a Crown settlement—one of the very first established under the Ballance land-settlement scheme in 1892. This motion was carried by a strong majority, "That this meeting is in favour of the present lease in perpetuity, without the option of purchase, as the best tenure for the country and people as a whole." It was further resolved, "That this meeting considers that all unsuccessful applicants for land at a ballot should be given a greater chance at future ballots by giving them one extra chance for every time they have applied unsuccessfully." They considered that those people who persisted in applying for land were certainly those who wanted to get a living from the land, and they should therefore be given a chance of acquiring a section in preference to those coming from another country and applying for the first time. I know, personally, that a number of people around me have applied ten or twelve times unsuccessfully, and any one who knows anything about it knows that every ballot costs the applicants time and money in making themselves acquainted with the sections. It was also moved and carried unanimously that the present cropping restrictions should be discontinued as soon as the tenant has complied with all the improvements necessary, and has satisfied the Land Board that he intends to be a *bonâ fide* settler. We hold that it is impossible to make hard-and-fast rules as to how a man should crop his land, for land differs so much. The next motion was that the grouping of sections at ballots should be discontinued, as being entirely unsatisfactory and unnecessary. Every one was unanimous in saying that the grouping was an absurd condition. They could not see where it was any advantage to the Land Board or to the applicant, and they thought it was better that a man should be allowed to put in for whatever section he wanted, or for those sections which he thought were most suitable to him. My own views may be different from what I have stated, but those are the views of the meeting.

358. How many were at the meeting?—Between thirty and forty.

359. *Mr. Paul.*] Were they all working on the land who were at the meeting?—They were all workers on the land or landowners.

360. What was the resolution carried by?—About three to two.

361. *Mr. Matheson.*] Do you personally think that the State is wise in giving a lease for a thousand years at a fixed rental?—No.

362. *Mr. Forbes.*] There were between seven and eight hundred unsuccessful applicants in the case of the Levels Estate: would it not be stuffing the roll tremendously to give all these men

an extra chance?—I understand that. You cannot give land to them all, but I think you should give land to the men who have tried hardest to get it. Because there are so many, it makes it all the more imperative to give those who have tried for so many times the first chance. If there are so many really wanting land, then more land should be thrown open.

WILLIAM MCBETH MILLER examined.

363. *The Chairman.*] What are you?—I am a farmer in the Rabbit Island Village Settlement. I hold 284 acres of second-class land, for which I pay 1s. per acre. It is lease in perpetuity, and I have held the land for about eleven years. I would prefer the freehold, because I have no guarantee at the present time that my tenure will remain as it is.

364. Do you doubt the integrity of the Government?—I do. We have proof already in regard to our settlement. In the first case we held our land under the Land Act of 1882, which said that the Government must use our rents firstly towards draining our land. At the present time we are rated considerably for drainage works down there, and the Government will not use our rents for that purpose. As far as I can see, we will have to continue paying the rate. When the Government will not fulfil the conditions in one case there is reason to suppose that they will not in another. Apart from that, I am quite satisfied with the lease.

365. The Government expended a large sum of money there before the settlement was opened in straightening the river and banking the lake, and so forth?—Yes.

366. These works were fairly successful?—Yes.

367. Did the Government enter into any compact with the settlers that they were going to keep these works up for all time?—No, not beyond the conditions in the Land Act under which we hold our leases.

368. Are the rents not applied in the way set out in the Act?—No.

369. Are you quite sure of that?—Absolutely. Since we have held the land no money has been spent by the Government on the drainage of the lake. We petitioned the Government last year, and got various members to support our request, but we got no redress in the matter.

370. How much do you pay to keep up these works?—I pay £7 a year.

371. *Mr. Austey.*] When was the work for draining the lake commenced?—About two years ago, and it was finished a few months ago.

372. Do you know who paid for it?—I paid a share of it, and am doing so still.

373. Did the Government not devote a sum of money to the work?—I think they voted £1,000 towards it.

374. Are you quite sure that the Government have taken no part of your rent and applied it as a subsidy for this outlet?—I would not like to say they have paid no portion of it, but I know that the great bulk of the money has been found by the settlers.

375. Do you know how much money has been paid out of rates towards that outlet from Lake Ellesmere?—A loan was raised, and so far only one year's rate has been collected. The work cost £7,500, and the Government gave £1,000.

376. You are not sure that any portion of the rents was devoted to this outlet?—I am sure.

377. If your lease is broken, do you not think you should get compensation?—Yes.

378. Have you any reason to suppose that you would not get it?—No.

379. *Mr. Paul.*] Is the settlement prosperous?—Yes.

380. Is there any desire for the freehold amongst the settlers?—No. I think the last witness voiced the opinions of the majority of the people there. No doubt some would like the freehold, because under it they could trade in the land better; but I do not know whether they put their own profit against the principle of the thing. Personally, I am not in favour of the freehold at all.

381. Do you think it wise for the State to retain all the Crown land they have and also the freehold of the estates they purchased?—Yes; but I think it unwise that they should give so long a lease.

382. What do you think is a workable lease?—A period not exceeding a hundred years at the outside.

383. Would you have a revaluation during that time?—That depends on what terms the revaluation would go on, and what exemptions would be allowed the tenant. Perhaps a fifty-years tenure without revaluation would be preferable to a hundred years with revaluation.

384. The tenant would not pay an increased rent on his improvements—that would be taken for granted?—From the public point of view, I think revaluation should be periodical, and not at too long periods.

385. Do you think any more land should be let under lease in perpetuity?—No.

386. *Mr. Forbes.*] According to the terms of the Land Act, your rent was first to be used for the payment of expenses and survey; secondly, in repayment of such works as may be necessary for the protection of the land. Might not your rent be used in the repayment of those works?—If so, I think it would be more satisfactory if the Government gave us an explanation in that way. We have asked for information, but can get no reply.

ELLESMERE NEILL examined.

387. *The Chairman.*] What are you?—I am a farmer at Gebbie's Valley, where I lease 40 acres from a private owner. I have been there all my life. I consider the grouping system at the ballot as very unfair. I have applied for land five or six times in the North Island and Canterbury, and have been unsuccessful every time, and think I should have some preference over the man who applies for the first time.

## JAMES MILLER examined.

388. *The Chairman.*] What are you?—I am a farmer at Motukarara, where I have 38 acres. I am the first settler under the Land for Settlements Act. The drainage of our land is very insufficient.

389. Do you think the Government acted unfairly by you?—Yes, to a certain extent, because they agreed with us that our rents were to go towards the drainage of the district, and they have not done so. They have assessed us for it, and have not expended our rents on it. It was after the canal was cut that the settlement was let, and the rent that was to be collected from the settlers was to go towards the drainage of the district and keeping up the lake dam. In place of that they have saddled us with rates for that purpose.

## WILLIAM EDWIN AGAR examined.

390. *The Chairman.*] What are you?—I am a stevedore, and president of the Lyttelton Stevedores' Union. I have been forty-one years in Lyttelton, where I have a freehold residential section.

391. What particular point do you desire to bring before the Commission?—On behalf of the union I represent, I am here to impress on the Commission the necessity for the Crown acquiring land in the vicinity of Lyttelton for labourers. The position of casual workers is getting serious. The cost of living has increased practically 50 per cent. in fifteen years, whilst wages have not advanced at all—not 10 per cent., at any rate, and that only for certain classes of work. Members of our union are satisfied that the Government can acquire land for settlement. We do not necessarily require it under the lease in perpetuity, but under any system of leasehold. A great number of our members are prepared to take up sections in the full belief that it will assist them in their means of livelihood. Members of our union who have secured land in the settlement in the valley have benefited considerably by it, whilst the men, especially those with families, who live in Lyttelton all their time are no better off after fifty years than when they started. The man who can get a plot of 2 to 5 acres, and utilises his spare time in working on it, is better off than the man who lived in the Port and pays rent. There are perhaps three busy days in the week when practically every available man is employed, but for the remaining three days not 50 per cent. are employed.

392. Do you know of any block of land in the vicinity of Lyttelton which could be acquired?—There is a block on the other side of the harbour which I think could be obtained, and which would be suitable if a ferry service was put on.

393. How is that land held?—Is it freehold, and held for grazing purposes. I think the majority of it belongs to Mr. Gardiner, of Purau.

394. Has any attempt been made to get him to sell any of it?—I cannot say, but I know that it has been advocated for ten or eleven years that the Government should acquire that land. The arrival of steamers is very uncertain, and they may be signalled two hours before they come to the wharf. If a man goes to the valley he has no means of knowing when a steamer arrives, whereas if he is on the other side of the harbour he can see it come in and be across before it berths. We have about three hundred men in the union, and a large number of them live away from Lyttelton. They have to be in attendance all the year round and work day or night, because they have to be prepared to start work whenever a boat arrives. I believe we are better off than the majority of casual wharf workers in New Zealand, but at the same time the average rate of pay only pans out about £2 per week. The average rent of our men is about 9s.

395. *Mr. Paul.*] Do you find that rent is increasing out of all proportion to the rise in wages?—There has been practically no rise in wages, except in one class of work that employs only about one-third of the members of the union. There has also been an increase in the wages paid for frozen-meat work, but that only employs about 20 per cent. of the men.

396. You think if the Government acquired suitable land it would be taken up?—There is no doubt about it.

397. What does the union think would be a suitable lease?—We would be prepared to take up a twenty-one-years lease. We would prefer a thirty-three-years lease, with compensation for improvements—a Lyttelton Borough Council lease.

398. *Mr. Forbes.*] Have you got up a petition amongst your members asking the Government to acquire this land?—Some years ago that was done, but not recently.

399. Do you not think you should get up a petition from those members willing to go on to this land and forward that to the Minister?—The member for Lyttelton has taken a great interest in this particular work, and he has consistently advocated it. Even in Mr. Joyce's time it was consistently kept before the Government, and I do not think a petition would do much more.

400. How many men are working in Lyttelton casually?—We have from 300 to 310 members. There is another union with about sixty members, and I dare say there are twenty to thirty outside of either union. Every meeting I suppose we have from twenty to thirty applications for outsiders wishing to join our union.

401. There are men outside of your union would be likely to take up this land?—Yes.

402. You consider that the position is now getting to such a stage that something must be done to relieve the wants of the casual labourers in Lyttelton?—Yes. This work has to be done, and some one has to do it. Commerce must go on, and the Government would only be doing their duty in assisting us.

403. Did men earn better wages at your work in previous years?—Yes. Most of the companies are now very anxious to get their boats speedily away, whereas formerly they were often in port a fortnight, and the men got regular wages all the time. Steamers that formerly employed eighteen to twenty-four men, working three gangs, now work five gangs and employ fifty to sixty

men. When twenty to thirty men were employed they would make from 12s. 6d. to 15s., whereas with the extra gangs employed they make 6s. or 7s. That means that a large amount of surplus labour has always to be on hand to meet the shipping requirements.

404. That is a reason why casual labour in Lyttelton is in a worse condition than it was ten years ago?—That helps it, but the increased cost of living is the principal thing. As a rule, we pay from 5 to 10 per cent. more in Lyttelton than would be the case in Christchurch. Of course, the cheapness of Christchurch to our men is discounted by their having to pay train fare.

405. *Mr. Paul.*] Does your union favour leasehold as against freehold?—We have men of all shades of opinion in the union, and I would not answer for them as a body. I believe a majority of them are in favour of the leasehold, but, of course, we have some freeholders amongst us. I believe in the leasehold with periodical revaluation.

406. Would you apply that to future leases?—Yes.

407. Not to existing leases?—No; I should leave them intact.

408. *Mr. Forbes.*] Have the Borough Council leases for thirty-three years, with compensation for improvements, been a success?—Yes.

409. How do the houses on those leases compare with the houses on freehold sections?—Favourably in every respect; they are equal to the best class of house in Lyttelton.

410. The fear that people have, that unless the land is held under freehold the holder will not put up a house or improve the land has no foundation in Lyttelton with regard to the borough leases?—No.

JOHN ALLEN examined.

411. *The Chairman.*] What are you?—I am a farmer, and member of the Land Board. I farm about 986 acres of freehold at Waikare. I have been a member of the Land Board for two years on the 7th March.

412. In that time you have seen a good deal of the working of the Land Act: is there any particular point that strikes you as wanting amendment?—I think more discretionary power might be given to the Land Board, but I would not go so far as to say that I want the Act amended for that reason. In a great many cases the Board can use discretionary power, and the Act should be left as it is so as to prevent people abusing their privileges.

413. In regard to what particular point do you want more power?—In the matter of cropping.

414. Do you think that the regulations as a general thing are just as satisfactory as they could be made?—I think so. In each case we have to take the circumstances into consideration. If I was a private landlord I would give concessions where they were reasonable, and as a Land Board we do so. In other cases the tenants come and ask for concessions that are quite inconsistent with good farming. For instance, we had an application the other day from a tenant who was given a concession last year. He had taken two white crops and then fallowed the land, and we gave him permission to take a third crop off. He came to-day and wanted a fourth crop, which, of course, we refused. We find in some of the small sections we have the most difficulty in the matter of cropping. The people would be inclined to crop the whole of the section year by year and thereby depreciate the value of the land, so that in a few years' time, when they could get nothing more out of it, they would throw the section up. The land would then lie on the Board's hands, or the Board would have to take a reduced rent.

415. In the matter of tenure, do you think the lease in perpetuity is favourable for the settlement of the country?—Under the Land for Settlements Act I think it should not be altered, except as to periodical valuations in future leases. These improved estates have been resumed and paid for with borrowed money, and I am not in favour of giving the freehold in respect to them. But, in regard to Crown lands, to take up which people have to go to the back country and make hermits of themselves for the best part of their lives, I would give them any tenure they wanted—lease in perpetuity and right of purchase, perpetual lease, deferred payment, or for cash. They have to improve the land, and when they bring it into cultivation they are producing more wealth for the country.

416. You will have seen the working of the double or second ballot: do you think there is any room for improvement there?—I think the one ballot is quite sufficient. I do not think a man should be compelled to take a section he does not want, and, so far as the Canterbury Land Board is concerned, we have never held a man to it. The Commissioner generally asks an applicant after he has drawn a section to say if he does not want it, and if he does not another ballot is drawn. We have never forfeited any money yet.

417. So you ease the rigour of the law in that respect?—Yes, we use a discretionary power probably a little bit beyond the law.

418. Is there anything else you would like to mention?—I would like to say a word in regard to the ballot for married and single women. I think there is a great anomaly there, to call it by no stronger name. A single woman or a widow can take up the maximum area of land, whereas a married woman, if her husband is alive, cannot. Probably she may have a large family, and yet she is not allowed to take up more than 320 acres. I think she should be put on the same footing as a single woman. In fact, I believe the position should be reversed; I think a single woman should not be able to take up more than 320 acres.

419. *Mr. Johnston.*] Would you advocate a straight-out ballot?—I would advocate a straight-out ballot, but I would group the people with capital—that is to say, I would group all the applicants with, say, £200 of capital together, and I would allow them to ballot for certain sections. I am in favour of the scheme that Mr. Humphries prepared. I think that is about the best system I have seen, as every applicant gets into the ballot according to his capital.

420. We have had a good deal of complaint about the examination of applicants as to their financial position: what do you do in that matter?—We hold that a man who has not got any capital at all is not able to go on the land and make a success of it. I think the regulations provide that an applicant must hold three years' rental. Well, we modify that according to circumstances.

421. Suppose a man had, say, one and a half years' rental, but he was a man of very large experience with a good reputation as a farm-labourer, would you allow his experience to count in place of a certain amount of capital?—I may tell you that the Canterbury Land Board, since I have been a member, have used their discretionary power in that way. If a man has not the capital that we think is necessary but has a large experience, we allow him to go to the ballot.

422. We had complaints to the effect that you did not?—We do. We take a man's experience into consideration in all cases.

423. Have you had any cases of deception?—Yes, a considerable number of them.

424. In what way?—People come and give false evidence as to their means and as to their age.

425. How do you get at their capital?—The matter does not go beyond the Board. The Commissioner asks the question, "What capital have you got to go on this section with?" The applicant tells us, and then the Commissioner asks for proof of it. We expect them to bring either their Post-office Savings-bank or other bank book, or some evidence as to the amount of their live and dead stock.

426. Do they ever bring a bank-book showing a certain amount to their credit which has probably been paid in a few weeks before?—Yes, we have had cases of that kind that have been paid in the day before, but we do not accept the proof. However, the Commissioner will be able to give you better evidence in regard to these matters.

427. Suppose a merchant or a tradesman in the town wants to put his savings into land for the future benefit of himself and his family, would you advocate relaxing the residential clause to enable him to do so?—Certainly not. A great amount of abuse would creep in.

428. Do you think it is bad policy to allow men in the towns to go on the land?—I do not think we have put obstacles in the way of men in the towns going on the land if they desire to go on the land, but I am decidedly against allowing men living in the town to take up land and put another man to live on it.

429. But suppose you provide that the man or some member of his family must go and reside on the land in a given time or for a given time, do you think it would not encourage thrift if a man put his savings into land?—I do not think so; but he can always put his savings into freehold. However, as to your question in regard to relaxing the residential conditions, I would certainly relax the conditions for three or four years in the case of ordinary Crown lands which have to be improved, but I certainly would not in the case of improved lands under the Land for Settlements Act.

430. Would you allow the holders of these 20-, 30-, 40-, or 50-acre sections to enter the ballot for a larger section?—Yes, if the holding is not sufficient to enable a man to maintain his family. We have always done so here; but we have made it a condition that they must transfer their small sections if they are successful at the ballot.

431. Do you hold meetings anywhere except in Christchurch?—Yes, we have held a considerable number of meetings at Timaru; but that has been owing to ballots for settlements having taken place in that vicinity. About a year and a half ago we went nearly all through South Canterbury. We did not go through the Fairlie district. We held a meeting at Waimate, and we invited anybody to come there and give evidence or make complaints. I certainly think there should be periodical meetings of the Land Board in different parts of the land district, in order to save the tenants the expense of going all the way to Christchurch. In Canterbury we would hardly need meetings at places other than Christchurch, except Waimate or Timaru once or twice a year.

432. Have you had many forfeitures?—One was forfeited just when I was appointed to the Board, and there has been one forfeiture since in the case of a person who gave false evidence as to his age.

433. Has there been any forfeitures for the non-payment of rent or the infringement of conditions?—The forfeiture that took place just when I was appointed was for an infringement of the cropping conditions. The tenant took five crops off, in defiance of repeated warnings by the Board. There have been no forfeitures for non-payment of rent.

434. Do you think that such infringements should be met by a fine instead of forfeiture?—Yes, I am quite in favour of that; but it would have to be a stringent fine to act as a deterrent.

435. Is there much trafficking in the land under the Land for Settlements Act?—A good bit; but I may say, since I have been a member of the Board we have set our faces against this trafficking as much as possible. We had an instance not long ago where a man wanted to transfer a section he had only held for less than twelve months. We said he could surrender, but he did not want to surrender; he wanted to sell. But there has been no instance since I have been on the Board of a man drawing a section and selling it next day for £100 or £150.

436. Suppose a man has 100 acres, and his rent is 6s. per acre, and he is getting £600 for his goodwill over and above his improvements, which would bring his rent up to 12s. per acre in the ordinary way, would you approve of the incoming man paying that rental?—No; I have been averse to big premiums being paid under the Land for Settlements Act.

437. Then, you would refuse a transfer if you thought the incoming man was giving more than a fair rent?—I would be inclined to do so; but, unfortunately, we cannot always do it. If a man has lived long enough on a section he can demand a transfer.

438. Have the estates under the Land for Settlements Act increased in value?—Yes, considerably. I think even the most recently purchased estates have increased in value.

439. Have you had anything to do with the Advances to Settlers Act?—Yes. We have to pass a considerable number of applicants at almost every meeting.

440. Do you think this Act and the working of it are giving general satisfaction?—Well, at one time it did not, but it is giving more satisfaction now. Still, it is not giving general satisfaction yet, although I think myself it never will, because there will always be people who want more than they are entitled to.



441. Do you think it would be a good thing if the Crown Lands Ranger kept a record of the amount of grain taken off each section?—I think it would be a very good thing, but I think it is hardly practicable.

442. Why?—He would not be able to do it. It would mean a considerable amount of extra work, and perhaps he would not get a true statement, anyway, of the yields.

443. Could he not check the record from the books of the threshing-machine owner?—They could be manipulated as well. However, I think it would be a very good thing if the information could be obtained. It would help the Board when they had to deal with applicants asking for unreasonable cropping concessions.

444. *Mr. McLennan.*] If a settler has been on the land for ten years, and has put on all improvements according to the Act, would you be in favour of giving him full power to farm his land as he thinks fit, so long as he kept it clean of all weeds?—No, I would not. I think there ought to be some restriction. As I said before, I think the law should be kept in its entirety.

445. You know there is some land from which you can take a great number of crops without injury, so long as it is kept clean and worked properly?—As a practical man, I cannot agree with you. If you take a great number of crops from the land the grass will not hold.

446. I know of land in my neighbourhood that has been in wheat for the last fifteen years every second year, and it is growing splendid crops of wheat?—That may be so; but have you ever seen it in grass?

447. No?—Well, that is my reason for disagreeing with you. I have not the slightest doubt that by cropping and fallowing every second year it will grow good wheat; but if the time came when it was more profitable to grow grass you would find that the land would not grow or hold grass.

448. But the farmer would use manure to grow his grass: he would not leave his land without any benefit?—The difficulty is that if that were allowed the people would take advantage of it, and they would not keep their land clean. They would crop the land as long as they could, and then they would throw it up.

449. At the present time a good deal of the land, not only in Canterbury, but in North Otago, is very dirty with couch-grass and yarrow. Do you think a settler can keep his land clean by taking two white crops and the green crop allowed by the regulations?—He can get it clean.

450. Have you had any experience of couch-grass?—A little.

451. Could you clean a paddock that was badly infested with couch and yarrow by taking, say, a crop of wheat and a crop of turnips and another crop of wheat?—I have done it by using the cultivator and cultivating before I put in the turnips.

452. But experience in that rich soil has shown that it cannot be done in three or four years?—Well, the only thing for them to do is to fallow all the time.

453. If a man has to pay rent he cannot very well fallow unless he is allowed to put a turnip crop in?—I would not prevent him putting in a turnip crop.

454. But it is against the Act?—As a Land Board, we use discretionary power. We have never refused permission to take a green crop.

455. I know you use your discretionary power, but people, as a rule, do not care to be always coming before the Board asking for these liberties?—Well, in Canterbury we find they take the liberty before they apply. I would not object to them taking as many green crops as they wanted.

456. After a settler has cleaned his paddock, would you object to him putting in grass and oats for the last crop?—I will answer by telling you what we do. If a settler has taken two white crops and a green crop, and he comes and asks us for a third crop, we say, "If you fallow the land you will be allowed to take a third white crop and sow it down." That is, in regard to good land.

457. Would you be in favour of prohibiting a man who has sold out the goodwill of his section from applying at the ballot for another section for a number of years?—We have done that, and we are doing it now.

458. Would you be in favour of prohibiting him from applying not only in Canterbury, but anywhere else in the colony, for, say, seven years?—My own opinion is that it should be seven years; but I think a motion was before the Board making the period five years. I would make that prohibition apply all over the colony.

459. *Mr. Austey.*] You have already admitted that some lands are capable of bearing three white crops: do you think it is satisfactory for a tenant to have to ask permission to do a thing he is apparently perfectly entitled to? Would it not be much fairer for him if the conditions in his lease were altered?—I think that would be a very good thing if embodied in the lease.

460. Then, would you object to the cropping conditions being altered in that respect—that they should be varied according to the quality of the land?—I would be quite agreeable to that.

461. Have your Board power to reduce rents in cases where they are too high?—No. Under some grazing leases we have, but not very many.

462. Are any of the sections under your administration too highly rented?—Yes. I think I know of three on Lyndon No. 2 Settlement. They are small grazing-leases.

463. Can you reduce the rent now without reletting?—No. It can only be done by the Minister or Parliament.

464. Then, there is no power to do anything but to keep this dear land idle. Do you think the Board should have power to reduce the rent?—Yes; I think they should in certain cases. Still, I do not think the Board should have too much power.

465. Do you think the Board should have power to put a little on where the rents are too cheap?—Yes.

466. Under lease in perpetuity?—No; I would not alter those rents, except in cases of forfeiture. Then, if the section is worth more money I think the Board should have discretionary power to levy a fair rent.

467. Do you think it is necessary to apply the 10-per-cent. rebate all over?—No.

468. Do you not think it would be wiser to apply this money in reducing rents manifestly too high, rather than making the reduction all over?—Yes, I do. I do not think, though, the rents are too high in regard to the land under our jurisdiction. In fact, a selection was surrendered the other day by a tenant because his father became ill, and he had to take his father's farm. We had over twenty applicants for the section, and that shows the rental was not too high.

469. There has been a demand from many people for an elective Land Board: what is your opinion in regard to that?—I am not in favour of an elective Land Board, for this reason: the Government want men to carry out their policy on the Land Board, and if the Land Board is elective men might be returned who would not do that. In the case of Canterbury, it would mean that the townspeople would return four members, and there would probably be no representative from the country at all. Christchurch, Timaru, Ashburton, and Rangiora, and Kaiapoi would probably return a member each, and there might be no practical man on the Board. I think practical men should be appointed to the Board from each part of the district.

470. Do you think the Crown tenants should have some representation on the Board?—I do not think so.

471. Do you think there should be an instruction to the Minister in appointing members to the Land Board that members should be appointed from various parts of the land district?—I think so.

472. Do you think the various interests, such as the pastoral tenants, the lease-in-perpetuity tenants, the village-settlements tenants, and the general public should be represented on the Board as well?—No. In my experience a landlord does not put one of his tenants to sit in jurisdiction over himself, and to say how he is to let his land and what terms and concessions shall be given. I think the Government ought to have the power to nominate men to carry out their policy in its entirety. If they appoint practical men the general interests of the whole district are represented.

473. *Mr. Paul.*] I understood you to say you would not break any existing contract: would you be in favour of revaluation applying to future leases?—Yes, I think so. I think the leases are too long. I think there should be periodical revaluations with security of tenure.

474. Then, of course, in the case of the land decreasing in value, the rent would be reduced?—Certainly, but I would not reduce it below the original capital value, because that would mean a loss to the State.

475. As a practical farmer, what would you say would be a fair period at which to revalue the leases?—About thirty years.

476. Do you think the Canterbury Land District is too large for proper working by one Board?—I do not. We have no difficulty in administering our district.

477. In the case of ordinary Crown lands and bush lands, do you not think it is possible to give an equivalent equal to the freehold, say, a long lease at a nominal rental?—I would be prepared to give them any tenure at all that they wanted, so long as they would go on the land and improve it.

478. You would apply that universally to Crown land?—Yes.

479. *Mr. Matheson.*] In any of these cases of perjury in regard to age, did you lay an information?—Yes, in four cases.

480. Were the men punished for it?—Yes, they were put on probation.

481. Have you given any attention to the Irish Land Settlement Act, or the way the land is held in Denmark?—I cannot say that I have.

482. The Crown has acquired land here for the purpose of settling it, and that settlement has been successful: do you think when a man has resided on his land for ten years, and has proved himself a *bonâ fide* settler, the State has accomplished what it set out to do?—Yes.

483. Then, why do you object to letting him buy the freehold out of his savings if the State gets all the money it has expended?—This land under the Land for Settlements Act has been purchased with borrowed money, and therefore the State is quite right in keeping that land for future generations.

484. Supposing the land repays all they borrowed, they can hand it back, and the debt is cancelled: what is your objection to that?—There would be no more land for settlement for the people who wanted it.

485. I do not follow you?—At the present time, if the people were given the freehold of the whole of the land under the Land for Settlements Act in Canterbury, the Government could not get other estates, because there are none to get.

486. But, sir, the tenants have that land for a thousand years now?—Yes, but they generally stay on the land for ten or fifteen years and then they want a change or a larger place. There is plenty of freehold in the market, and they can go and purchase that.

487. If they do make up their minds to change, does the land come back into the hands of the Government, or do they transfer?—They transfer, and it is equally as good as buying and selling the freehold.

488. Have you, then, a distinct objection to the State parting with the freehold?—No, I cannot say I have. I object to them parting with the freehold of the lands under the Land for Settlements Act; but if the country demands it and wants it, I should say let them have it at a valuation at periodical times—either on deferred payment or for cash right out.

489. *Mr. Forbes.*] Do you think that the restriction which prevents a man with a small holding in one of these settlements from going into the ballot, unless he has first disposed of his small section, works rather harshly in some cases?—I think it is an absolute absurdity. We had a case of a man who held a 1-acre section, and he was not allowed to go into the ballot. I think the Act should be amended.

490. Have you in any case refused a man, who had three years' rent in hand, permission to go into the ballot?—No, we cannot.

491. In the case of a section loaded with improvements, has a man to show that he has money for the improvements, and three years' rental in addition?—No. If he has money to pay for the improvements that is all we require.

HERBERT FRANCIS LEWIS examined.

492. *The Chairman.*] What are you?—I am a farmer at Oxford. I hold in partnership with three others 3,900 acres under pastoral lease from the Government for fourteen years, and with another I hold 1,200 acres under pastoral lease. We pay about 5d. to 6d. per acre. I also hold in partnership with three others 3,000 acres of sublease from Snowdale. We have held the land five years.

493. Has it been satisfactory, so far as your experience goes?—It would be satisfactory if we could get a longer lease. Our country is all bush country, and we are not allowed to burn, although the fire has been through the standing timber once. It would not pay us to sow down under our short lease, and if the country is not sowed down the land will be absolutely useless.

494. Was the bush burnt by accident or intentionally?—The fire went through it some years ago. After taking the land up we sowed some of it down three times, because we were under the impression that we would get value for these improvements. Then we found that the valuation did not cover grasses, but only fencing, buildings, ditches, &c.

495. And you want that condition altered to cover grassing?—Yes.

496. How much Crown land have you under birch forest that you want to sow down?—About 5,000 acres.

497. Then, at the present moment all the Crown land you hold is of practically no use to you?—It is of very little use if I do not grass it, and it will not pay me to grass it unless I get a longer lease.

498. What does the grassing cost you?—It costs 10s. per acre. We have sown down 1,000 acres already, and the grass has taken splendidly right to the very tops. We have nine years of our lease still to run, but the sowing will really cost us as much as the value of the land at the present time.

499. *Mr. Johnston.*] How do you sow?—Broadcast through the burnt trees, and wherever we have sown the land is a sight to look at. The timber is still standing there.

500. Is it heavy bush?—Fairly heavy. The Land Board issues splitting licenses, and there are about twenty splitters at work, and they are taking the timber out as quickly as they can. In this way they are clearing the land very well.

501. What mixtures of grass did you sow?—Cocksfoot, white-clover, and timothy. I have had some of the cocksfoot down twenty years on my mother's land adjoining, and it is better now than the first day I sowed it.

502. What does this land carry in grass?—On the 3,900 acres in the first year we had nothing; in the next year we had eight hundred sheep, and we mustered out six hundred; and in the next year we put out fourteen hundred ewes and mustered out five hundred. We have a lot of bad country under snow, and we lost nine hundred that year. This year we have four hundred head of cattle on the block.

503. Have you any Californian thistle?—All sorts of weeds are coming up through the bush that I have not sowed down. I have had two bunches of Californian thistle in the bush, and it cost me £5 to clear them. I eradicated it by burning the earth. I have not seen it since.

504. *Mr. Austey.*] Would you consider the right to renew your existing lease a sufficient security?—Yes; I would sow every bit of it then.

505. To what extent would that increase the carrying-capacity?—By three times the number.

506. Suppose you had a renewal of your lease at an arbitration rental with your improvements protected, would you consider that a sufficiently secure tenure?—Yes.

ALEXANDER JOYCE examined.

507. *The Chairman.*] What are you?—I am time-ball keeper at Lyttelton.

508. Have you any land?—No. I may say I have been in the colony for forty years.

509. Have you any particular matter you wish to bring before the Commission?—Yes. I wish to address the Commission on the question of land-tenure generally. I wish, first of all, to congratulate you upon the position you hold as members of this Commission. It is the most important Commission that has ever been set up in the colony. You are intrusted with the duty of inquiring into the land laws and their administration, and of suggesting such improvements as, in your opinion, are required for the benefit of the whole of the community. I hope that the suggestions you make will lead to practical legislation, possibly not in the ensuing session, as it will be the last session of Parliament; but I hope that they will lead to such proposals being placed before the country at the general election that a Parliament will be returned with a mandate from the people to deal effectively with this important question. One hundred years ago there was no land question. The freeholder or the landholder was in absolute possession. He made what terms he required or could get from his tenant, whether for residence or cultivation, and his right to do so was practically unquestioned. Fifty years ago there was very little discussion upon this question; but at the present time a very large section of the community is convinced that the absolute freehold title to land is an injustice to the community. This change of public opinion has been brought about mainly by the writings of two men—one an Englishman, the other an American. I refer to Herbert Spencer in England, and to Henry George in America. Of course, there have been many others who have dealt with the question; but to these two men practically public opinion at the present time is due. Herbert Spencer, whose arguments I think I may say have never been confuted, showed the injustice of absolute property in land. Of course, I know as a legal fiction there is no absolute property; but practically land has been dealt with as if there was. He pro-

pounded no means of altering the system, but he pointed out the evils, and he also pointed out what would have been a just system. Henry George, whose arguments also, as to the effect of absolute property in land, have hardly been questioned—certainly not seriously questioned—proposed a remedy, but, unfortunately, the remedy that he proposed was either unjust or impracticable, so that those who have adopted it—known generally as the “single-taxers”—have really retarded the settlement of the question more than they have advanced it. His remedy, as, of course, every member of the Commission is aware, was practically the confiscation of land by making a rent-charge equal to its value. If that were done at one blow it would be unjust, and if it were to be done gradually it would be impracticable. But this does not prove that there is no just remedy to be found. And, as far as the colonies are concerned, I maintain that the remedy has been found, and has been in practical application for some years; and I am proud to say that it is this colony that has taken the lead in the matter. The Land for Settlements Act is a practical and a just remedy for the evils, subject to one condition, which I shall deal with directly. It authorises the Government, on behalf of the community, to repurchase land compulsorily if necessary, to extinguish the freehold title, and to reissue the land. At present there is a choice of tenure, but the Government may issue the land under a leasehold title. If this leasehold were a just one the problem would be solved; but, unfortunately, the leasehold title under which the land is reissued in the colony is not a just one. We practically extinguish one freehold title and create another. Under Mr. Ballance’s Land Act the land would be issued, subject to revaluation, at intervals of thirty years. Whatever the term may be—whether twenty, thirty, or forty years—that, I believe, is the right principle on which the new lease should be granted. The lease in perpetuity is the most unjust, impolitic, and suicidal measure ever passed by any Parliament. If a leasehold title were granted with a twenty-one or thirty-years term, or whatever other term Parliament in its wisdom saw fit to fix, so long as it was not too long or too short, then the interest of the people would be conserved. But although I oppose the 999-years lease, I am not in favour of any arbitrary and unjust change being made in the present leases. The lease is practically equal to a freehold, and as a freehold it must be considered in any alteration that the State on behalf of the people may make. My idea—and I just offer it to the Commission as a suggestion—would be that the present leaseholder and his direct heirs should have the right to retain the possession of the land at the present rental as long as they desired to do so. But should the leaseholder or his heirs be willing to exchange this lease for a lease subject to periodical revaluation, he should then receive in cash from the State the difference between the original value and the value at the time of exchange. The new rental would then be calculated upon the new value. If the tenant or his direct heirs should want to sell the lease he might do so. The land would then be revalued, and, on a tenant coming forward who was willing to pay the rental represented by the new valuation, the old tenant would receive the difference from the State in the same way, and the new tenant would pay on the new valuation. This would entail no burden upon the country as the increased rental would pay the interest on the amount paid; it would give the present leaseholder the full advantage of the bargain made with the State, and it would secure to the State by future periodical revaluations a fair return of the value of the land. This, I maintain, would be perfectly fair, that the leasehold tenure, subject to periodical revaluation, is the only tenure that secures to the community its proper interest in the land. I do not want to take up too much of your time. I am quite convinced that all of you gentlemen are familiar with the arguments on both sides; in fact, I dare say you have had them almost *ad nauseam*; at any rate, you will have before you have completed your labours. I am going now to tell you a conversation I had with a leading politician in New Zealand. I always use the word “politician,” because we have really so few statesmen that it is difficult to pick them out. This gentleman I met in Lyttelton at a time when I was taking a considerable interest in this question of land-nationalisation—which, of course, periodical revaluation practically is—and he told me that my view was perfectly correct—that the land should be considered as belonging to the whole community; that the person using the land should pay a fair rental to the community for its use, subject, of course, to revaluation from time to time, as the land increased or decreased in value. And he said he would go even a step further: the land revenue should be for the equal benefit, so far as such a thing were possible, of the whole community—from the infant just born to the old man just tottering off. He said if the population was a million and the land revenue was a million, each individual in the community should be entitled to a benefit—not a cash benefit—but a benefit in the expenditure of that money, so far as possible, to the value of £1, and that the land revenue should not be applied to the general expenses of the country, relieving the large revenue-producers, but that it should be equally divided as far as possible individually, from the poorest to the richest—not in cash—but in benefit. I think I might go round this Commission and give them a considerable number of guesses as to whom that politician was. In fact, I think when I mention his name you will be rather surprised; but I can bring the evidence of a gentleman who was present at the conversation. The gentleman expressing those opinions, which, I presume, would be called extremely socialistic, was Sir Harry Atkinson, the leader of the Conservative Government in the colony. Those were his private opinions—his political opinions, of course, we know. I have to thank you, gentlemen, for your courtesy. I wish to put a definition of the true position of the land before you for your consideration, which is that the land cannot justly be the property of an individual. It cannot justly be the property of any section of the community. It cannot even be considered as the absolute property of the whole community, but it is in the position of an estate in entail for the support, use, and enjoyment of the present possessors, to be by them handed down unhampered by unjust restrictions for the support, use, and enjoyment of future generations.

510. Your argument amounts to this, I think: that if you had the making of the law you would make the leasing system with periodical revaluation the only land-tenure?—Yes.

511. And the fee-simple would always remain with the Crown?—Yes.

512. I was glad to notice that you do not wish to confiscate any one's property, and you hold out a bait to the present holders of the lease in perpetuity by giving them, when the time came for making the change—giving them in cash the difference between the original value and the value of the property at the time of transition?—I think that is the only way that we can treat them justly. We have made a very foolish bargain, but, at the same time, it is a bargain, and, I think, it should be adhered to. Another thing I may say, that I omitted to mention in my remarks: I think that proposal would be very favourably received by the 999-years leaseholder, inasmuch that he can continue on his present rental as long as he likes, and his heirs after him; but if the land increases in value he would then have capital by the increased value paid to him by the State to stock his land or effect improvements upon it.

513. Would you compel any one to come under your system?—No; he could continue at the present rental as long as he likes, but he should not be allowed to transfer the lease to anybody else except after revaluation. When he transferred the lease, instead of the incoming tenant paying him the difference in value, the State would pay it, and the incoming tenant would hold on a rental based upon the new value.

514. You would not allow him to transfer the lease to the party who was to follow him?—No, only to his own direct heir. A father might hand it to his son.

515. *Mr. Anstey.*] Carrying out your proposal, that would involve the State finding a considerable sum of money to purchase out the goodwill?—Undoubtedly.

516. How do you propose to raise that money?—In the same way as the State raises other money. Of course, the sooner it is done the less the payment would be.

517. At what period would you make these arrangements to come into force?—I would not name any period. I think the time would come in the case of all leases when either the lessee would want to part with his interest, or else the increase in value would be such that he would be glad to have the difference to use upon the property.

518. Would you allow the tenant the option of accepting this when he chose?—Yes, because I consider that is the only way in which we can keep our bargain with him.

519. Under your system, how are you to ascertain the amount of goodwill attached to one of these leases?—Simply by valuing the unimproved value, the same as we do now.

520. We have heard of very large sums having been paid for goodwill in the case of some of these sections; for instance, we have heard of sums from £1 up to £500. The valuation, according to the present rateable value, would never approach anything like that sum?—Then, we must come to one of two conclusions—either the valuation was wrong, or the new tenant was induced by some means—perhaps his own anxiety to get on the land, or some idea as to prospective value—to give a price more than it was worth.

521. Supposing, for the sake of argument, the tenant was offered £1,000 for his goodwill, and £500 of that is represented by his improvements and £500 by the goodwill—supposing, according to the Government valuation, there is no goodwill over and above the value of the improvements, upon whose valuation is the tenant to be paid—upon the valuation he can sell out at or the Government valuation?—I presume in that case it would go to arbitration; but I do not think such differences in the estimated value would be possible if the leases were subject to periodical revaluation, though they might be possible under the 999-years lease, which, being practically a freehold, might command a prospective value.

522. Supposing the existing tenant is actually offered £500 for the goodwill, do you mean to say the tenant must be deprived of the whole of that £500 which his section would fetch in the market?—No; I say it would be subject to arbitration.

523. *Mr. Paul.*] Do you believe in a universal system of leasehold?—I do.

524. What would be your answer to the objection of some people to paying rent under a leasehold tenure?—My answer is this: True, you will have to pay rent, and if you do not or cannot pay rent you will lose your hold upon the land; but I think a few minutes' consideration will show you that under the freehold tenure you also pay rent, that you cannot avoid paying rent, and moreover that under the freehold system, if you cannot pay rent you lose not only your hold upon the land, but also run a very great risk of losing a large portion of the capital value of the land and of the money you have expended upon improvements. Now, as to the question of rent. If you hold a piece of land under the freehold system, you must occupy one of two positions: either you hold the land free of encumbrance—that is, the land represents capital—or you hold it subject to a mortgage. In the first case, the rent of the land is the interest of the capital value of the land. For instance, we will suppose that you hold a piece of land worth £500, and that money on investment will return 7 per cent. interest. Your £500, if invested, would give you an interest of £35 a year, but you forego this interest in exchange for the use of the land, which, if there is any logic in figures, is equivalent to paying a rental of £35 a year. To make the matter plainer, we will suppose you invested your £500, receiving £35 a year interest, and then pay that amount for the use of the land. I presume you would then allow that you were paying rent. In this latter case, you would frequently be in a better position than if you held the freehold; for, supposing your occupancy of the land to be unprofitable, or, should you from any cause wish to leave it, if you were a tenant you could do so on giving a reasonable notice, but if you were a freeholder, you would have to find a purchaser for the property, and probably, if you were compelled to force your property on the market, you would find the nominal value of £500 considerably reduced, and you would lose the difference. In the second place, where you hold the property subject to a mortgage, the interest of the mortgage is the rent you pay for the land, but it is not the whole of the rent. The mortgagee always endeavours and generally succeeds in retaining a margin between the value of the property and the amount advanced upon mortgage. The interest of this amount has to be added to the interest paid on the mortgage, the whole amount being the rent paid for the land. To the person holding under this tenure, the term freeholder is a sarcasm. The

only freedom he has is the freedom to work for the mortgagee, the margin between the value of the property and the amount advanced upon mortgage, together with the money which, under the fond delusion that he is a freeholder, he has expended upon improvements, chain him to the land. The principal of the mortgage is as a millstone round his neck, a weight from which he is unable to free himself, and which frequently, after a few years struggling, drags him to the bottom of a sea of debt. The mortgagee either forecloses, in which case the land submitted to a forced sale barely realises sufficient to pay the mortgage and expenses, leaving the so-called freeholder ruined and helpless, or else the mortgagee suffers him to remain in possession a freeholder in name, but a tenant in reality—a tenant without the option of relinquishing his tenancy, except under the penalty of absolute ruin.

525. I take it you advocate the cessation of a further sale of Crown land?—Most decidedly.

526. Do you think the Crown land of the colony would be settled successfully under the leasehold system?—I am convinced they would.

527. Would you be prepared to vary the conditions of leases of bush land?—As to bush land, I would be quite willing to give the leases for the first term at a merely nominal rental. In fact, as to a good deal of bush land, I think the State would make a very good bargain if it gave the land for the first twenty years without any rental at all, subject, of course, to improvement and residence conditions.

528. Do you think that successful settlement might ensue under that system, because a man working on the land would have no rent to pay nor capital value to pay?—He would certainly have an advantage, so far as rental was concerned. He would have no rental to pay. Whether that would be sufficient to enable him to become successful I cannot say, but that is a matter that would have to be worked out by the man himself.

529. A good deal would depend on the man himself?—Yes, upon his energy, his ability, and his health.

530. *Mr. Matheson.*] Seeing that you consider we have so few statesmen and so many politicians, do you think there would be a great risk of political power being wrongly applied under your scheme, when all the land would be occupied by tenants of the Crown?—I do not think so, for this reason: that the bulk of the population must always be in the towns, and, although I can quite imagine that if the whole of the country was cut up into small farms, and could be fairly held by a farming community, there might be pressure to get the leases converted into freeholds; but, as I say, the bulk of the population being in the towns, and having a direct interest in preventing this change, I do not think there would be any chance of it being carried any more than there is of our educational system being interfered with. There is another point I would like to bring out: a great deal has been made by some of the new papers with regard to the present leasehold tenants desiring to have freeholds. I do not at all doubt that they would like to have the option of the freehold, because the freehold would relieve them from conditions as to cropping and other restrictions, which, in the interests of the country, the tenants have to observe under the leasehold, and the freehold would also give them security that the whole of the future increase in the value of the land would belong to them, and the freehold would give them other rights which I do not think they possess under the present tenure. But I do not see that that is any argument whatever in favour of making a change. If you were to set up a Commission to go round the country and ask every man if he would like the State to give him a five-pound note on his birthday, I have no doubt there would be very considerable support to that; or if every person was asked whether he would like a pension of £3 a week at fifty years of age, that offer would be jumped at, but that would be no evidence that the proposal would be just or politic from the point of view of the State.

CHARLES JOHN WOOD examined.

531. *The Chairman.*] What are you?—I am a carpenter, and I have been here all my life. I hold 3 acres of land at Fendalton under lease in perpetuity. My rent is £8 a year. I am very well satisfied with my selection. I have been there from the beginning of the settlement.

532. Have your dealings with the Land Board been satisfactory?—Fairly satisfactory. I only had one small difference with them in respect to a drain. Otherwise I am very well satisfied, and am perfectly satisfied with respect to the tenure. I do not wish any alteration.

533. Have you had occasion to approach the Advances to Settlers Office?—Yes, and I got the money I asked for, and there was no delay in my getting it. I may state that I did not ask for much. The Board had good value for security for the small amount I asked for.

534. *Mr. Anstey.*] You are on one of these village settlements?—Yes.

535. Do you think that system ought to be extended?—Yes.

536. Is there a demand for that kind of land?—Yes, because when any one wants to sell out they have very little trouble in disposing of their section.

537. *Mr. Paul.*] Do you think there is a demand for more of these settlements?—Yes, I think so.

538. Do you feel that you enjoy an advantage over your fellow-workmen in being a tenant of the Crown on one of these settlements?—I do not know that I have an advantage over any other workmen, but I took up this place as a home, and my rent is not very heavy.

539. Seeing the low rent you have to pay, do you not feel that you have an advantage over your fellow-workers who have to pay rent in the towns to private landlords?—Yes.

540. Do you think that the rents in the cities have increased out of all proportion to the increase in wages?—The cause of rents being increased is, I think, the fact that people are building a better class of house than they used to.

541. Do you think that excessive rent is becoming a serious handicap to the city dweller?—I cannot say for certain, because I do not live in the town. My rent is not large. I can pretty well make up my rent from the section itself. I keep a cow and it pretty well makes up my rent.

542. *Mr. Matheson.*] If further land is cut up for workmen's homes near the cities, what area

do you think the sections should be?—I consider that 3 acres is small enough. It is impossible for a man to make a living off 3 acres, but if he were a worker I think that would be a fair size.

543. *Mr. Forbes.*] Do you not think it would be a very great help to the working-man if houses were erected on these sections?—Would you charge interest on the cost of the house, or would the tenant pay for the building afterwards

544. Yes, he would pay interest in his rent?—I dare say it would be an advantage to some men. I may inform the Commission that when I took up my section I had hardly enough money to pay the rent, but I have since that time managed to put up a good four-roomed house with verandah, and I suppose what I have been able to do other men can also do.

545. *Mr. Johnston.*] What is the price of a six-roomed house at the present time—a plain, good, substantial house?—About £250, but it would be a very plain workman's cottage.

546. Do you know the rent of a six-roomed cottage in town?—I think 12s. for four rooms and scullery.

547. What would be the cost of such a building?—There is hot water in a good many of them. The building would run up to about £300.

548. *Mr. Paul.*] Do you know of any cottages without modern conveniences and on less than a quarter of an acre with rents at 12s. a week?—Not personally.

549. Do you think there are such places?—There are places you can get in Christchurch for 6s. or 7s., but they are not much good.

CHRISTCHURCH, THURSDAY, 27TH APRIL, 1905.

ALEXANDER CRACROFT WILSON examined.

1. *The Chairman.*] What are you?—I am Registrar of the Canterbury College, in which position I have been for about fifteen years.

2. What is the area of land under your jurisdiction?—I might explain that although we have a large number of acres the revenue is distributed over a number of departments. We also have two classes of reserves—agricultural reserves and pastoral reserves. We have about 200,000 acres of pastoral land, and the revenue from that endowment is kept distinct for superior education, technical education, the museum, and so forth. Then, under the technical education branch, there are four or five different sub-departments again.

3. We would like to ascertain the terms of your lease as regards conditions of improvements, residence, tenure, and so on?—Our pastoral lease is agreed to by the Government.

4. How much agricultural land have you?—12,000 acres.

5. Is that land divided over a variety of departments in the same way as the pastoral land is?—It is devoted more to the common purposes of education, such as the College and Boys' and Girls' High Schools.

6. *Mr. Anstey.*] You have a lot of town property, have you not?—Not much. We have a few sections in small towns, but they do not bring us in much money.

7. *The Chairman.*] For what term are your agricultural leases?—Fourteen years.

8. What are the terms with regard to improvements?—Perhaps I should explain that these pastoral runs of ours are in rather a peculiar position. I do not think it is generally known that the tenant, as a rule, has a big block of freehold of his own in the centre of these blocks of ours, on which he puts all his improvements and carries out any little cropping that he does. He is not dependent on our land for his improvements.

9. Have your agricultural tenants to submit themselves to any programme of improvement?—They have in regard to cropping, but not as to improvements.

10. What are the cropping regulations?—Not more than two straw crops in succession, unless special permission is given. They are inspected every year to see that the conditions are not being violated.

11. Have they to rest the land in grass at all?—They have to sow it down regularly in grass, and in many cases it remains in grass for a considerable period.

12. Have the tenants the right of renewal?—No.

13. They are simply at the discretion of the College Board of Governors?—Yes.

14. Usually, I suppose, they do get another term?—Yes.

15. How many tenants have you on the 12,000 acres of agricultural land?—I should say one hundred and fifty.

16. *Mr. Johnston.*] How many tenants are there on the pastoral land?—Very few; say, ten.

17. You say that the pastoral tenants have freehold adjoining their leases: how did they acquire this land?—About twenty-five years ago there was a great boom in the purchase of land, and in those days they thought their fortunes were made if they bought heavily into the land for homestead purposes, sheep-yards, and so on, and they thought that by picking the eyes out of the country they would to a great extent secure the pastoral facilities enjoyed by the use of these runs.

18. That means to say that they gridironed the property?—No.

19. They picked the eyes out of the land?—Yes; but it might have been done because the land was more level than other parts.

20. They could practically dictate the rent they give to you?—In a great measure. They thought they could.

21. What is the revenue from the agricultural tenants?—£16,000.

22. And from the pastoral tenants?—Say, £6,000.

23. This land is wholly and solely for Canterbury College?—One reserve of 64,000 acres and another of 37,000 acres is devoted to superior education, which means the real university and



classical work. Then there are, say, three reserves devoted to the museum and technical science which embraces three or four special departments, and the acreage in those reserves is about 100,000 acres.

24. Does that embrace all that your endowments are used for?—No. There are the Boys' and Girls' High Schools which come out of the agricultural rents.

25. Who controls the education system: do you?—No; we are controlled by the University. Canterbury College in the conduct of the work is subject to the guidance of the University of New Zealand.

26. What do you do with the money you get for the Boys' and Girls' High Schools?—We spend the whole of it in educating the boys and girls.

27. Do you control the High Schools of Christchurch?—Yes. But we have nothing to do with the mushroom high schools which have been established within the last few weeks.

28. Would it be advantageous to the Board of Governors if they got a stated revenue from the Government and handed over their endowments to the State?—I do not think it would matter to them. There would, however, always be the danger that that would be the first money to be cut off in the event of trouble overtaking the colony.

29. Has your revenue decreased or increased in the last ten years?—It has gradually increased.

30. What is that increase derived from—from the agricultural or from the pastoral leases?—From the agricultural leases. There has been a great demand for them lately.

31. Are the pastoral lessees improving the land at all?—No.

32. They do not attempt sowing at all?—No; that is rather ungrateful country, most of it.

33. Is it capable of improvements at all?—I do not think it is much, except by fencing. It is a question whether the grass will take in that high country.

34. Do your agricultural tenants give you satisfaction? Have you any trouble with them?—None whatever.

35. Do they pay their rent?—When they get accustomed to it.

36. Do they generally take up the land again after their first term?—They would like to.

37. As far as you allow them, do they?—I think so.

38. Do you think they are satisfied with their tenure?—I think so. Of course, there are one or two that one would not have at any price after our experience of them.

39. You let them go and get good men?—If we can.

40. *Mr. Austey.*] Is your new lease one that has been adopted somewhat recently?—No, but there are one or two new clauses in it; for instance, the valuation-for-improvement clause is new.

41. How long has that been in the lease?—It was really available before it got into the printed lease.

42. Is it not a fact that it was not available until you had brought yourselves within the conditions of the Public Bodies' Powers Act?—We are not under those conditions yet.

43. How long is it since you granted your tenants this valuation clause?—Say, five years.

44. Previous to that there was no valuation clause in your leases?—No.

45. How many tenants are there now under the old lease without revaluation?—They get it when they ask for it. The position is that if they ask for it and put a proper application before us they generally get it, whether it is included in the lease or not.

46. In the case of renewals, provided the tenant is a good man, you invariably give him these new conditions now?—Yes; but a great many do not desire to avail themselves of the valuation clause. They may have a house adjacent and also conveniences on their own land.

47. That involves the necessity of the tenant holding two sections?—Yes, he may have his own freehold, which would put him in a position of giving a better price for our reserve.

48. Do you insert a clause giving value for improvements in your pastoral leases as well?—There is a stipulation in regard to these reserves that the incoming tenant pays to the outgoing tenant. There is nothing much in that clause where the tenant resides on his own freehold.

49. The question is whether you insert that clause in your lease?—A somewhat similar clause.

50. You say that a large number of people have freehold adjoining these pastoral reserves: is it a fact that owing to the lack of this valuation clause the tenants had no security of tenure, and therefore the adjoining freeholders were the only ones who could take the leases up?—He, of course, was in the position to hold the pre-emptive right.

51. If you had given a valuation clause there would have been nothing to stop the outsider coming in and building on your land?—I do not allow that. They probably got the only land available for the purpose—perhaps the only land with water. But, as a fact, they thought there was a great deal of money in it, and most of them ruined themselves in buying this freehold land in the centre of the run.

52. Is it not a fact that this made it more profitable for a freehold man adjoining than for an outsider to come in?—In some cases, yes.

53. Do you think it would be a wise thing for all these endowments to be administered by one body, say, the Land Board?—No, I do not.

54. Do you think they would be better administered as they are now?—I think so.

55. In the event of their being administered by your Board, would there be any particular objection to your leasing them under the same conditions as the Land Board—namely, full valuation for improvements within reasonable limits, and also renewal at arbitration rent?—Our system is to name a certain price, which may be attached to the freehold value of the land. For instance, take a small reserve of 100 acres. A good deal depends on the character of the land itself, and we go up to £200 that the incoming man would have to pay to the outgoing tenant.

56. Is your limit £200?—We have no real limit, but practically that has come to be our limit.

57. Is it not a fact that this limit in most cases is utterly inadequate to the improvement?—No.

58. We had a complaint from a tenant at St. Andrews. He was leasing about 250 acres from you, for which he was paying 10s. or 11s. per acre, and your limit for his improvements was £150. Do you think that is sufficient?—Perhaps it ought to be subdivided.

59. Do you think £150 is sufficient to allow a man for his improvements on 250 acres of good land?—It is a very difficult position. You have got to see that the land is not overloaded with improvements. All that is required are the ordinary conveniences for working the land.

60. Do you think that a valuation for improvements of £1 per acre, which involves an additional 1s. per acre rent, would overburden 10s.-an-acre land?—I should think it would, to a certain extent.

61. With regard to the cropping conditions, we were told yesterday that they were useless and out of date: do you think there should be cropping restrictions?—I do, most distinctly.

62. I have been informed that the revenue for the Boys' High School is much more than you need for its purposes, and that the revenue for the Girls' High School is too small: is that true?—Not at all.

63. Are they both sufficient for the purpose?—No. The Boys' High School reserve is of better quality than the Girls' High School reserves, which are ordinary Canterbury sand and shingle.

64. Are there more boys than girls at the school?—No, I do not think so.

65. You have a considerable sum of money invested on mortgage from which you derive a revenue? Can you tell us what the amount is?—£10,000.

66. At 5 per cent.?—Yes.

67. Can you tell us where you derived that money from? Was it from the revenue of the land reserves?—It has been generally derived from the sale of Government lands.

68. Has not a portion been derived from the rent of the land?—No.

69. *Mr. Paul.*] Do you think, as a general principle, that a fair valuation should be allowed the tenant for his improvements?—I think so. It is all provided for in the lease.

70. Is not there generally an amount that is inadequate for the proper working of the farm?—You must also consider the letting-value of the reserve. Many of these people do not care two straws about that valuation clause, because they have got conveniences elsewhere.

71. Will you admit that every man, who is dependent entirely on the lease he has from you, does not think anything of that valuation clause?—In that case it would be considerably worth his while to have it; he must have some place to live in.

72. What lease do you use for the small sections in the different towns you mentioned?—They are not worth talking about. They bring in no revenue, and are often let for some trumpery sum a year. I do not know that we ever go to the trouble of drawing out a lease for them.

73. Has a tenant never put a building on one of these sections?—No.

74. Why is that?—I cannot say, I am sure.

75. Would you give valuation for improvements on those sections?—We have never done it yet.

76. Might that not be the reason why there are no improvements on them, and why they are not bringing in much revenue?—No, I do not think so.

77. Do you think they are ever likely to be of any value, either to the Board or to the tenant?—If that particular part of the town goes ahead, they would soon bring in revenue; but they are in what you may call the back slums of Timaru.

78. Do you think that if the town went ahead tenants would build on that land without valuation for improvements?—They would get a twenty-years lease, perhaps.

79. Do you think they are entitled to valuation for improvements, as well as to a twenty-years lease?—There would be the same trouble again. You would put a large value on to a quarter-acre section.

80. Do you know that there are some small properties in Timaru which have good buildings on them?—Yes.

81. The Borough Council leases have good buildings on them?—They are Glasgow leases probably; but these sections of ours are in the back parts of the town, and have never risen in value.

82. You do not think you would get any advantage from them if you allowed valuation for improvements?—I do not think it would be wise to do it.

83. Do you control any endowment which is devoted to the public library in Christchurch?—It is mixed up in these divisions I have been talking about. It is a subsidy from a particular fund amongst three or four other institutions.

84. Have you seriously considered the question as to whether it would be wise to sell these endowments for cash?—I have.

85. Do you think it would?—I do not.

86. Do you think that the increasing value of land is likely to keep pace with the increasing needs of the community?—We do sell occasionally with the consent of the Governor, but that happens only very rarely, and because of special conditions.

87. *Mr. Matheson.*] Who have the election of your Board of Governors?—The Government nominates one, the graduates nominate two or three, and the teachers and School Committees also nominate representatives.

88. Have the public at large no vote?—Not except through the School Committees.

89. The whole of the Board of Governors are elected by the bodies whose trusts they are administering?—Whose interests they represent.

90. Do you never show the working-expenses of the Board in your annual report?—There are no expenses on the part of the Board, and clerical services are charged to the maintenance account.

91. Can you tell me what is the cost of administering these trusts?—The College pays the whole of the salaries, and it gets reimbursed from the different endowments set aside for the different institutions.

92. *Mr. Anstey.*] Is it a fact that your Board have a number of sections adjoining main streets in Timaru, adjoining the Main South School and adjoining the main park?—Yes.

93. Is that what you call the slums of Timaru?—I will withdraw the word "slums."

94. Is it not a fact that your land on main street has lain a wilderness, simply because you will not give any security to any one to improve it?—No. The tenant whom we allowed to occupy that land was not a very good tenant. He occupied it as a kind of nursery garden. He was very slow in paying his rent and gave us no end of trouble, and yet he occupied the place till he died. He was the only man who would give us anything for it.

95. Is it not a fact that you could have let it at a good price if you had given security for a person to build on it?—Not that I know of.

96. Is there any reason why you should not give a Glasgow lease for these sections?—There are two people required for a Glasgow lease—one to let and the other to take it. These are rather out-of-the-way places.

ALEXANDER CAMPBELL PRINGLE examined.

97. *The Chairman.*] What are you?—I am a farmer, but sold my farm about three years ago. I am a member of the Canterbury Land Board. I had been over thirty-nine years in the Timaru district, and have been a member of a Land Board for about twelve years.

98. What is your opinion of the lease in perpetuity with regard to the settlement policy of the country?—I think it has been a first-class thing for the country. A great many men would not have a piece of land to their name but for the lease in perpetuity. There is many a man who had but little capital who would not have had a chance of getting land but for the lease in perpetuity.

99. Taking them as a whole, do you think the tenants are fairly well satisfied with their tenure?—Yes.

100. They are all prospering and in a fair way?—They are all doing very well now. When we started at first times were not good, and many went on with small capital, and it took them all their time to pull through. In the last two years, however, every one is making money out of the leases.

101. If we had a recurrence of bad times, do you think they could pull through?—In Canterbury they could.

102. We have had evidence that it might be financially advantageous to the State if these people were allowed to pay off a portion of their capital value, and thereby lessen their rent. What is your opinion on that point?—I think there was a talk about giving them a free hand in working their holdings, and I think before the inspection by the Ranger is done away with it would be well to make the lessee pay off half the capital of the freehold.

103. We had evidence yesterday from a very high authority that there was no use in having any cropping restrictions at all. As a practical farmer of long experience, what do you say to that?—I would say you want restrictions, because if you give the tenants a free hand some of them will do nothing but crop year after year. A few years ago, before the Rangers started a system by which they could keep a check on the cropping, some of the tenants used to crop year after year.

104. In other words, they harry the land and render it worthless for a time?—It takes two or three years to recover. You have to fallow the land and work it before you can get it back to its original state.

105. The tenant in that case might not only run the land out, but himself as well, and then the land might revert to the Crown?—Yes, although I do not think that is likely to happen in Canterbury. But if bad times came these are the men who would go down first.

106. *Mr. Johnston.*] Have the Government brought any pressure at all to bear on you as a Board in your administration of the land?—Not that I know of.

107. You say the land settled under the Land for Settlements Act has been a success?—Yes.

108. In regard to the classification of land, would you classify the lands of Canterbury as a province, or would you classify the lands of the island as an island?—Up till about two years ago the Commissioner and surveyors used to classify and divide the different estates.

109. Do you think the present system of classification is wrong?—I regard all the land that will grow crops as first-class land.

110. Would you approve of dwellers in the towns having certain residential restrictions removed to allow them to acquire land for themselves and their families?—If you take away the restrictions in the case of a man in the town, but should you not remove them in the case of the farmer who has sons growing up that he wants to settle on the land. If the son is under twenty-one years of age he cannot take up land under the Land for Settlements Act. If you break the lease for the son of a man in the town, why should you not break it for the son of a farmer in the country. The country people would clamour for the same privilege that you give to the man in the town.

111. Why should they not get them?—The law says just now that he must be twenty-one years of age before he can apply for a section.

112. Do you think that should be altered?—I do not think so. Anybody can go in for Crown land if they are seventeen years of age, but a boy or a girl of seventeen is not fit to go on a farm and look after it.

113. Do you believe in the holder of a homestead section being allowed to apply for a larger section under the Land for Settlements Act?—Yes. Many of the men start on a small section, and if you insist on them surrendering before they can enter the ballot for a larger section you will simply keep them on the small block all their lives. You will give them no chance to better their condition.

114. Do you think that the big Canterbury runs are cut up sufficiently at the present time?—I think some of the companies hold two or three runs, and they might be subdivided. But if you cut the other runs up and take some of the best grazing country away from the front of them I

think you will simply spoil the back country. I think no run should be capable of carrying less than five thousand sheep.

115. As some of the high country requires a lot of capital to stock and improve it, do you not think the tenants should be encouraged to improve their runs?—Yes.

116. Have you had any experience of grassing this high country at all?—I have seen it done, and I have seen the grass take well up to 3,000 ft. The method was to burn the tussock and surface-sow in the spring.

117. What grasses?—I know of one case where a mixture of cocksfoot, ryegrass, clovers, timothy, and crested dogstail was used. The latter is an expensive seed; but the sheep never eat the seed, and it will do as well as any I know of up to 2,000 ft. on the tussock land. But if you begin surface-sowing you must fence off the land. It is no use to surface-sow if you are going to stock the land all the year round. You must spell the land every two or three years to enable the grass-seed to keep going.

118. Do you know anything about the Advances to Settlers Act?—I know no more than what comes before the Board. I know of two particular cases when Rosewill was cut up. Two different men wanted to build decent sorts of houses. I know one house cost between £350 and £400, and the man thought he would get an advance from the Advances to Settlers Office. He built the house and applied to them, and they told him they could not advance any money until he had resided twelve months. The same thing occurred with the other party. A lot of these men when they go on the sections have not sufficient money to stock the section and build a decent house, and they do not want to make two jobs of it, and I do not see why the Department should insist on twelve months' residence before they will advance a loan. I think they should advance after three or six months just the same as after twelve months.

119. You think the Act was all right if some of the conditions were altered?—Yes, that is what I mean.

120. *Mr. McLennan.*] You have been through the south?—Yes; I have been all through Canterbury.

121. You are aware there is a good deal of dissatisfaction amongst the Crown tenants at Waikakahi in regard to cropping?—Of course, they all want to grow wheat when wheat is up.

122. As a farmer, do you think it is possible to clean a paddock infested with couch and yarrow with two white and one green crop?—I do not think you can clean ground at all with cropping.

123. Do you not think it would be advisable to allow Crown tenants more liberty to green-crop, to enable them to clean yarrow and couch out of the ground?—But weeds will come after green crops worse than after grain-crops if you do not clean the land well before.

124. Do you not think it would be an advantage to the tenants if they drilled turnips, and hand-hoed them until such time as they could get the cultivator through the drill?—Yes; but you cannot get the tenants to do that.

125. We had evidence that tenants were compelled to sow grass on land that was very badly infested with couch and yarrow?—That is bad farming.

126. But they say the Land Board would not allow them to work the land and take green crops off?—If you want to clean the land you must fallow it. There is no use trying to grow crops amongst couch and yarrow.

127. But it is very hard to fallow the ground unless you get some crop off to pay the rent?—I know from experience you generally get paid for all your work if you give the land a good fallow and work it well. In the last two seasons you could not clean the twitch out because of the wet; but in a dry season, if you give the land a good knocking about and clean it well, you will get twice the crop next year.

128. We had one witness who stated in evidence that when he was putting a paddock in grass heavy rain came when he was half through, with the result that he could not go any further, and half of his paddock was left ungrassed. He said that when he applied to the Land Board they would not allow him to replough the land that was not in grass, to enable him to put grass in. Do you think that was right?—He could have reploughed it without the sanction of the Board and sowed it down.

129. He said he applied for the sanction of the Board and it was refused: is that so?—I do not know the circumstances of the case.

130. Do you think it would be for the benefit of the tenants and all concerned if the Land Board had more discretionary power to enable them to relegate that power to the Ranger and to practical farmers in the locality? I think it would be a case of too many cooks. I think between the Land Board and the Ranger and two practical farmers they would simply do as they pleased. A good few of them try to do that now as it is.

131. Do you think it would be advisable to grant them liberty to take as many turnip crops as they liked, so long as they drilled them in and hand-hoed them?—I do not think the Board would interfere with them. I think the Board would give them leave if they asked for it.

132. *Mr. Anstey.*] You say the lease-in-perpetuity tenure is a very favourable one to the tenant: do you think it quite a fair one to the State?—I cannot see any disadvantage to the State. It is there now, and we have to put up with it.

133. But do you think it is quite a fair one to the State?—I think so.

134. You said you would not allow any relaxation of the cropping conditions until the tenant had paid off half the capital value: do you mean to infer that you favour allowing existing tenants to pay off a portion or the whole of the capital value?—There has been an agitation to do away with the Rangers, and I say before you give them a free hand let them put their capital in the farm.

135. Are you in favour of allowing the tenants to pay off a portion or the whole of the capital value of their farm?—Well, the State would have more security.

136. Do you think it would be wise to give them the option of the freehold?—I do not think it would hurt the State a bit.

137. Suppose you gave them the option of the freehold, should it be at the original valuation or at the present valuation?—At the valuation at which they took it up. I cannot see if a man has improved his farm why he should not get the benefit of it the same as the man buying the freehold. It is practically a freehold now, for they have it for 999 years. Nobody can put them out so long as they comply with the conditions.

138. Then, you are in favour of giving the lease-in-perpetuity tenants the right of purchase?—No, I do not think I would.

139. Would you oppose that?—Yes.

140. In regard to the classification of land, at present the limit of 640 acres applies to land worth £30 an acre as well as to land worth £10 an acre, all of which is called first-class land: do you think the limit should be by value rather than by area, so that if the land was worth £10 per acre the limit would be six thousand pounds' worth of land rather than 540 acres?—That is done under the Land for Settlements Act now. We cut up the expensive land into small sections. We never give 640 acres of what is called first-class land. It is generally cut up into 200 or 300 acres.

141. *Mr. Paul.*] Do you favour limiting the area of freehold at all?—I think that can be done by taxation. At present, so long as a man has money, he can buy as much freehold as he likes.

142. You think that should be continued?—I believe it would be better if the land was held in small blocks.

143. You think that no man should hold in fee-simple above a certain area?—I think the smaller holdings are better for the country.

144. But do you think the law should say the lands of the colony should be held in small holdings?—I think it should.

145. Do you think that the present constitution of the Land Board is better than an elective Board?—I do not see that the present constitution could be improved on. If you were elected by a certain class you would represent them, and you would have to fight for them. I think under the present constitution the members try to do what is fair between the State and the tenants.

146. It has been represented to us that the Ranger should have discrimination to vary the cropping conditions: do you think that would be wise?—I think it would be giving him too much power.

147. The Land Office at Timaru is opened once a week, and the tenants have represented to us it should be opened daily: do you think it should?—There is no work for it if it were opened daily.

148. We have also had representations made to us that the Canterbury Land District should be subdivided: do you think there is any necessity for it?—I do not think so.

149. Has the Canterbury Land Board ever revalued a section and reduced the rent under the Land for Settlements Act?—No.

150. Do you approve of a man who has a small section on one of these estates being allowed to buy out some of his neighbours?—I approve of giving every man enough land to make a home on. I would approve of grouping where a man cannot make a living and bring up his family well.

151. Do you think it would not be better to continue these holdings, and allow the men in possession to go in for a section in another block, on condition that they sold their present holdings to another small man?—Yes. I know that some blocks in the early days were cut up too small, and I do not think there would be any harm in allowing those people to group together.

152. Have you given any consideration to the question of the revaluation of future leases?—No.

153. You cannot express an opinion on it?—I think I would continue the present conditions. If a man gets a good section I think he should be allowed to continue on it.

154. What would become of the man who gets a bad block and has to pay too much rent?—That is a mistake in the valuation.

155. Should the tenant be made to suffer for that for all time?—No, he should not.

156. What would you do in his case?—I cannot say offhand. There is no law to give him redress.

157. Do you think it would be an advantage to have the law altered to allow of revaluation in future leases?—I think it would.

158. *Mr. Forbes.*] According to the residential clause, a man has to go on his section immediately he draws it?—Yes.

159. A case was pointed out to us in which a wife drew a section, and when her husband was erecting a home for her on the land the Ranger was demanding that the wife should live on the section in accordance with the terms of the lease. Do you think a concession should be given in that case?—Yes, unless she is hanging off too long altogether. I do not think the Canterbury Land Board would force a wife to go on the land if her husband was there building a home.

160. Your Board have never insisted on the strict letter of the law being carried out?—No.

161. There has been a great deal of dissatisfaction as regards the financial arrangement: do you work under any system?—I think every Board have their own rules.

162. Have you any fixed amount to go on?—We generally require them to have three years' rent in hand.

163. And is any difference made in the case of a man who is an experienced farmer?—Yes; we take his experience and plant into consideration when dealing with the amount of his capital.

164. Are the workmen's-homes settlements under your Board a success?—I think they are all taken up.

165. Would you say that the system about Christchurch has been a success, and that it is one which should be extended?—Yes. Some of the settlements have done extra well, and some have not been so good. I do not think you could get a better settlement than Roimata in the country.

166. Do you think the non-success of the other settlements has been on account of their position?—That has a good deal to do with it. The land may have been bought too dearly.

167. Do you think if this system was extended about Christchurch the land would be taken up?—Judging by past experience, these suburban settlements do not go off half as well as the rural land outside. I never saw one suburban settlement all go off at the first ballot, whereas in the case of rural land we have had six times more applicants than there was land available.

168. Do you consider the clause which prevents a tenant cutting grass the first year for hay a reasonable condition?—I do not think the Board ever enforces that condition.

169. Do you think it would be better to cut it out of the lease?—It could be cut out easily enough without hurting anybody.

JAMES STEVENSON examined.

170. *The Chairman.*] What are you?—I am a member of the Canterbury Land Board. I have held that position two years. I am a native of the colony, and I have been farming ever since I was old enough to attend to that work.

171. I think you heard the evidence of Mr. Pringle: are there any points on which you disagree with him, or do you wish to make any statement?—I do not think I disagree with Mr. Pringle. In the matter of cropping and cleaning the land of weeds, I do not think a tenant will ever clean his land by cropping with grain-crops. I think the tendency is always for the land to get fouler with weeds if you crop often with grain. I have had a good deal of experience with cropping ever since I was a lad, and it has been my experience that you can clean the land by growing rape or turnips. For this reason I would like the cropping regulations altered, so as to allow a tenant to grow as many rape or turnips crops as he desired. If he grows these crops he will have to use manure, and by so doing will improve his land. This will not exhaust it, because the manure will keep the land in good heart. On the other hand, if a man is growing grain crops continuously it will exhaust the land. You will find that a tenant will very rarely use manure with a grain crop. I have also observed that if you crop for a number of years with grain that the good grasses do not do so well, because the land is exhausted, and they die out in two or three years, and hair and fog grasses take their place. For these reasons I think it is necessary that there should be cropping restrictions, but I think that the Board should have a good deal of discretionary power to vary them when they think that the circumstances warrant it. For instance, a man might have the misfortune to have his land flooded and have a miserable crop. I think the Board should have power to take this circumstance into consideration, and allow him to take another crop. Since I have been on the Board we have not held croppers hard-and-fast to the regulation. The Commissioner will be able to tell you that we have given many concessions, and in no case that I am aware of has a tenant been refused permission to grow additional rape or turnip crops. But they generally ask permission to take another grain crop because the grass has failed, and we had a case yesterday of a man who had sowed wheat in the autumn and grass in the spring time applying for another crop to sow with grass, because the grass had failed. To put in an autumn crop and feed it off in the spring and then surface-sow with grass, I consider a very bad method of farming. In regard to grouping, I am not in favour of it at all, because a tenant often has to take a section that is not at all suitable to his requirements. If a man takes a dislike to a section I do not see that he should be compelled to take it up. It is half the battle when a man takes a fancy to his section.

172. We were informed by Mr. Allen that your Board do not insist on this part of the regulations?—That is so. I am in favour of Mr. Humphries's ballot system being adopted. I think it is a hardship that a married woman is not allowed the same privilege as a single woman. I think she should be allowed to take up 640 acres of land as well as anybody else. I also think that applicants are put to far too much expense in going before the Board for examination. I think some method should be devised by which applicants should be able to go up for examination before the Land Board in the district in which they reside, and that such examination should suffice for any part of the colony. I especially think the disappointed applicants are put to too much expense. Then, again, I would favour giving unsuccessful applicants some preference at future ballots. There are people who have applied four or five times unsuccessfully, and if they have to come from a distance they have to spend a considerable sum of money, and it is rather hard that they should not have some preference. I also think a number of people would be quite satisfied to take the description of the estates from the Government pamphlets without inspecting the land. I have known instances in which applicants have done this. Of course, they do it at their own risk. I am interested in a pastoral run in the Awatere district, in Marlborough, and with regard to grassing pastoral runs I think that the limit of values for improvements should be raised. I think it should be much higher than three times the annual rental, in order to encourage the tenants to grass these runs. I may say that we are surface-sowing grass on our freehold, and I find it has taken fairly well. We sow Chewing's fescue and cocksfoot. Further, if the tenant had some right of renewal he would be encouraged to improve this pastoral country. Then, in regard to roading the back country, I think the back country should be roaded before it is opened up, and the land loaded with the cost. I think it is half the battle if a tenant can get a fair road into his country. I am only speaking of Canterbury. I have heard that it would cost far too much in parts of the North Island, but I think it could be done in Canterbury. I know of cases where tenants have taken up land years ago, and they still have very poor roads.

173. *Mr. McLennan.*] In examining applicants for a section, do you take into consideration their experience as farmers?—Yes, in a slight degree.

174. Supposing one applicant has a good deal of farm experience but only £100, and he applies for a block which the Board think requires £200 to work, would you regard his experience as equivalent to the £100 he lacks?—I would.

175. Under the law at present, a man who has taken up a small block which he finds is not sufficient to live upon has to transfer that small section before he can apply for another larger one: would you be in favour of allowing them to enter the ballot, on the condition that if they were successful in drawing a larger section they should transfer their smaller one within twelve months?—Yes; but I think six months would be long enough to effect a transfer in.

176. *Mr. Paul.*] Do you think any improvement is possible in the constitution of Land Boards?—Being a member I prefer not to express my opinion.

177. Have you formed any opinion in regard to the revaluation of future leases?—I have thought over the matter, and I think I would be rather in favour of a shorter tenure than 999 years with revaluation and a right of renewal at the end of the lease. I think a fifty-years lease long enough for any one. But I am decidedly in favour of leaving the present leases as they are. I think a contract should be binding. Another reason is that at the time the settlements were opened in Canterbury quite a number of the applicants, probably all the unsuccessful applicants, would have been quite satisfied with the present conditions. Therefore, the successful applicants have no right to an alteration of the conditions.

178. You think if there is any variation of the contract it would be fair that these unsuccessful applicants, or a portion of them, should have another chance?—I should say so.

179. *Mr. Matheson.*] Some of your tenants are evading the cropping regulations persistently, and your only means of punishment is eviction: do you think it would be wise if the Boards had some power given them to fine?—Probably it would. I think eviction is rather a harsh measure.

180. Do you think that many of the applicants for leases in perpetuity would much prefer leases with the right of purchase?—I think a number would, but I cannot say how many.

181. *Mr. Forbes.*] Have you any power to vary the cropping conditions?—No.

182. You really are breaking the law in doing so, then?—Yes.

182A. Would it not be much more reasonable to amend the law so that you could do it legally if you wished?—I consider it would.

183. Did you hear Mr. Lowrie's evidence?—No.

184. He said he would do away with cropping restrictions altogether: do you think that would be reasonable?—No. I think some restrictions are necessary. If a tenant would make the place his home for life, I do not think we would require any restriction; but we find that a number are not real settlers but speculators, who will crop the land to its fullest extent, and be ever on the alert to sell out for a big goodwill at the earliest opportunity. Then the incoming man has to bear the brunt of making a living out of exhausted land. I think that would be very unfair. Perhaps Mr. Lowrie is quite right about cropping if you put in an equivalent in manure, but that costs a considerable sum, and would not always prove profitable. If we had no cropping restrictions I feel sure the land would get into a very exhausted condition, because the majority of the Crown tenants would not put in the necessary manure to keep the land in good heart.

185. Suppose a man put on improvements equal to, say, a third or half of the Crown's interest in the land, do you think any restrictions would be necessary? Does anybody attempt to restrict a freeholder?—No; but you will generally find that a freeholder will husband his land, and a man who intends to keep a property for life will husband it well too. Still, I believe some restriction is necessary to keep the cropper in check.

186. Do you not think the clause which requires the tenant to keep half his land in pasture is rather inconvenient?—It is occasionally.

187. What do you think about the restriction against cutting cultivated grass and clovers for hay?—I think it is an absurd clause which should be deleted from the lease.

188. And what do you think of the clause which prevents a tenant from burning straw on the land?—In the last two years only one man has applied to the Board for permission to do so, and I thought he was a most conscientious tenant, because we know they all burn their surplus straw.

189. Do you think the people on the heavy land at Waikakahi could be allowed to take three grain crops off the land without doing any injury to it?—They might once or twice, but, as I said before, grain-cropping will exhaust the land, and it will not grow grass so well afterwards.

190. Mr. Lowrie said that what struck him about the Crown settlements was that there was too much land in grass, and he thought that they should go in more for cultivation with root crops: do you think that would be better for the land?—That is what I am in favour of.

191. Do you think two white crops and one root crop a reasonable condition?—No; I would allow them as many green crops as they desired to grow.

192. *Mr. McLennan.*] Suppose you took so many green crops out of the land, would not the wheat you grow after be all straw?—Not necessarily. That would only occur in regard to a small proportion of the land. Then, I think, if you chose a suitable variety of grain and sowed in the spring-time it would stand all right. I have seen very little land which would be too strong, and I come from a district where there is some very heavy land.

MICHAEL MURPHY examined.

193. *The Chairman.*] What are you?—I am editor of the Canterbury Agricultural and Pastoral Association's journal, and secretary of the Sheep-breeders' Association.

194. Have you been long connected with agricultural matters?—All my life.

195. We have called upon you to see if you can give us any information?—As I have not been farming in New Zealand my evidence may not be regarded as practical. I would therefore prefer that you would question me.

196. With respect to cropping regulations in order to keep the land in a state of fertility, what is your opinion: do you think they are too severe?—I do not at all believe in those restrictions. I may say that I agree almost word for word with the evidence given by Professor Lowrie. If agriculture is to be a progressive science, people must be taught how to cultivate their land in a proper way. It appears to me that the making of such restrictions is dealing with people as if they had no capacity for improving themselves. The Government send out experts to teach



people how to manage dairies, orchards, horses, and cattle, and I see no reason why something should not be done in the direction of assisting those who have not had much experience in farming. But I think if we are to improve agriculture in this country we must copy what is being done in other countries. We must begin at the beginning—namely, in the State schools—and we must teach our young people as they grow up the principles and practice of modern agriculture. There are other reasons why I think it is injudicious to restrict settlers to two white crops and one green crop. Supposing, for instance, war were to break out and last for six or seven years; wheat would go up in price, and it would be quite possible to grow profitable crops of wheat year after year, as indicated by Professor Lowrie. Wool and mutton pay well just now. It pays to grow grass now, but under certain circumstances it might pay better to grow white crops more frequently. I am entirely against restrictions as to cropping. I think that undue or bad cropping will bring its own punishment without the Government keeping officers shepherding the settlers as to how they farm their land.

197. You advocate instructing the children in the public schools in agricultural matters; but meanwhile we have numbers of people taking up land who have not been brought up to agriculture, and who, of course, could not participate in the instruction given in the schools. Do you not think it would be advisable in the meanwhile to have some restrictions as to cropping?—No.

198. Do you not think that while there is a chance of tenants allowing land to deteriorate there must be some control or supervision of their farming operations?—As the last witness has said, it would only be very few settlers that would allow the land to deteriorate.

199. It has been pointed out that there are some tenants who would so crop the land as to leave it pretty well exhausted, and that land might be taken up by another tenant. We have, of course, to bear the interests of the State in mind in this matter?—If the tenants exhausted the land they could not get anything for their goodwill.

200. A man might not visibly exhaust the land, but at the same time it might be left in a very undesirable state indeed. Its condition might be visible to the Ranger but not to the person looking at the land with a view of taking it up, and at times of booms there are numbers of persons who are willing to embark their money?—People in all branches of business are subject to that kind of thing, and must pay for their folly.

201. Do you not think there should be Inspectors?—I think there might be instructors, and I think the Board might have very large powers of discretion.

202. As to the tenure of the land, you know the lease in perpetuity, which gives the land to the tenant for 999 years at a fixed rent: do you think that a good system?—Not at all.

203. What is your objection to it?—I do not think there should be so long a tenure. There ought to be a shorter tenure with revaluation, in justice to the people coming after us. I think those who have been fortunate enough to get a 999-years lease should be left undisturbed if we are to act straightforwardly. They have no right to be interfered with, but there is no reason why we should not mend our ways.

204. You approve of the leasing system?—Yes, with periodical valuation. I would allow the lessees to have the option of purchase.

205. Is it within your knowledge and observation that, in Canterbury especially, there has been an aggregation of estates going on?—No; I think the tendency is the other way.

206. *Mr. Johnston.*] Have you made a study of these back-country runs at all?—I know a good deal about the subject from reading and hearing the opinions of farmers who have tried it.

207. What do you think would be the best course to pursue in order to get back the native grasses, or to put English grasses on the country?—You cannot sow English grasses with success above a certain altitude.

208. At what elevation do you think it advisable to sow grass?—Not more than 2,000 ft. to 3,000 ft. There are native grasses which grow at higher altitudes.

209. What grasses would you advocate sowing?—There is no grass I know of that lends itself more to various conditions than cocksfoot. In the North Island crested dogstail is much used.

210. Would crested dogstail do well on this rough country?—I cannot say.

211. What native grass would you suggest?—Probably the danthonias are the best. There are poas and others, but the seed is not available. I once wrote to a gentleman in the North Island regarding *Danthonia semiannularis* as a pasture grass. He replied that he would sow danthonia when he could not get English grasses to grow, and his experience in respect to grasses cannot be questioned. I refer to Mr. J. G. Wilson, President of the Farmers' Union.

212. Is his opinion theoretical?—Yes; but he has had a good deal of practice as well.

213. Do you know Central Otago?—No; I have never been on the high land there. I am told that Cheving's fescue does very well in that country.

214. Cocksfoot is said to be a favourite grass in that district?—Yes.

215. Do you think there is any possibility of getting some of these runs improved to the same extent as they were originally before the rabbits and fires?—I suppose that exterminating the rabbits is the first step, and then not overstock.

216. Do you think spelling the land would do it good in respect to the growth of grasses?—Yes, because it would allow the native grasses to seed.

217. Would spelling the land for, say, twelve months be justified?—That depends on the quantity of native and English grasses present in the soil. If they are not abundant I do not think it would do; I cannot see that it would.

218. Generally speaking, in Canterbury, have you had any experience of these special settlements, such as Cheviot or Waikakahi?—I have been over Cheviot two or three times.

219. Do you think the majority of the farmers there are doing well?—Yes. What I like to see is this: the majority of the farmers are planting trees, and that shows that they intend to remain there.

220. Would you advocate the planting of trees in this high country?—Yes; there are trees that would do well in the high country, but it is very expensive work.

221. Is it work that the Government would be justified in undertaking?—I think it is work which the farmers themselves might very well undertake on their own farms. Take, for instance, *Pinus insignis*. That pine grows rapidly on most soils, and can be used for cutting into boards in about forty years. I may mention that I tried an experiment in regard to the suitability of this timber for butter-boxes. I had a box made of seasoned timber and packed with butter, which was placed in a cool-chamber for three months. When the box was opened by an expert at the Central Dairy Company, Christchurch, the butter was pronounced to be first class. I think a tree which grows so rapidly as *Pinus insignis* should be planted more largely, because our native timber is becoming exhausted. If I had a tract of land one of the first things I should do would be to put in a plantation of this tree. Of course, I would not plant *Pinus insignis* to the exclusion of other trees.

222. Up to what altitude can *Pinus insignis* be planted with safety?—I cannot say.

223. Do you know anything about the blue-gum blight?—Some three or four years ago I noticed trees which looked as if some of them were killed, but since then a certain proportion of them have recovered.

224. Apparently most of the blue-gums in certain southern districts have been killed by the blight?—Yes; I have seen a weevil at work devouring the foliage. I have also seen trees killed by a scale.

225. Is there any cure for those blights?—I do not think so; at least, I cannot see how trees such as tall gums could be successfully treated.

226. Do you approve of the Land for Settlements Act?—Decidedly. The only way of saving the colony is to get the people on the land.

227. It has been a great advantage to Canterbury?—Yes.

229. *Mr. McLennan.*] Do you approve of cropping restrictions?—No, I do not.

230. Is it because it is not to the advantage of the farmer?—It is neither to the advantage of the State nor the farmer.

231. Do you think an intelligent farmer would farm to the very best advantage for himself and for the State?—Decidedly.

232. And you think that cannot be done by cropping restrictions?—That is so.

233. You recognise that the conditions of soil and climate vary very much, and that those conditions affect the cropping?—Yes.

234. That is one of your reasons for your opinion?—Yes.

235. *Mr. Paul.*] Regarding the tenure of pastoral country, do you think the present tenure is satisfactory?—I understand the term of lease is fourteen or twenty-one years.

236. What do you think about the pastoral tenants having the right of renewal at an arbitration as to rent?—I think that would be very fair. If a man has spent his time and made improvements he ought to have the first refusal. It would make him feel more comfortable and contented.

237. Do you think that the tenant in occupation of the land would very likely be better for the country than a new tenant brought in?—Yes, provided he was farming the land intelligently.

238. You think with those alterations the pastoral tenure might be considerably improved?—I think so.

239. Have you formed any opinion as to the proper constitution of Land Boards?—No.

240. *Mr. Matheson.*] Do you think that one of the surest ways of making the best future use of our lands is to encourage technical agricultural education?—I do, decidedly.

241. Do you think there is an urgent need that this instruction should be promptly carried out in our primary schools?—Certainly.

242. You said you approved of the right of purchase. Do you think that under the freehold the fullest use is likely to be made of the land?—I do.

243. Suppose a tenant has made improvements equal to or more than the interest in the land possessed by the State, do you think he might safely be allowed greater freedom as to cropping?—I think so.

244. *Mr. Forbes.*] Do you know anything of the workmen's homes around Christchurch?—No; but I should think that system is a good one.

245. It has been suggested that it would be a greater help to working-men in poor circumstances if the Government erected houses and charged them a rental with a sinking fund?—Yes, that might be done, so long as the Government was careful as to the tenants it put on the land.

246. It has been represented that one of the objections to removing the cropping restrictions would be this: that a man might work his farm out and throw it up, and that would be a hardship on the man who succeeded him. Of course, in that case it is reasonable that the condition of the land would be allowed for in the price paid by the incoming tenant?—Yes; the outgoing tenant in that case would not get anything for his goodwill. There might be a few isolated cases of hardship.

247. Do you think it would be better for the State as a whole if there were no cropping restrictions?—I am quite satisfied of that. I should like to say, in reference to the Noxious Weeds Act, that that is a law which requires to be carefully looked into and rigidly enforced. For instance, there is the Californian thistle. That has got beyond control in the south, though it is not so with us in Canterbury and some other parts of the colony. When this weed first made its appearance I raised a cry about it, but no notice was taken; but, as I have said, the weed is not beyond control here. A great cry has been raised in reference to ragwort, but I do not think that is likely to be so harmful, as it is a bi-annual. It is quite possible to deal with it, and I think it ought to be dealt with.

248. *Mr. Johnston.*] How would you propose to eradicate it?—Speaking of the Californian thistle, when in Tasmania a few years ago I went to see how they eradicated it there. The farmer had fallowed the land for two years, during which time the weed was not allowed to send up a shoot or leaf, by which means the farmer entirely got rid of it. The two corn crops which followed paid him for the loss of time and expense.

249. *Mr. Forbes.*] How are the Government getting on with the experiment at Tapanui?—There is nothing, in my opinion, for the Californian thistle except elbow-grease.

250. *Mr. Johnston.*] We have had the evidence of a man who stated that he put 6 in. of salt on the weed and trenched around it; but, of course, he was not able to use the land for two years, and in that case he eradicated it?—When I say it can be got rid of, I mean in cases where it is in isolated patches.

251. Have you seen Southland?—Yes, I was there in December. I think they will never get rid of it there, owing to the number of water-courses, which distribute the seed. I was also up at the lakes, and it has got complete possession of some parts of the country in that direction.

252. *Mr. Paul.*] Do you think the present administration of the Noxious Weeds Act is satisfactory?—It is left to the local bodies to declare what are noxious weeds, and I think the local bodies should declare what are noxious weeds.

253. *Mr. Johnston.*] What do you think about yarr?—I can find it on any farm in Canterbury. It does not spread here, because the climate is not cool enough. In Southland I saw crops completely destroyed by it.

254. *Mr. Paul.*] Do you not think some local bodies are very lax as regards bringing the Act into force?—Yes.

255. Some of the local bodies do not seem to have sufficient backbone to enforce the Act. Is not that a danger to adjoining local bodies?—One would think the local bodies ought to be the best judges.

256. Where did the yarr come from?—It is a British weed. There is a variety grown in Germany for sheep-feed, but it is not the villainous weed *Spergula arvensis*, or corn-spurm.

257. *Mr. Johnston.*] You are satisfied this thistle is the Californian thistle: is it not the corn thistle? It is the English corn thistle, *Carduus arvensis*. There is no doubt about it. I think it was called the Californian thistle because it was brought here in some clover from that country. It is called the Canadian and Californian thistle, but it is the English corn thistle.

258. *Mr. Forbes.*] Does it spread through the bush land in Southland?—They will never get rid of it there.

259. *Mr. Matheson.*] You do not suggest that the Crown would be wise in spending money on trying to get rid of it from the Crown bush reserves?—Yes, in permanent pasture. Sheep will eat it while it is young and prevent it from seeding, but as soon as you break up the land it will increase.

260. *Mr. Johnston.*] Do you not think it would be a dangerous thing to sow Southland ryegrass-seed? I take it that every farmer ought to look carefully at his grass-seed and see that it is free from seeds of weeds. Seed-cleaning machinery is now so perfect that there should be no difficulty in procuring perfectly clean seed, provided the farmer is willing to pay for the extra trouble in cleaning.

THOMAS HUMPHRIES examined.

261. *The Chairman.*] What are you?—I am Commissioner of Crown Lands for the Canterbury Land District.

262. And previous to that you held the same position in the Taranaki, Auckland, Hawke's Bay, and Nelson Land Districts?—Yes.

263. You have had a very long experience—some twenty years in that office—and previous to that you had many years' experience in survey-work?—Yes.

264. I understand you have prepared a statement of your views on the land question. Would you kindly read it now?—Yes. My statement is as follows: As a preliminary, I will give a summary of the tenures under which Crown land was held in the Canterbury District as on the 31st March, 1904. The returns for the year just closed have not yet been completed. The total number of tenants of all classes at the date named was 2,942, who occupied 4,181,120 acres, the revenue for the year from all sources being £122,662. The full details as to the particular tenures are as follows:—

CANTERBURY.

Summary of Tenures as at 31st March, 1904.

Tenures.	Holders.	Area.		Number of Holders.	Area.		Revenue.							
		A.	R. P.		A.	R. P.	£	s.	d.					
Deferred payment .. ..	..	..	..	19	11,200	0	2	..	..	932	13	9		
Perpetual lease .. ..	..	..	..	171	6,948	2	28	..	..	870	18	4		
Occupation with right of purchase	..	..	..	35	4,932	1	24	..	..	252	10	0		
Lease in perpetuity—														
Crown .. ..	406	83,070	1 27	1,740	285,786	1	10	{	4,289	12	11	58,512	19	4
Endowment .. ..	113	15,363	1 2											
Land for settlements	1,032	160,469	0 12											
Cheviot .. ..	189	26,883	2 9											
Grazing-farms, Cheviot	..	..	..	48	45,977	2	9	..	..	6,292	3	9		
Small grazing-runs—														
Crown .. ..	50	119,585	1 25	94	200,746	2	11	{	5,286	8	0	14,357	18	1
Land for settlements	44	81,161	0 26											
Pastoral licenses—														
Crown .. ..	150	3,522,504	3 34	151	3,524,146	3	34	{	30,920	2	3	31,113	5	11
Cheviot .. ..	1	1,642	0 0											
Total fixed tenures .. ..	..	..	..	2,258	4,079,738	1	38	..	..	..	..	..	..	..
Miscellaneous temporary occupation licenses	..	..	..	684	101,381	3	13	..	..	..	..	10,830	5	4
Total holdings .. ..	..	..	..	2,942	4,181,120	1	11	..	..	..	..	£122,662	14	6

	Total Holdings.	Area.			Revenue.		
		A.	R.	P.	£	s.	d.
Cheviot ... ..	238	74,503	10	18	13,464	1	7
Miscellaneous ... ..	73	1,450	2	11	289	15	7
Total ... ..	311	75,953	2	29	13,753	17	2
Land for settlements ... ..	1,076	241,630	0	38	54,792	15	7
Miscellaneous ... ..	31	956	2	15	210	14	8
Total ... ..	1,107	242,586	3	13	55,003	10	3

*Classification of Holdings as at 31st March, 1904.*

Class of Holding.	Number of Holdings.	Area.			Revenue.		
		A.	R.	P.	£	s.	d.
Village ... ..	59	582	2	18	260	6	4
Village-homestead special settlement	344	12,447	1	24	1,834	16	11
Rural ... ..	1,521	291,186	1	36	58,154	13	0
Farm homestead ... ..	41	4,650	3	26	319	5	2
Small grazing-run ... ..	94	200,746	2	11	14,357	18	1
Grazing-farm ... ..	48	45,977	2	9	6,292	3	9
Pastoral run ... ..	151	3,524,146	3	34	31,113	5	11
Miscellaneous ... ..	684	101,381	3	13	10,330	5	4
Totals ... ..	2,942	4,181,120	1	11	122,662	14	6

From these it will be seen that leases in perpetuity and leases and licenses of pastoral areas are the principal systems in the district, the other tenures occupying very subordinate places. The holdings under the deferred-payment and perpetual-lease systems, established by "The Land Act, 1885," are now but few in number, and are a diminishing quantity. Under the two tenures there remain but 190 holders, and these will, doubtless, ere long either exchange into the lease-in-perpetuity system, as many have done in the past, or else convert into freehold. The optional system of "The Land Act, 1892," which enables a selector to choose either cash, occupation with right of purchase, or lease in perpetuity, has worked well, but no great extent of land has been thrown open in the Canterbury District for selection under this system, owing the scarcity of available Crown lands; so that land for settlements, Cheviot endowments, and special settlements, in all of which the lease in perpetuity is compulsory, represent the great bulk of the 1,740 holdings under that tenure. To meet the needs of settlement, the acquisition of estates under the powers contained in the Land for Settlements Act has been extensively carried out, and the number of properties purchased in the district since the inception of the system has been no less than fifty-five, comprising a total area of 246,000 acres, or slightly under a quarter of a million acres. This large area has been very successfully settled with a contented tenantry, numbering 1,032 under lease in perpetuity, forty-four small-grazing-run holders, and thirty-one miscellaneous licensees with short tenures, the whole producing a yearly revenue of £55,003 10s. 3d. As stated in my annual report of the 31st March, 1904, only 125 acres out of the large area acquired remained unselected at that date, and this consisted of small village and suburban sections. The Cheviot Estate, not included above, contributes 189 holdings on lease in perpetuity, forty-eight grazing-farms, one pastoral run, and seventy-three miscellaneous leases and licenses of short terms, from which a total revenue of £13,753 17s. 2d. was derived during the year. A very large extent of country has been taken up and is occupied on lease under the small-grazing-run system. There is no provision, either in the Land Act or in the Land for Settlements Acts, for resumption of the land at the end of the term if required. The consequence is that at the end of the twenty-one-years lease, however desirable it may be found to subdivide any of the runs for closer settlement, there is no means whereby the Crown can resume possession. There are, to my knowledge, a number of small grazing-runs in different parts of the colony which it would be desirable to subdivide, but, unfortunately, this cannot be done at the end of the term without doing an injustice to the tenants who selected the land on the condition that they would not be dispossessed, so long as they were prepared to pay the newly assessed rental at each recurring term. I am decidedly of the opinion that provision should be made so that future leases should be for a term of twenty-one years, with the proviso that in the event only of the run being again let as a whole, the outgoing tenant should have the option of a renewal at a rent based upon a re-valuation of the land; improvements to be protected, as is now the case. As to pastoral runs, experience, at any rate in Canterbury, goes to show that the existing law which enacts that a person may hold no more than one run, might work out to the serious detriment of the Crown's interests. Out of the 151 runs in Canterbury seventeen licensees hold at the present time no less than fifty-two, comprising an area of 1,343,924 acres, at a yearly rental of £13,093. Those particular runs were leased under "The Land Act, 1885," and the leases will be expiring in a few years' time. It is very doubtful indeed whether fifty-two independent purchasers could be found for them. If such were the case, and the law remains as at present, it might happen that many of them would be left tenantless. It is not alone these fifty-two runs that might be affected, but also some of the remaining ninety-nine, the bulk of which will be falling in during the next ten years. It seems to me obvious that, from the standpoint of the rabbit question alone, apart from that of loss of revenue, the risk of runs becoming tenantless should be provided against. It has been urged that to allow unrestricted competition at auction might result in the financially strong man or company pushing out the men of moderate means, and prevent the latter from acquiring runs suitable to their capacity, financial and otherwise. One way of obviating the

possibility of such occurring might be to debar the holder of a run or runs from purchasing another at auction; but, in the event of any remaining unsold after being offered at auction, then such holders should be allowed to select from the number an additional run or runs, to an extent approved of in each case by the Minister, on the recommendation of the Land Board. It is pretty generally admitted that, in the majority of instances, the carrying-capacity of runs has decreased; the reasons assigned for this by persons with expert knowledge are: indiscriminate and excessive burning of the native grasses, overstocking in some cases, and no periodic seasons of rest being given to the pastures, so as to enable grass to seed and recover itself. To accomplish this latter result would necessitate not only judicious surface-sowing, but also more internal or subdivision fencing than is customary. So far as the runs in this district are concerned, the statutory amount of protection for improvements appears to be sufficient to allow of very much more being done in this direction than at present. As an instance, I may mention that two years ago thirty-one runs, comprising 650,000 acres, the original leases of which were expiring, were reoffered at auction; the estimated value of the improvements on these runs was collectively about £11,500, but the extent to which improvements could have been protected was £41,000 (*i.e.*, three times the annual rent under the expiring leases), which gave a very large margin for additional fencing were it needed for the profitable working the runs, and in no single instance did the value of the improvements made even nearly approach the limit of protection. Canterbury, however, is singular in this respect, and this is largely due to the higher rentals obtained than for the runs further south: the average rental per acre for Canterbury (about 2½d.) is nearly double that obtained in Otago, and four times that paid in Southland. The high rents obtained here, as compared with those of the runs further south is possibly mainly due to our comparative freedom from the rabbit pest, which is so prevalent in the more southern districts. Then, again, the homesteads of the Canterbury runs are almost always, if not in every instance, on freehold, which was acquired under pre-emptive right (at £2 per acre) in the early days, and, in consequence the runs are relieved of these as a charge for improvements. From what I have said, it is clear that protection for improvements to the value of three years' rent, or five years' rent, on the smaller runs, as provided by the law in force, will not universally meet the case. The asserted deterioration receives some confirmation in the gradual decrease in revenue from these runs. In 1891 there were 147 runs, comprising 3,140,000 acres, yielding a revenue of £41,491, or 3½d. per acre. In 1900, nine years later, through some amalgamation, they numbered only 120, with an area of 3,429,918 acres, and yielded £34,579, or 2½d. per acre; this considerable fall was due largely to reduction in rent made on account of the injury caused by snow in 1895. In 1904 the number increased again to 151, with an area increased to 3,528,892 acres, but the revenue further decreased to £34,078, or 2½d. per acre. The further fall is attributable to the lessened rentals obtained on a considerable number of runs, the licenses of which fell in and were reoffered during the interval. That some effort should be made to bring the runs back to their former productiveness, by surface-sowing or otherwise, is unquestionable, and possibly the expert evidence given on that point before the Commission in different parts of the country will enable some practical means to be devised for dealing with this somewhat difficult problem. In regard to the constitution of Land Boards, my opinion, based on an experience as a Commissioner of Crown Lands for twenty years, during which time I have had to do with the Land Boards of five different districts, is that the present system of nomination by the Government is a good one, has worked well, and is unlikely to be improved upon by an elected Board. It seems to me that Boards constituted as at present are much more likely to administer the land laws in harmony with the policy of the Government, and at the same time in the interests of the settlers, than if elected. The Government of the day is, to my mind, unquestionably entitled to insure that the administrative power is in the hands of persons who can be depended upon to make the law in force work as smoothly as possible, and in no way thwart its policy. A tenancy could be easily harassed unnecessarily, great discontent caused, and the land policy of the Government brought into disfavour by the administration of members though acting in accordance with the strict letter of the law, thus hampering a Government in the carrying-out of its policy. I do not say that this would be likely to happen in the case of elected members, but there is the possibility. I consider that the majority at least of the members of a Board should, when practicable, be persons with some experience in agricultural and pastoral pursuits, and also possessed of a thoroughly personal and practical acquaintance with the requirements of the class of settlement and other business peculiar to the particular district, and selected from different parts. This, I contend, is more likely to be attained in a nominated than in an elected Board. In respect of the cropping conditions, very great difficulty has been experienced during the past four years in the endeavour to keep tenants reasonably within the regulations, and this will be recognised when I state that during that period the breaches have numbered 411. Many of these were of a nature that would have been readily granted as concessions by the Board had the request been made, since there were reasonable grounds for the variation; but in all these cases the Board has been totally ignored, and, notwithstanding the exertions of the Rangers, the breaches have not been discovered until too late to remedy them, and all manner of excuses have been made. The following are a few instances out of a large number, and are to some extent typical of what was found to be the state of things about three years ago, and shows how the Board deals with such cases:—

Section of 104 Acres.—State of land that season: 71 acres of fourth crop, 49 of which have been sown; 16 acres of third crop, not sown down; 9 acres of second crop, sown down; only 7 acres of grass, instead of 52 acres. No application was received from this lessee; he was not there when the Board visited the section.

Section of 101½ Acres.—State of land: 33 Acres of fourth crop; 10 acres of third crop, to be sown down; 22 acres of second crop, to be put in green crop; 22 acres in fallow after third crop; only 15 acres of grass, instead of 51 acres. Decision of Land Board: The Board allowed him to

put oats and grass in the 22 acres that is in fallow after the third grain crop; the 22 acres in second crop may have a green crop, to be followed with grass; the 10 acres to be sown down.

Section of 103½ Acres.—State of land: 20 acres fourth crop, not sown; 24 acres of fourth crop, sown; 22 acres of third crop, sown; 20 acres of turnips after third grain crop; only 18 acres grass, instead of 52 acres. Decision of Land Board: The 20 acres of fourth grain crop not sown the Board allowed the lessee, at her request, to fallow next summer, and sow down without crop; the 20 acres in turnips after third crop may be sown in oats with grass. This was granted with a view to the lessee getting feed for teams.

Whenever application has been made the Land Board has always been ready to make any reasonable concession, as the fact of eighty-four concessions having been granted to date will testify, though in this the Board has exceeded its statutory powers. On the occasion of a special visit to Waikakahi Settlement in connection with the overcropping referred to, the Board inspected a number of the holdings on which it has been done, going from paddock to paddock, and arranging with the tenant what variation he might make the next season, so as to bring into cropping back again into something approaching the prescribed rotation. Whilst the great majority are now dealing fairly in the matter there are a number who still deliberately ignore, and, in fact, act in defiance of the Land Board, as has already been admitted by one at least of the tenants in his evidence before the Commission. The Board recognises that from time to time cases arise where common justice demands that consideration be given, and, although the Board is of opinion that the regulation rotation of two white crops and one green crop followed by three years grass is a reasonable requirement for most classes of land and should be retained, it considers that discretionary power should be given to relax the conditions in special cases where the circumstances warrant it. Concessions are now made as I have shown, but the Board's action requires legal authority. As to dealing with those persistent overcroppers, whose action, at present unpunished, is creating a bad example for others, it is considered that absolute forfeiture is too drastic, though it was done in one case where the tenant took five consecutive grain crops off comparatively light land, in spite of being cautioned against it each year. I think that the practice would be quickly stopped if power were given to inflict a heavy fine, say, not exceeding £3 an acre. The fine would need to be substantial, or excessive cropping would be done by some on the chance of getting a 50- or 60-bushel wheat crop, which is not uncommon. My recommendation, therefore, is that the regulation rotation be not altered, but that the Land Board be given discretionary power to vary it under special circumstances, and also be empowered to inflict fines for breach of the cropping conditions, instead of being compelled to have recourse to forfeiture to stop the practice. In regard to applications and ballot for lands under the Land for Settlements Act, I would make the following suggestions, which would, in my opinion, make the system more workable, and would obviate a number of the objections taken to certain points in the present law and regulations: (a.) That section 92 of "The Land Act, 1892," be amended, by the addition after the word "systems" in the sixth line, of the words "or who has in any manner committed an offence under the provisions of this Act or any previous Land Act." There is at present no power to reject the application of a person who has been convicted of perjury in connection with any former application. There have been a number of cases in which perjury has been committed in connection with applications, but there is no power to penalise the offenders in the manner proposed. (b.) That section 5 of "The Land for Settlements Amendment Act, 1904," be amended by the substitution of the words "the holder of any land under the Land for Settlements Act" for the words "successful in any land ballot" in the first line, and by the substitution of "two" years in place of "one" in the third line. As the law now stands, it is only the original selector who is legislated against, whereas the transferee should be placed in the same position. A case occurred lately in this district, in which a transferee of a homestead section in a settlement sold out at a very high figure (about £1,000), and immediately afterwards applied for the homestead in another settlement which was then being offered. (c.) That section 49, subsection (15) of "The Land for Settlements Consolidation Act, 1900," be amended by the insertion after the word "point," in the second line, of the words "or if the Board shall be of opinion that from any other cause he would be an unsuitable or undesirable tenant." It has been found in many cases that the clause, as it now stands, is not comprehensive enough, and does not allow sufficient discretionary power to the Land Board. (d.) That section 10 (a) of the regulations under the Land for Settlements Acts be amended, so that the "preference" to be given to married men may be effected solely by permitting their wives to apply for the same land on the strength of the husband's means, thus duplicating the latter's chance at the ballot. The present regulation for giving invariable preference to married men has, in practice, proved quite unworkable. For example, see my remarks on the subject as made at the Conference of Commissioners and Land Boards, and reported on page 43 of the proceedings: "If they were to give direct preference to married men with families—that men with families should come first and all others should stand aside till they were satisfied—in the case of the last four settlements the Board would have had to turn away about twelve hundred people. The estates there were large ones, one being of 38,000 acres, another of 32,000, another of 10,000, and another of 8,000 acres. In the Chamberlain Settlement there were twenty-three sections, and, as far as he could make out from the notes he had before him, there were fifty-four married men, with families, that applied, and 264 applicants in all. Consequently the fifty-four married men would have more than absorbed the twenty-three sections, and the Board would have had to say to the balance of the applicants, 'We are sorry that after going to all the trouble and the expense that you have been put to you will have to go home again, for we have more married men than we know what to do with.' In the next estate, of 8,000 acres, 300 persons applied for thirty-eight sections, of whom fifty-one were married men. So 250 would have been left over there. In the next estate the number of sections was, he thought, twenty-six, for which there were 290 applicants, seventy-five of them being married men. That would have

left a balance of 250 that the Land Board could not do nothing for. In the case of Rosewill, of 38,000 acres, there were 145 sections, for which there were 690 applicants, 214 of whom were married men, the balance being 476; but from that 476 he ought to have deducted about 200, because in all probability the wives of the married men would be included in it. The Board thought it would not do to turn away all these people, so they gave preference to the married ones by giving them two chances to a single man's one." (e.) That Regulation No. 3 in *Gazette* of the 21st May, 1903, which limits the area that may be applied for and held by a married woman to 320 acres of first-class land or 1,000 acres of second-class be revoked. The married woman will naturally desire to apply for the same section as her husband, and this would, more often than not, exceed 320 acres. Several cases have occurred under the present regulation where the wife has been compelled to apply in a different group from her husband, solely on account of this restriction of area. It is not possible that both husband and wife could hold sections, for as soon as one is successful in drawing a section the other is at once excluded from all remaining ballots, as he or she can no longer be deemed to be landless. (f.) That the last part of clause 4 of Regulation No. 8, which provides that an applicant shall have no right to withdraw an application, nor to claim a refund of his deposit, be rescinded. The present regulation has been almost universally condemned by intending applicants, and it is known that in Canterbury many very desirable persons have refused to lodge their applications when they became aware of this condition. (g.) That a tenant holding a small area under the provisions of any Land for Settlements Act should be allowed, subject to the approval of the Land Board, to apply and ballot for a larger section in another settlement, provided that he gives an undertaking that, in the event of his being successful at the ballot, he will, within six months, dispose of his original holding to an approved transferee, or surrender the lease of it, in which latter case he would receive valuation for improvements from the incoming tenant. A number of cases have arisen where lessees who have held small sections for a number of years have financially outgrown these restricted areas, and are extremely anxious to acquire a property more suitable to their present requirements; yet, as the law now stands, these persons cannot be admitted to a ballot so long as they hold any land whatever under the same Acts, and they are naturally very reluctant to part with what they have, and trust to the chances of the ballot to secure another holding. (h.) That an addition be made to section 57 of "The Land for Settlements Consolidation Act, 1900," to provide that a *bonâ fide* "married servant" of the owner of an estate which has been acquired by the Crown, and who has been in the service of the owner continuously for at least six years prior and up to the date of such acquisition, and has during that period resided with his wife and family in a dwelling on the property, may, in the discretion of the Board, be allowed to select such an area and in such a position, as the Board in its discretion may decide, the area in no case to exceed 640 acres. There have, during late years, been some cases of hardship, in which a married servant of many years' standing has, owing to the purchase of an estate, been suddenly deprived of the position which he had looked forward to occupying for many years to come, and has been compelled to go out and start afresh. Such men would, as a rule, prove the best of settlers. It has been thought that the number of such cases might be so large as to interfere with or greatly lessen the chances of the outside applicants. I think, however, that there are no sufficient grounds for apprehension on that score, for in the last seven estates purchased in this district, including such large ones as Highfield, Opawa, and the Levels, of which, if anywhere, such cases would arise, there have only been three persons in the position indicated. (i.) That in the event of one or both parents applying for land in a settlement, and being approved by the Land Board, not more than one other member of the family shall be admitted to the same ballot, and such person must have proved to the satisfaction of the Board that he has sufficient means, *bonâ fide* his own, to profitably work the land applied for, and that he is entirely "on his own"; also that two brothers, each with sufficient means, may apply when their parents are not applying, but their acceptance shall be at the discretion of the Land Board; also that the Board be given power to reject any relative of another applicant when in its opinion an attempt is being made to stuff the ballot. With your permission I will here quote from C.-8, 1903, pages 17 and 18:—

"In the case of lands under the Land for Settlements Acts, the Land Board does its best in the examination to purge the ballot list, but it is difficult to do much in the face of sworn declarations and with the limited grounds for rejection which are sanctioned by the existing law and regulations.

"To show what an enormous disadvantage the man with the single application labours under in a ballot, I cannot do better than give the particulars of the last two ballots—the first, for the Chamberlain Settlement, 9,528 acres in twenty-three sections, under the Land for Settlements Acts; and the other, a block at View Hill of 8,174 acres in thirty-eight sections, under the Land Act.

*"Chamberlain Settlement (leased under the Land for Settlements Acts).*

Of the 246 applicants, 67 were women—49 being married and 18 single.

				Applications.
In 86 cases each applicant had but one chance	...	...	...	86
" 40 " " two chances, through relatives	...	...	...	80
" 10 " " three " "	...	...	...	30
" 7 " " four " "	...	...	...	28
" 3 " " five " "	...	...	...	15
" 1 case the " seven " "	...	...	...	7

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Settlement.	Area.	Average Rent per acre paid.		Average Rent, less Cost of Roading.		Mileage of Old Roads.	Mileage of New Roads.
		s.	d.	s.	d.		
Highbank ... ..	Acres. 8,862	6	9	6	8½	22	5½
Albury ... ..	19,398	3	6½	3	5½	29	7½
Waikakahi ... ..	48,102	6	11¾	6	11¼	88	11
Lyndon No. 1 ... ..	4,207	4	0½	3	11	9½	Nil.
Chamberlain ... ..	10,488	4	1¾	4	1½	17	Nil.
Annan ... ..	32,427	3	2	3	1½	25	5
Rosewill ... ..	36,945	7	2½	6	11	95	9¾
Lyndon No. 2 ... ..	15,845	2	10½	2	10½	16¼	1¼
Punaroa ... ..	7,021	4	9½	4	9	12½	5⅞
Pareora No. 2 ... ..	8,078	9	2	9	1	30¾	Nil.
Takitu ... ..	9,674	2	7	2	6½	13	Nil.

In regard to transfers: Of the 1,418 holdings under the Land for Settlements Acts and the Cheviot Estate Disposition Act, 415 have been the subject of transfer, sixty-nine of that number having changed hands twice, and fourteen three times. About half of the holdings in twenty settlements have changed hands at one time or another during the past twelve or thirteen years, among the number being Albury, Highbank, and Rakitairi, three of the large settlements. In the case of Waikakahi, about one-fifth of the holdings have been transferred, and in Cheviot a little more than one-third. Many of these transfers were from those who had started on a settlement in a small way on limited areas, but, having been successful, in time became competent for and desirous of acquiring larger farms, others from outside taking their places on the smaller areas. Again, some of the larger holders have disposed of their leases and acquired freehold, those of more limited means taking their places on the leaseholds, one of the objects of the land-for-settlements policy being thus achieved. This brings me to the question of "goodwill" of these leaseholds. It is true that in some cases the "goodwill" has been what may be considered unreasonably high; but some extravagant statements have been made to the Commission regarding it, for what was sometimes referred to as "goodwill" included growing crops, stock, &c., and in one case even the improvements. I have investigated the transfers that have been effected during the past three years on the larger settlements, and find as follows: Albury Settlement: twenty-four transfers; average percentage of goodwill on capital value, 12.8 per cent. Highbank Settlement: fifteen transfers; average percentage of goodwill on capital value, 29.2 per cent. Waikakahi Settlement: thirty transfers; average percentage of goodwill on capital value, 12.3 per cent. Cheviot Settlement: fifty-four transfers; average percentage of goodwill on capital value, 15.9 per cent. It will be noticed that the average goodwill on Highbank Settlement is much higher than on the other three settlements. This is due to the exceptionally good purchase and the correspondingly low capital values as compared with the other settlements. As regards the dealings with the Government Advances to Settlers Office, no complaints have been made to this office by tenants or others. The mortgages that have been submitted to the Land Board by the Advances to Settlers Office for approval and also from private lenders during the past five years have been as follows:—

Year.	Advances to Settlers.	Private.	Total.
1900-1901 ... ..	28	10	38
1901-1902 ... ..	21	7	28
1902-1903 ... ..	40	17	57
1903-1904 ... ..	14	30	44
1904-1905 ... ..	36	26	62
Totals ... ..	139	90	229

The excess of private mortgages over those to the Government Advances to Settlers Office in the year 1903-1904 was due to a number that had been executed some years previously, but to which the approval of the Land Board had not been obtained till then. The extension of holdings under the Land for Settlements Acts has been the subject of some discussion, and on this phase of the question I might be allowed to express my views, which I may say are generally indorsed by the individual members of the Land Board. There is a provision in "The Land for Settlements Act, 1900," under which the Board, with the consent of the Minister, may allow settlers on small holdings to increase them by acquiring adjoining sections. Such extensions have in thirty instances been granted, and the Board is willing to assist in this direction so long as the utility of the settlements is not impaired. It is held that, whilst the existing occupier deserves consideration, it is necessary at the same time to consider and conserve the interests of the same class of individual coming forward in the future. I mean that the existing subdivisions of the settlements should be maintained as nearly as possible, though judicious extensions of holdings should be permitted when the experience of a number of years has proved that the small sections are too numerous, the character of the land unfitted for them, or the conditions altered from those existing at the time the sections were laid off. It is undoubtedly the case that time has proved that in some settlements too many small holdings have been provided, and advantage has been taken of the pro-

vision quoted to permit amalgamation. Instances of these may be found in the numerous 10-acre sections at Highbank, and the 50-acre lots near Cricklewood, in Albury, which the members of the Commission had an opportunity of seeing on their visits to those settlements. The object of the land-for-settlements policy is to provide opportunities for getting on the land persons of limited means who are not financially in a position to purchase freehold. When estates are being subdivided great care is taken, consistent with the character of the land, to provide holdings suitable for different classes of persons wanting land. There is the labourer, who desires a small place to make a home for himself and family, and a small area to cultivate and keep a cow, &c.; then, there is the man who has sufficient means to take a larger place where he may do some farming on his own account and get occasional employment outside to fill in his spare time and supplement his income; then, again, the man has to be provided for who is strong enough to have a team of his own and can occupy the whole of his time on his holding; and so on to the man who can take up a more extensive farm or small grazing-run, on which more capital is required. Representatives of the various classes of individuals will in future have to be provided for in the ordinary course of things, and whilst new purchase will require to be made, the present settlements should, in my opinion, be held practically intact to assist in providing for future requirements. A review of what is taking place in the transfer of holdings goes to show that a certain natural progression is being followed. The small man after a time gets into a position which enables him to take something larger by transferring his holding to an outsider and obtaining a section more suited to his requirements and capabilities, and a similar progression is going on in the larger holdings, some of the lessees passing out altogether and taking up freehold, and thus making room for others to follow in their wake. It has been urged that the freehold of these settlements might be allowed, and the proceeds devoted to the purchase of other estates; but, apart from every other consideration, there is the difficulty—in fact, the impossibility—of acquiring other estates in Canterbury to the extent of a quarter of a million acres of the character that has up to the present been acquired and settled. One may ask, where there could now be found estates to form a series like Cheviot, Waikakahi, Albury, Annan, Highbank, Chamberlain, Pareora, Rosewill, &c., which have been acquired and settled at very reasonable rates as compared with the rates now ruling. To dispose of the freehold of these estates, which have been acquired at moderate prices, and purchase fresh lands at the market prices now ruling, would not only mean that a much smaller area would become available for settlement, but also that a contented tenancy at moderate rates would be replaced by others who might experience great difficulty in meeting their obligations during less favourable seasons. It has also been proposed to permit tenants to pay off, say half of the capital value of the land, as a security to the Government against trouble arising out of bad seasons, and at the same time as an advantage to the tenant by reducing his annual payment to the Crown. I consider that, apart from the likelihood of such a course leading up to absolute freehold, it would stand in the way of men with limited means getting into the settlements. Take, for instance, the case of the selector of a 200-acre holding of a capital value of £2,000. His rental would be £100 per annum, and on acquiring the land in the first instance he would have to show that he possessed about £300 capital. The position of a man obtaining a transfer of that section would, however, be very difficult; he would have to find perhaps more than £300 for improvements made, and, in addition, £1,000 of paid-up capital on the section. This would be prohibitive, and would prevent the sections in the settlements from affording to men of moderate means stepping-stones to independence, which, I think, it should be the object of the land-for-settlements scheme to provide.

WARKWORTH, THURSDAY, 4TH MAY, 1905.

ANDREW HOOD examined.

1. *The Chairman.*] What are you?—I am a farmer, holding close on 700 acres. It is all freehold. My land is about nine miles from Warkworth. I have been there thirty-six or thirty-seven years. It is mixed farming.
2. Is the farming generally in the district of the same class?—Pretty much so. There is very little grain-growing, as the land is not suited for it.
3. Does it run any sheep?—Yes.
4. As you are a freeholder, I suppose you have very little communication with the Land Board?—None at all.
5. At the present time the Land Boards are nominated by the Government: do you think there is any better system under which they could be appointed?—I think they ought to be elected, because I believe there are many men shoved in by the Government who have no right to be there.
6. On what franchise would you elect them?—I suppose on the same franchise as members of the House are elected. I have not gone into the question however, and, on thinking it over, I might alter my mind.
7. As you are aware, the town population preponderates over the country, and the chances are that under such a system townspeople only might be elected to the Board?—That is exactly what I was thinking.
8. Can you suggest any other franchise?—I have not thought much about the matter at all, but there is the local bodies' franchise. That might make a difference.
9. Have you any reason to suppose that the administration of the Land Board has been hurtful to the country?—No. I have no reason to think so, but I have many times thought it would be an improvement if the members were elected.
10. On the question of tenures, have you thought anything about the freehold system as distinguished from the leasehold system? For instance, so far as the settlement of the people on

the land and security of tenure, there is much difference between the freehold and the lease-in-perpetuity systems?—Yes, I think there is a good deal of difference. I think the freehold system is the best, but I believe in the optional system. A man should be allowed to take up land under any of the three tenures. I think if a man takes up a lease at a certain rent, he should be allowed to make it a freehold whenever he has the money to do it.

11. Have there been any capitalists buying up the lands and converting them into large estates?—Not to my knowledge.

12. The country is fairly well divided into ordinary-sized farms?—Yes.

13. Is there any other point you would like to bring before the Commission?—No. I would only say that if I had not the freehold probably I should not have any land at all to-day.

14. *Mr. Anstey.*] Has the Government purchased any estates in this district for settlement?—Not anywhere near here. I suppose Colbeck's estate or the Bickerstaffe Estate is the nearest.

15. Have you good roads in your part of the country?—The road to my place is good in the summer. A fairly good horse could draw half a ton over the road in the summer, but it would not take the dray empty in the winter. The roads are very bad in winter.

16. How are the roads maintained?—By the local bodies—the County Council generally.

17. Do they rate for the purpose?—Yes.

18. What rates do you pay?—I think they can rate us up to 3d. now.

19. What is the present rate?—1½d., I believe.

20. You say the land is not suitable for grain-growing?—It would be suitable if the land was more level.

21. Do you grow any grain for export?—Very little. It is mostly consumed locally.

22. What market have you for your stock?—Some of the fat stock goes to Auckland, and a good deal of it is consumed here.

23. Do you send many sheep to the freezing-works?—Not so far, but I have no doubt more will be going in the future.

24. Is the land suitable for fattening sheep?—Yes, it is splendid sheep country.

25. Do you breed all your own sheep?—Yes.

26. *Mr. Forbes.*] Are there any large estates here at all?—No.

27. Is all the land settled in this part of the country?—There may be some absentees, but the land principally is in private hands.

28. And it is held mostly under the freehold system?—I believe it is.

29. What is your objection to the Land Board?—I consider there are men placed on the Land Board who ought not to be there.

30. You think the Land Board is not composed of the best men of the district?—I should not like to give any further answer.

31. You have not found they have done anything wrong?—I have had nothing to do with them.

32. Have you anything to do with the Advances to Settlers Department in this district?—No; I cannot speak as to the working of that.

33. *Mr. Hall.*] Is there any land in this district still in the hands of the Government?—There may be small patches here and there, but it is all practically held by private individuals, and is nearly all freehold.

34. Is any of it held in large blocks?—No; it is mostly held in small blocks.

35. Is there much held by absentees?—Not a great deal, I think.

36. Is *bonâ fide* settlement increasing in this part of the country?—I do not think it has increased in the last few years, as most of the lands are taken up.

37. If the land generally were now in the hands of the Government, would it be readily taken up under the leasehold tenure?—I do not think so.

38. You mean if the people could not get the freehold they would not take it up at all?—Well, they would want the option of purchase. That seems to be the most popular tenure. I would not like to say whether the land would be taken up if offered on lease. I believe the freehold is the best tenure, and if I had not the freehold I should not be here now.

39. Do you think the freehold is the most satisfactory tenure, both to the owner and to the State?—Yes.

40. *Mr. Johnston.*] What stock can your farm carry per acre?—I have never tried it. I carry a stud flock.

41. What is your flock?—Lincoln.

42. *Mr. Matheson.*] Have you had any loans under the Loans to Local Bodies Act for road-making?—I do not think we have gone in for that.

43. Is the Noxious Weeds Act in force in this country?—Yes.

44. And is work being done under that Act?—Yes.

45. *Mr. McCardle.*] On what conditions do you advocate that the land should be offered with the right of purchase?—I think under the three systems.

46. You believe in the optional system as now existing?—Yes.

47. There has been an agitation going on in favour of the homestead system. Do you think that system would assist in bringing about settlement in this district?—I think it is a good system if carried out properly.

48. Do you think it would be a good thing to put a price on the land, and devote the whole of the proceeds towards making roads to the settlements?—I think it is a very good idea.

49. As a believer in the freehold, you are of opinion that the optional system would meet all the requirements of settlement?—Yes, I think so.

50. *Mr. McCutchan.*] In speaking of the Land Board you advocated election within ridings, the same as local bodies: would you be in favour of dividing the Auckland Land District into ridings, and giving the Government the power of nomination within those ridings, so as to secure

representation for each district?—I have not really thought that question out, and I cannot give a definite answer; but, speaking on the spur of the moment, I think it would be a good thing.

51. Are you a member of the County Council?—No.

52. Are the County Councils enforcing vigorously the Noxious Weeds Act?—It is a dead-letter, so far as the County Council is concerned, I believe. It is the Government who are sending the Inspectors here.

53. With reference to the residence question. There is a distinction made between the 999-years-lease holders and the leaseholders with the right of purchase, inasmuch as the tenants who hold land with the right of purchase are only called upon to reside for six years, whereas those who go in for a 999-years lease are called upon to reside for ten years: do you think there should be that difference?—No, I do not see where the difference comes in; but I have not thought the matter out.

54. With reference to the roading question, which is a winter difficulty, does the local body rate on the unimproved value?—No, on the capital value.

55. Is the valuation very low?—It was considered low, but recently it has been raised very high, in my estimation.

56. If the rate was raised from 1½d. to the full amount allowed—viz., 3d.—in your opinion, should the Government subsidy be increased proportionately?—I think it should. My opinion is that the land ought not to keep the roads at all. I consider the man in Queen Street gets as much benefit from a road to my place as I do.

57. But he is keeping up the roads in the city for you?—I hold that the land ought not to maintain the roads.

58. Does the local body get a subsidy?—At one time we got a pound-for-pound subsidy, but we did not take the advantage of it we might have done.

59. You have power to borrow money under the Loans to Local Bodies Act. Has the local body not utilised that power at all?—We do not believe in getting into debt if we can do without borrowing.

60. Has there been any increase in the value of the land in the past few years?—No, I do not think there has. I think the carrying-capacity of the land is less than it was twenty years ago.

61. Has the price of land fallen in consequence?—I cannot say that. I know very little about the price, as very little land in the district is being sold. Wages are altogether too high, and we cannot afford to pay for labour. The noxious weeds get in and it will not pay to keep them down.

62. Labour is not much higher than it was twenty years ago?—It is by a good deal.

63. In my district we had to pay men 8s. a day twenty years ago?—We could get them here at half that twenty years ago. If I were to go in for employing labour now the men who were working for me would soon have my farm.

64. *Mr. McLennan.*] Are you a member of the Farmers' Union?—Yes.

65. Do you represent them here to-day?—No; I was not asked to represent them.

66. Do you know if the land between Devonport and Wade is Crown land or private property?—No.

67. Do you know the value of that land?—A good deal of it I should think is worth nothing, except for the fact that it is near a centre.

68. Would it be worth £3 an acre?—I would not give half of that for it.

69. *Mr. Paul.*] Did you purchase your land straight out for cash?—Part of it, and part of it I took up on lease and purchased it afterwards.

70. You have not stated definitely what franchise you consider Land Boards should be elected under?—No, it is a thing that requires more consideration.

71. Do you think the dwellers in towns should have some say as to the way in which the lands should be administered and disposed of?—I think they should, but that is another question which should be thought out. I think, however, the man in the country should have a little more say, at any rate.

72. You said the man in Queen Street should be called upon to contribute to your roads?—What I said was that the man in Queen Street got as much advantage from a good road to my place as I did.

73. Are you in favour of the three systems of tenure as they exist?—Yes; I think they work very well, only before the lands are actually put on the market I think they should be roaded to give access to the settlers, even if they have to be loaded a little for roads.

74. Do you consider the lease-in-perpetuity system is the best leasehold tenure?—No.

75. What would you substitute for it?—Well, I cannot answer that question. I do not believe in the leasehold at all.

76. At what could a farm-labourer be hired, say, twenty years ago?—About 12s. or 15s. per week.

77. Is farm labour double the price now that it was twenty or twenty-five years ago?—Yes.

78. You said that at the present time if you took on a farm-labourer he would have a good chance of getting your farm: do you think that is a fair statement?—I say there is not a farmer in this district who could pay the ruling wages and have anything left for himself.

79. You would not like to become a farm-labourer?—I would like to go on a farm and get from 8s. to 9s. a day, anyway.

80. Do you say the farm-labourer is better off than the landholder?—Yes, he is better off.

ALEXANDER TROTTER examined.

81. *The Chairman.*] What are you?—I am a farmer living near here. I hold 850 acres of land altogether. About 550 acres is freehold and the rest leasehold. A portion of it I hold from the Government and the rest I acquired privately. The land I acquired from the Govern-

ment was with the right of purchase. I have been about thirty-one years in this district, and I have had about eight years' experience in the South Island. Mine is a mixed farm.

82. What rate do you pay per annum for the land you hold from the Government?—I pay £7 per annum for 250 acres I hold from the Government.

83. Then, the land would be rather poor?—I do not think there is better land in the Tuhua Block. About 200 acres is in grass, and is substantially fenced.

84. Did it take the grass well?—Yes. My sections are numbered 185 and 186, and they are on the west coast, at the back of the Kaipara Flats.

85. I suppose anything you send to the market is sent by sea?—Sometimes, and sometimes by dray.

86. *Mr. Anstey.*] Are there many leasehold settlers at Tuhua?—I think most of the sections were taken under the optional system, but some were taken under the homestead system and some under the lease in perpetuity.

87. About what rents are being paid?—About the same rate, I think, as I am paying. I believe the Government valuation of the land was something about 11s. That is, unimproved value.

88. Do you grow crops?—No; it is all under grass.

89. Any dairying?—No.

90. What is your chief revenue derived from?—From the sale of fat sheep and store sheep.

91. Do you breed more sheep than you fatten?—I could fatten them all, but it is better to sell a portion of them as stores. I sell the cattle fat.

92. Have you good road-communication with Warkworth and elsewhere?—Yes, for driving stock, but not for wheel traffic.

93. Which is your port?—This is our port. All my stuff has to come over to Warkworth—about fourteen miles.

94. *Mr. Forbes.*] What form of land-tenure do you believe in?—I am in favour of the optional system.

95. You consider the lessees should have the right of purchase?—Yes.

96. How did you take up your land?—I bought it privately.

97. Have there been any auction sales of land since you have been here?—Only some small lots put on the market by private individuals.

98. As a whole, are the farmers doing fairly well in this district?—They are much more prosperous now than when I came to the district.

99. That is on account of better prices?—Yes, and there is more land under cultivation now, and the land is being better cultivated, because the people have more experience.

100. Do they go in for dairying at all?—Yes, and some of them do fairly well at it.

101. Have you a dairy factory here?—There is one within six miles of us and another ten miles away.

102. Are they doing well?—Fairly well, to the best of my knowledge.

103. I suppose the biggest trouble up here is the road trouble?—Yes.

104. Is it the expense of getting suitable metal that is keeping them back?—Yes, and the want of funds. We are rated at 1½d. in the pound.

105. Is that not sufficient to do much in the way of metalling?—I think if spent judiciously it might be made to go much further.

106. Is there any good metal to be obtained about here?—There is very passable metal.

107. Who spends this money?—There are the Road Board and the County Council.

108. Is there any difference in their management?—I do not know.

109. Have the Government been spending much?—I do not think so.

110. Then, you cannot compare their methods with those of the local bodies?—I believe we get less value from the local bodies than we get under the Government.

111. *Mr. Hall.*] You say you held some land with the right of purchase. Would you have taken up that land under the lease in perpetuity without the right of purchase?—I do not think I should.

112. Is the successful settlement of the land and the reclaiming of the waste lands in the interests of the community generally; that is, of the large towns as well as the country?—Certainly.

113. Do you consider the optional system would be the most successful way of making the waste lands of the country reproductive?—Yes.

114. Is there much land held for speculative purposes in the district?—I do not think there is. There is some held by absentees.

115. Is it, generally speaking, held by *bonâ fide* settlers?—I do not think it is.

116. Would not the levying of a higher rate prevent those people from holding these lands?—Yes, I think so. I believe it was proposed some two or three years ago, but I do not think it came to anything.

117. Do you consider this good healthy country for sheep?—Yes.

118. Do you think danthonia would be suitable for sheep pasturage?—I think it is the best class of grass for poor land.

119. *Mr. Johnston.*] Is the land at Tuhua of the same quality as the land about here?—It is superior.

120. What is the value of the land where you are?—I really could not say. Very few of the farms have changed hands. Probably it would bring £5 an acre in the market.

121. Where are the headquarters of the Rodney County?—At Warkworth. Mr. Beecroft is Chairman.

122. Is the valuation struck on the unimproved value?—I do not think so.

123. Do your two sections, 185 and 186, comprise 118 and 157 acres respectively?—Yes.

124. Does your other land adjoin them?—My 500 acres of freehold is in another part of the district.

125. Is the road formed from Warkworth to these leasehold sections?—Yes; about ten miles of it is unmetalled.

126. What would be the cost of metalling it if let by tender?—It would cost fully £3 per chain.

127. Would it be a great benefit to the district if it was metalled?—Not to that particular district, because it is not agricultural country.

128. If you had the power to borrow money from the Crown to metal the road—the settlers to pay one-half the interest—would it be a sound investment?—I do not think so, except on the flat parts of the road.

129. *Mr. McCardle.*] Do you consider it would be in the interests of small settlers to get assistance from the Government in the manner proposed by the Advances to Settlers Act?—I think it is a good thing.

130. Do you think that Act has been the means of bringing down the high rates of interest?—I think the rates were gradually coming down, but perhaps the Act has brought them down all the quicker.

131. Have you taken any notice of the administration of the land under the Land Boards?—No.

132. Have you had any trouble with the Rangers?—No.

133. *Mr. McCutchan.*] In speaking of the rate levied by the local body, you think the 1½d. in the pound might be more economically expended?—Yes.

134. You have spoken about the dual control by the County Council and the Road Board: do you think one local body should control the whole of the rating?—I think so.

135. There are the “thirds” from the leaseholds?—Yes, but they amount to very little.

136. Are they not utilised in giving access to the block?—Yes.

137. Do you think it would be better to utilise the “thirds” in paying interest and sinking fund upon a loan, under which they could get substantial work done?—I can scarcely answer that question.

138. *Mr. McLennan.*] In the case of large areas of land purchased by the Crown and offered for settlement, would you be in favour of leasing with the option of purchase?—Yes.

139. Do you think it would be to the benefit of both the Crown and the tenants?—Yes.

JOSEPH PHILLIPS examined.

140. *The Chairman.*] What are you?—I am a farmer. I have about 133 acres of freehold about four miles from here, near the Kaipara Flats. I have also 358 acres of leasehold in the Parish of Hoteo. I have the right of purchase. For that I pay a rental of £6 14s. a year.

141. How long have you been farming here?—Forty-five years. I have gone in for sheep and cattle principally.

142. Is there anything you wish particularly to bring before the Commission?—Only this: I have held my land now for ten years under lease with the right of purchase, and I now want to purchase.

143. Have you complied with the conditions?—Yes.

144. What is to prevent your getting the freehold? I have received no notice yet from the Government.

145. *The Chairman.*] If you apply to the Commissioner of Crown Lands you should have no difficulty in getting your freehold.

146. *Mr. Johnston.*] Have you made out of your own farm the money that you want to buy the freehold with?—Not out of the leasehold, but of the freehold.

147. *Mr. Paul.*] Have you formed any opinion as to the constitution of the Land Board?—I think it ought to be elected.

148. On what franchise?—The same as the House of Representatives.

149. Do you think the towns would have too much power?—That is a question that wants thinking over.

150. You would not go so far as to say they have no right to a voice in the election of members of Land Boards?—No.

151. I understood you to say that there is a lot of land held by absentees?—There is a portion held by absentees.

152. Is there some on the road between here and Auckland?—There is a good portion of that land held by absentees.

153. That is freehold?—Yes.

154. Do you think that is in the interests of the whole district?—No, I do not. It is against the interests of the district.

155. Do you think it would be more likely to have been good for the district if that land had been settled on reasonable terms under the leasehold tenure?—I do not think you could get any one to take up that land on the leasehold tenure.

156. It takes many years before you can get a return from it?—Yes.

157. Do you not think the State might go so far as to give that land to an intending settler at a very low rent, and in some cases at no rent, for a certain period?—I think it would be beneficial to the State to make a gift of that land to any settler.

158. *Mr. McCutchan.*] With reference to absentees, have the ratepayers in your district ever considered the question of rating on the unimproved value, so as to catch these people?—They discussed it two years ago, but they have arrived at no decision so far.

159. Was a poll taken?—No; the question was simply discussed.



160. *Mr. McCardle.*] Do you think it would be wise for the State to introduce legislation compelling rating on unimproved value, instead of leaving the question to the district itself?—I could not give a decided answer on that point.

161. Do you think it would be in the interests of your district if the rating was on the unimproved value?—I think it would in regard to my district; but I would like to consider the question further before giving a decided opinion.

HENRY CIVIL examined.

162. *The Chairman.*] What are you?—I am a settler, and hold 900 acres seventeen miles from Warkworth, in the Wangaripu district. In the first case I took up 300 acres under the homestead system, and that land is now freehold, and 41 acres adjoining I acquired twelve months ago, having the right of purchase. I hold 262 acres under lease in perpetuity. I took up the lease-in-perpetuity section eleven years ago. The other 300 acres I have got under the optional tenure.

163. How do you like the lease-in-perpetuity tenure?—I dislike it very much.

164. What is your objection?—I will never have a free hand in connection with it.

165. Would you like to make it a freehold?—Yes.

166. I suppose you wanted that land?—It was adjoining my other land, and having a large family I had too little land to live on, because it is poor country.

167. You would be satisfied with the 600 acres under the optional system?—Yes, I think that is a good system.

168. You believe that the end of any system should be the right of having the freehold?—Yes.

169. What farming do you do?—It is only sheep and cattle. It was all standing bush when we went on the land. 500 acres at least is now in grass. I have 317 sheep and about 160 cattle. My rent for the lease-in-perpetuity section is a fraction under 5d. an acre.

170. *Mr. Anstey.*] Were both those farms valued at the same upset price—the lease in perpetuity and the right of purchase?—No, one was valued at more than the other.

171. Have you got fair roads to those blocks?—I have got a bridle-track.

172. Do you think it would be a wise thing for the Government to spend a fair sum in making a road to the land, and adding it to the cost?—We took it up under the homestead system. In respect to settlers taking up land under the homestead system, I suppose it would have paid the Government to have made the roads.

173. Have you a fair road to get your produce to market, or do you get it out by boat?—We have to bring it to Warkworth or to Matakana. I have packed my wool into Warkworth and to Matakana for seventeen years. We have been promised by the various Governments that they would attend to our wants, but those promises have not been fulfilled.

174. Is the road fairly passable in summer-time?—You have to pack your goods both summer and winter.

175. What local body are you under?—Rodney County Council.

176. Is there a Road Board in that district?—No.

177. What rates are you paying?—3½d. in the pound on the capital value, which is equal to 2s. in the pound on the letting value.

178. Do they ever spend the rates in doing useful work on the roads?—They spend the rates, but there is not much from that source.

179. Do they spend it economically?—In the early days we would get twice as much work done on the roads as is done now.

180. What is the reason?—In the early days work was scarce. Now it is more difficult to get men for the work.

181. *Mr. Forbes.*] What is your objection to the lease in perpetuity. Does the Ranger give you any trouble?—No, the Ranger has not given me much trouble.

182. What is your particular objection to it?—Under the lease in perpetuity there would be some trouble in disposing of it, but if we had the right of purchase we could dispose of it quickly.

183. But, in the case of men remaining on the land, that trouble would not arise?—In the case of men wishing to live hand to mouth it is a good system.

184. You do not like the lease in perpetuity?—No, I hate it, and I have neighbours who hold a similar opinion, but they are not here to-day.

185. Do you wish to buy your lease-in-perpetuity land?—I would like to have the right of purchase.

186. Are the farmers in this district in a position to buy their places?—Plenty of them never will be, I believe; but the settlers have to work very long hours, and I think they are entitled to a little consideration in comparison with people in the cities.

187. *Mr. Hall.*] You hold land under three different tenures: which do you consider best in the interest of the settler?—The freehold if he can get it.

188. Is it also the best in the interests of the State?—I think so.

189. Is there much land held by absentees in your district?—No.

190. Would it not be better to levy your rates on the unimproved value, so as to bring pressure to bear on those who do not use the land?—I am so far advanced now it would not matter much.

191. But for local rating, would it not be better to rate on the unimproved value so that people could not afford to keep their land lying idle?—I would be against that.

192. Is it not the case that every man who improves his land is letting others off who do not?—Yes, but what would be the position of a young man who goes on the land. It would be hard for him to live on the place.

193. *Mr. Matheson.*] What is the distance of your place from Warkworth?—About seventeen miles.

194. According to this plan there is six miles of metalled road?—If the map shows a formed dray-road it must be correct, because I have to pack all my wool to Warkworth.

195. Do you know that under the Government Loans to Local Bodies Act you can borrow to do the work of roading yourself?—Yes.

196. Is the reason you have not done so because you think it would put too high a rate on your property?—It would make it so that I could not pay it.

197. Have you ever gone into figures to see what it would cost?—No.

198. *Mr. McCardle.*] Suppose the Government were to advance to the local bodies the whole of the rent, or the value of the land as sold by them, would that be sufficient to make the road?—It would take all the value of the land in some places to make the roads to some of these sections.

199. Do you not think it would be a wise thing on the part of the Government to make a new departure in the direction I have suggested in the interests of settlement?—They make promises and give us nothing.

200. Have you had any experience of the Advances to Settlers Board?—Yes.

201. Has it been satisfactory?—Yes.

202. You think it is a good thing for the country?—Yes; I think it is a good thing for a young man taking up land. Many a young man would not get pushed along without such help as is given by that Department. My relations with the Department have been satisfactory, but I have heard some complaints from others.

203. *Mr. McCutchan.*] What was the upset price of your right-of-purchase section?—7s. and 7s. 6d.

204. And then there was the loading?—Yes.

205. You said the Government made promises and did nothing?—They have expended some money, but I may mention that last year the engineer of the district said he would recommend £50 being voted for a particular road, but that he could not guarantee it. The grant was not received.

206. What is the average valuation of the block?—I would have to go into figures to get at that.

207. Have the “thirds” been expended on the roads?—That is a question it is difficult to answer.

208. Have you made inquiry from the local body as to whether they have expended the “thirds”?—In this county every Councillor spends the money in his own district.

209. They cannot expend the “thirds” money?—They do so.

210. Does not the County Council submit the schedule of expenditure of the “thirds” to the Land Boards?—I do not think so.

211. Do you say “thirds” are expended in another part of the county?—They have spent none in my district this year.

212. *Mr. Paul.*] Are you satisfied with the Land Board?—I have never had any business with the Board.

213. Have you formed any opinion as to the best constitution of the Land Boards?—I think they ought to be elected.

214. On what franchise?—I cannot say.

215. Do you believe in the land-for-settlements policy?—Not as long as the Government have plenty of land of their own to cut up.

216. You state that you have a large family, and that your present holding is not large enough, and therefore you took up additional land under lease in perpetuity: did not that tenure suit you best?—I have regretted ever since I took it up, but it was a section adjoining mine; I have since seen that I have made a mistake.

217. Have you made money on it?—No.

218. Do you think, if the option of the freehold were given, the settlers would be in a position to buy the freehold?—They are all working hard. I know some who would be able to take up the land. I know some settlers who are very sorry they took it up under lease in perpetuity, and who would now think they should have taken it up with the right of purchase.

219. Have they the money to buy the freehold?—I do not know that they have the money yet, but they are working early and late and are earning money.

220. Do you think it would be better that settlers should borrow money and buy the freehold, rather than hold the land under lease in perpetuity?—They would feel more free with the freehold. I might mention to the Commission that about two years ago I happened to be in Auckland, at about the time I get the money for my wool. I have always made it a rule to pay my rent in advance at that time, because sometimes in the winter-time a farmer may not have so much money on hand. I paid my rent and got 10-per-cent. discount allowed, but in the month of July following I got a long letter saying I paid 3d. too little. Considerable delay took place and correspondence in connection with the 3d., and ultimately I was informed I must pay the 3d., or if I did not I would lose the 10-per-cent. rebate in the following January. I felt sure the charge was not right, but rather than have any further bother about it I paid the 3d.

221. With reference to the settler's interest and the State's interest to-day, the settler's interest far outweighs that of the State, judging from the present value of the land. Do you not recognise that in course of time the State's interest will outweigh that of the settler?—Yes.

222. The land will not always remain at its present value?—We cannot tell that.

223. We know that land in settled parts of the colony has increased enormously in value in the last fifty years?—Yes; but I know of land in Auckland that has decreased in value.

HENRY ROBERT FRENCH examined.

224. *The Chairman.*] What are you?—I am Clerk of the Rodney County Council, and have occupied that position for six years. I am also a settler, and hold 80 acres of land.

225. Is there any particular matter you would like to bring before the Commission?—In listening to the evidence given by previous witnesses, and the questions of the members of the Commission, it seemed to me that the Commission wanted further evidence regarding the roading question, which is one of the burning questions in this country. The rateable value of the Rodney County is a trifle over £300,000—that is, the capital value. The unimproved value is a little over £150,000. There are about 190 miles of main county roads. The revenue per year per chain is 1s. 3d. That is on the main roads only, and does not include district roads. The general rate on the old valuation would amount to about £900. The county has just been revalued and the Assessment Court is to sit at the beginning of next month. I think the new valuation will probably be 50 per cent. higher than the old one. A poll was taken on a loan proposal about fifteen years ago. At that time the Counties Act had a limitation that a county could only borrow about four times the amount of the general rate, and £3,600 at that time was quite inadequate to do the work required. The proposal was rejected by the majority of the ratepayers. The enlarged borrowing powers have only been in force for two or three years, and the question of revaluation having cropped up nothing has been done regarding any loan proposals. That question will probably receive consideration.

226. I suppose these statements go to show that the county has very little money to spread over such an enormous length of roads?—Yes. The want of roads is a great detriment to settlement in this county. The last witness was asked about the expenditure of “thirds” on his road. I may state that there is one amount that has not been paid into the bank, and, although a letter on the subject was sent to the Receiver of Land Revenue about June last, no answer has been received. The last witness’s payment was in that amount. Not even an acknowledgment has been received from the Receiver of Land Revenue. I would not have mentioned that matter had it not been for Mr. Civil’s statement. The County Council has pressed repeatedly that the Government subsidy on rates should be paid on a graduated scale. The poorer districts have often more engineering difficulties than the richer districts, but the richer districts get more subsidy from the Government.

227. *Mr. Anstey.*] Do you administer all the rates of the county, or are there other local bodies that administer some of them?—There are Road Boards in some parts of the county. I think there are twelve Road Boards in the county.

228. What roads do the Road Boards attend to?—The district roads.

229. Can you give us the mileage of those roads compared with the county roads?—No.

230. Have you any other revenue besides the £900 general rates?—There are kauri-gum licenses, &c. The revenue is about £3,000.

231. Your revenue from other sources besides the rate is about £2,000?—Yes, but there is expenditure in connection with that.

232. Your total revenue is £3,000, and your expenditure is only equal to about 1s. 3d. per chain on the general rate?—Yes.

233. Your revenue is much larger than that, including the other sources of revenue?—Yes; but, so far as grants are concerned, there is no regularity.

234. Can you say what these items of expenditure are?—There is about £200 a year for charitable aid.

235. What other expenditure have you?—The cost of administration runs into about £300 a year. Then there is the maintenance of wharves. It varies in different years.

236. You have given us items amounting to about £500: that would mean about £2,000 for road purposes?—That was for last year. It fluctuates owing to the Government grants.

237. How much of this is spent in metalling the roads?—That varies also from year to year.

238. *Mr. Matheson.*] What is the largest grant you have received in any one year, as far as you can remember?—Perhaps £2,000 would cover it.

239. *Mr. McCurdle.*] Would it not be much better for the Government to give by way of subsidy, say, the whole of the value of the Crown lands sold in so many years, and that the amount should be paid back in interest and sinking fund?—Something requires to be done in order to provide a more assured revenue.

240. The present system is not a satisfactory one?—No.

241. Have you considered the question of tenure?—Yes. I consider that the freehold tenure is the best every time.

242. On what condition—straight out from the Crown, or by some system of easy payments?—Occupation with the right of purchase, or under the deferred-payment system.

243. Would you make that apply to the holdings under the Land for Settlements Act?—I think it would be in the interests of the colony if that were done. In that case it would require, in my opinion, some legislation to prevent the aggregation of large estates.

244. Would you be prepared to grant the freehold at the value now fixed by the Crown?—Yes, provided that value recouped the State for its outlay.

245. Do you not think it would be fair if that question was considered that there should be some increase in the value before the tenant purchased?—Probably so, inasmuch as the land has not been put up to competition. The prices have been fixed, and the successful applicants at the ballot have secured the land at these prices.

246. Do you think it would be in the interests of the settlers to get that change of tenure?—I think so.

247. Then it would be worth something extra to the settler?—I think a distinction wants to be drawn here. The State is not in competition with the units who compose the State. If the units of the population are in an independent and prosperous position the State as a whole will be independent and prosperous.

248. If a person is going to get certain advantages under the change of tenure, do you not think the general taxpayers of the colony should participate in that advantage?—I should say, perhaps, yes, because if the leasehold is to be given it should be given to the one who is best able to give the most for it, and who intends to occupy it to make the best use of it.

249. Do you know anything about the working of the Advances to Settlers Office in this district?—I know the settlers have taken advantage of it. I have heard nothing against it.

250. In regard to the question of "thirds," do you not think it would be much better for the local body to borrow on the strength of these "thirds" rather than spend them in dribs and drabs as they now do?—There would be an advantage, certainly. Some of the "thirds" are so small that it is an absolute waste of time and money to spend them.

251. *Mr. McCutchan.*] You say that the old capital value of the county is £300,000: do you know what the new valuation is?—It cannot be ascertained yet.

252. Supposing the new valuation is higher, is it the intention of the Council to strike the same rate as the present one?—That is a matter that has yet to receive consideration.

253. You say that the revenue from the general rate is £900 a year on the old valuation?—Yes.

254. And that the Road Boards in the county are striking a three-farthings rate too?—One small Road Board is striking a farthing rate, but the bulk of them are striking a three-farthings rate.

255. Can you tell me what the valuation works out at per acre over the settled acreage of the county?—I have not reckoned it out.

256. I understood you to say that there are twelve Road Boards and one County Council within the Rodney County controlling a rate expenditure of somewhere about £1,600 a year: do all these local bodies possess clerks and engineers?—None of them have engineers. In one riding there is a foreman of works.

257. Who controls the expenditure?—The councillors in each riding.

258. Therefore the councillors are their own engineers?—That is so.

259. Is that not an extraordinary state of affairs?—It is simply owing to the small revenue. They have to make the best use of it.

260. Surely if the main object is to make the best use of the revenue it would be better to wipe all the Road Boards out, and leave the expenditure to the County Council?—That is a question for the ratepayers and the Road Boards.

261. You made the statement that no loan proposal has been brought forward by your county under the Loans to Local Bodies Act except the big proposal that originally came forward, although for several years now the right to borrow up to £6,000 a year has been available to your Council, and the right to borrow up to £3,000 a year has been available to all the Road Boards: why have they not exercised that power?—The position is that the question of revaluation has been looming ahead ever since that amendment of the Act came into force.

262. But does the question of revaluation apply?—Yes. The valuation has been unequal, and as the interest has to be paid by the land it would be paid unequally by the ratepayers. It is necessary to have a valuation that would be more equitable.

263. Would not each riding have to put forward its own loan proposal?—I do not know that that would apply. However, the question is simply nebulous at present.

264. In dealing with the question of tenure, I understood you to say you did not approve of the lease in perpetuity but believed in the option of purchase?—That is so.

265. You, as a practical settler, and as one having had a wide experience of settlers here, are aware it is in the first eight or ten years that the settler has to face his greatest troubles and expense?—Yes.

266. Well, is not the system of land-tenure, which makes his payments as small as possible during that period, the system which should be retained on the statute-book?—It is only a difference of 1 per cent.

267. But is it not very often a small margin at the start that makes the difference between success and failure?—I do not think so. It is so slight that it might be met in other ways.

268. Then, you advocate that people under the 999-years lease should have the option of purchase by paying you the extra 1 per cent. and the interest on that 1 per cent.?—Yes.

269. *Mr. Paul.*] With reference to the freehold of improved estates purchased under the Land for Settlements Act, would you favour that land being put up to auction after the improvements had been conserved to the tenants at a full valuation?—I would not express an opinion as to the best method of dealing with it. I have not thought sufficiently about it.

270. I thought you said the land should go to the people who paid the most for it?—Yes, provided they carried on their farming operations and showed themselves to be *bonâ fide* settlers.

271. Do you think there would be anything unjust in putting up these holdings to auction if the improvements were conserved to the tenants?—There might be.

272. Have you had any experience of these improved estates, or have you visited any of them?—No.

273. Then, why do you give your opinion that it would be the best thing for the State to give the freehold to these settlements?—For the reason that I stated before—that the freer the units of the State are the better it is for the State.

274. But the units of the State interested in these special settlements are not only the tenants settled there?—That may be so, but not to the same extent.

275. Yet, without any knowledge of the condition of the settlement on these estates, you believe that the settlers should get the freehold?—I think it would be better in the interests of the State. I hold that if the town workmen have a right to say under what tenure the country lands are to be held, then the country settlers have a right to say what wages the town workers are to receive when their cases go before the Arbitration Court. I think the positions are analogous.

276. Do you think the freehold is the best system for the cities, having regard to the fact that instances have been brought before us of the enormous increase in the value of city property owing to the growth of population?—Certainly I do, because the city people pay taxation upon that land.

277. And they get the benefit of the community-created value?—I do not know so much about that. We had a case in point in Albert Street, Auckland. A vacant allotment was sold at greatly in excess of the original purchase price, and it appeared on the face of it to have been a very good speculation; but when the rates and taxes paid over these years came to be capitalised, it was found that the owner would have been better off if he had invested his money elsewhere.

278. Would you give the freehold of educational and other endowments?—No. I think they should be conserved for the purposes for which the endowments were made.

279. But, having in view the instance you quoted in Albert Street, if the endowment lands were sold and the money invested in other directions, would not the special purposes for which the endowments were set apart receive greater benefit?—They might or might not. These things fluctuate.

280. Generally speaking, you think land is a pretty safe investment, and therefore these endowments should be conserved for the purposes for which they were set apart?—That is so.

ALFRED WOODCOCK examined.

281. *The Chairman.*] What are you?—I am a settler of forty-three years' standing. I live seven miles and a half from Warkworth. There is a railway-station on my property, and I expect the railway to be through soon. I came out under the 40-acre system. I hold now 400 acres or more land, and with my sons another 1,000 acres. It is mostly held under occupation with the right of purchase. I am paying 6d. per acre rent. I use the land for sheep and cattle farming. I may say the original 40 acres which I cleared and grassed are all grown up with rubbish again, and the land is of very little use. That sort of thing will occur on the shady side of all these hills. I have had about 10 chains of metalled road made during the forty years I have been here. During the first years I had to pack all my goods in and out. We have a road now, but we had to make it ourselves. For years we never got our "thirds," and for years the "thirds" have been wasted.

282. *Mr. Anstey.*] Is it a county road you say so little money has been spent on?—Yes.

283. How much money has been spent on it?—About £3 per year.

284. How much do your rates amount to?—I paid £6 the other day, and I will be lucky if I get £2 back on the road. We never get our rates expended.

285. Can you tell me what the County Council do with the balance?—No, I cannot. We have no engineer in the Rodney County, and you ought to see for yourselves how the money is spent. To give an instance, I may say they built a culvert the other day without any mortar, and, of course, it fell down.

286. Have you a Road Board?—Yes—a lovely Board. They collect about £18 per year, and I pay £6 of that amount.

287. Can you tell us how that money is spent?—No.

288. How much is your rate for the Road Board?—I owe them £6 now, and I will not pay it until I know I am going to get some return for it.

289. Can you give us the reason why you do not get any return from your rates?—No. I suppose it is simply because the Board is at one end and we are at the other, and they spend the money where they choose.

290. How are the members of the Board elected?—Like other Boards, I suppose—by the rate-payers.

291. Have you a vote?—Yes; but I never go there to vote.

292. If you exercised the franchise, might not you improve the Road Board by putting good men on it?—I suppose it would be simply the old thing over again.

293. *Mr. McCardle.*] What is your opinion in regard to tenure?—I believe in the freehold tenure. That is what I came out from the Old Country for; I wanted to get a bit of freehold.

294. You believe in a lease with the right of purchase?—Yes.

295. Do you know anything about the Advances to Settlers Board?—No.

296. Have you any opinion about the Land Board?—No; I suppose they are the same as other Boards.

297. You have a "set" on all kinds of Boards?—Yes.

ALFRED VIPOND examined.

298. *The Chairman.*] What are you?—I am a settler. I have 400 acres of freehold, 300 acres of which I took up originally under the Homestead Act, 75 acres under lease, and 30 acres for cash. I live about fourteen miles from here on the Kaipara Flats. I go in for cattle and sheep farming.

299. Is there any particular point you wish to bring before the Commission?—No.

300. *Mr. Anstey.*] Are you a member of any local body?—Not at present.

301. How do you get on with your local bodies: do they provide you with good roads?—With the best they can with the money available, I presume.

302. Have you any fault to find with them?—No.

303. Are there any lease-in-perpetuity settlers adjoining or near you?—I believe there are some.

304. Are they successful?—They get on like other people.

305. Do they manage to farm their land as well as other people?—Just about the same.

306. There is nothing in the form of their tenure that prevents them being good settlers?—No; but they are generally in favour of having the freehold.

307. *Mr. Johnston.*] Is your land bush land?—Yes.

308. Is it cleared now and sown down?—Yes; but there is a good deal of rubbish and fern on it.

309. Is it flat land?—No, it is broken hills. I do not know how it came to be called Kaipara Flats.

310. What is the value of the land?—I think £1 per acre was put as the unimproved value.

311. Can you keep the rubbish down by stocking the land?—No; we keep it down by cutting it.

312. *Mr. Matheson.*] Are you hampered by want of roads?—I have been. I have only lately got a cart-road to my place.

313. Where did the money come from?—Partly from the Road Board and partly from the County Council.

314. There was no special loan for it?—No.

315. *Mr. McCardle.*] What is the value of your land to-day with your improvements?—I think about £3 per acre.

316. How much have you spent in improving the land?—I could not tell you.

317. Has it amounted to £2 an acre?—I have been there twenty years with a family of boys, and we have been working all the time improving the property.

318. Would £5 per acre pay you for everything you have done?—I do not think it would.

319. *Mr. Paul.*] Have you ever gone into the figures to find out whether it would pay you or not?—No, and it would be almost impossible to do so, owing to the way I have worked.

320. Are you satisfied with the constitution of the Land Board?—They have never interfered with me at all.

THOMAS CORNOCK SAINSBURY examined.

321. *The Chairman.*] What are you?—I am a settler and farmer at Kaipara Flats. I hold 600 acres of freehold. My wife holds 100 acres of Government leasehold under deferred payment. I have been there twenty-five years. I use the land for cattle and sheep farming. My land was originally all under heavy bush, and about 250 acres is still under bush.

322. Has your long connection with that district been satisfactory to yourself?—No.

323. What has marred your expectations?—The land has deteriorated.

324. How do you account for that?—It is owing to the growth of noxious weeds and fern and suchlike, and also its failure to hold grass.

325. Do you ever plough any of it?—I ploughed about 50 out of 70 acres on the flat at great expense.

326. Did the grass hold there?—Yes, very well. There is some surface-sown grass there that has been down forty years, and it is still holding. I put in all sorts of the best grasses I could get hold of—cocksfoot, ryegrass, fescues, timothy, &c. I did not put in clover, because the land will not hold it.

327. What stock do you carry?—From three to five hundred sheep and about fifty head of cattle.

328. Is there any particular point you want to emphasize?—I am a great advocate of the freehold. I had twenty years' experience of renting in the Old Country before I came out here, and that was what brought me out. I have been terrorized, I consider, in the Old Country by landlords. I could never get a lease there.

329. *Mr. Anstey.*] Are the 50 acres all the land you have that is capable of being ploughed?—There may be 20 more acres that could be ploughed. There the hillsides that could be ploughed one way, but they would only slip away after the first heavy rain.

330. Why have you not ploughed all your land that could be ploughed?—Because I have not money enough to work it. It is no use breaking the land unless I come to Warkworth and fetch manure out for it. As soon as we put our plough into the ground our expenses commence.

331. Will it ultimately pay you to plough?—Not until we get better communication. We have only stock there, and the price of stock has been very low sometimes. The land will not pay to grow grain or root crops.

332. Can you do anything to renew the grass that has deteriorated?—Nothing at all.

333. What do you do about the noxious weeds?—I keep them all down except fern. The noxious weeds are the one thing our union has been fighting very hard about. The noxious weeds are around us, and we are fighting hard to keep them away. I may say that within the last three years ragwort has appeared in our district, and it has come in the very cleanest seed I could get in Auckland.

334. Do your neighbours keep down the weeds?—Some do and some do not.

335. Has a Ranger been appointed?—Yes, this year. Some of the settlers are only cutting blackberries now after they have done fruiting, and that is no use at all. The blackberry must be cut in December.

336. Supposing you had not sunk all your money in buying the freehold, do you think you would have had money enough to continue cultivation?—I should have left the district if I had not got the freehold. I should leave New Zealand very quick if there was no freehold land here.

337. Do you think there is any comparison between the yearly tenure you had in England and our 999-years lease? Do you think there is likely to be as much tyranny under it, for instance?—I think about the same in years to come.

338. Do you think also you have no better security under the 999-years lease here than under a year-to-year tenancy in England?—Not a bit, because we have one Government now, but we do not know what the next Government is going to be, and because every year fresh laws are made, some of which are very obnoxious to the settlers.

339. Are you a member of the Farmers' Union?—Yes; I am the secretary of our branch.

340. Are you representing the union here to-day?—No.

341. Have you had any meetings of the Farmers' Union to consider the question of sending a representative before the Commission?—No. We only knew you were coming here yesterday.

342. Are you a member of the Road Board or County Council?—Not now.

343. How do the local bodies treat you?—All about the same. We get very little. I think a great deal of the money is wasted. For instance, when a roadman has to go seven miles in the morning to his work and seven miles back again in the evening I look upon that as waste.

344. Can you tell us why the money is wasted?—It is left to the local bodies to manage their affairs.

345. Are they incapable of managing their affairs?—I cannot say. The member from each riding can do as he pleases in his district. He can appoint men to do the work, and he can say what work has to be done, and we have nothing else to do but pay our rates until the next election. Then, if we can get enough votes we can turn him out, but if not he stands in again.

346. Do you generally turn out inefficient members?—Not at all, because the members can make a lot of friends and supporters by the work they can give. I think if we had a practical engineer our roads would be better. It is just the same with the freehold. A man with a freehold will work well for himself, but a man with a leasehold will not. I know people who have land under leasehold. They fell it and work it and get it under grass for a few years, and then they throw it up and let some one else get it, whereas if the land was freehold and owned by them I think these men would do their best to keep their places going.

347. *Mr. Forbes.*] Have you had any experience of the lease in perpetuity?—No.

348. Have you ever been in the South and seen the improved settlements there, and the way the people are working the land under the lease in perpetuity there?—I have not been in the South.

349. What class of leasehold is it that you say the settlers throw up after grassing down?—They throw up all leaseholds.

350. Is that a payable thing?—It is for the tenant, because I can cut down a piece of bush pretty cheap with my own labour, and I can sow it down in grass at from 6s. to £1 per acre. I can have ten years' use out of that land, and after that the grass goes out and there is only a bit of fern left to support the stock, and that will not keep anything. The fern will run over the ground and destroy all vegetation.

351. Is that sort of thing going on here at all?—Yes, and there will be more of it.

352. You think if settlers had the option of buying the freehold it would not go on?—I do not think to such an extent.

353. Does it ever go on under freehold tenure?—Not that I am aware of. There may be a lazy settler here and there, or one who is working on the roads or in the bush or on the gumfields. They may neglect their places, or leave them to their wives and children to work.

354. A petition was sent out from the Farmers' Union, asking for the freehold: had you anything to do with it here?—The question was sent up by our executive in Auckland. We were all for the freehold.

355. Did you send a large petition from here?—We only have twenty-seven members in our branch.

356. Were they all Crown tenants?—No. We have as many leaseholders as freeholders. The question was brought up, "Are you in favour of freehold or leasehold?" and we were all in favour of the freehold.

357. Did you sign a petition to that effect?—No. I sent that as a resolution to the Auckland executive.

358. *Mr. Hall.*] Do you not consider 999 years' lease good enough and long enough to induce people to farm their land properly?—No, and my reason is that every three years we have fresh Ministers and members. We know what our laws are now, but we do not know what they are going to be next year; and I have heard complaints from many that they are subject to a good lot of restrictions in regard to cropping in the South. In the North there are no such restrictions, because there is no amount of cropping done.

359. But do you question the security of the lease-in-perpetuity tenure?—Yes, I do, very much.

360. Can you suppose that any Legislature would upset a title to land legally entered into?—I believe they will.

361. If they did do such an unprecedented and unconstitutional thing and such a wrong to the subject, do you not think the Imperial Parliament would step in to prevent it?—I am doubtful because you find that in our Parliament there are no practical men. They are not farmers, and they do not understand the land question.

362. Has land increased in value much in this district?—No. The flats have increased, because you can get something out of them.

363. Where the land has increased in consequence of the toil and hard work of the settler, do you think he is entitled to the benefit of the increase?—He should be entitled to the increase of his labour.

364. *Mr. Johnston.*] Is it a very honourable thing to work out the land and then throw it back on the landlord?—Yes; it is self first and others afterwards.

365. What noxious weeds did you refer to?—Blackberry, sweetbriar, and gorse.

366. Where do you think this ragwort came from?—It came from my seeds, but I cannot tell you what seed it was in.

367. Have you any Californian thistle?—Not yet; but if it does come here it will be all up with us.

368. Do all the settlers approve of the idea of taking up leasehold land and getting all they can out of it and then throwing it up?—Not all of them. This part of the colony does not contain farmers. They are what are called "cockatoos." They do a day's work here and a day's work somewhere else.



369. Do you think the same number of settlers would have been on the land now if it had not been for the Land for Settlements Act?—That is a question I cannot answer.

370. Do you think that the leasehold tenure has been the means of putting people on the land?—A great many have gone on under that system, and especially with the right of purchase. Many of them had no money of their own to buy land, and they wanted to get on the land.

371. Do you not think the Government could legislate just as much against freehold as they could against leasehold?—No.

372. Have they not already passed an Act to enable them to acquire freehold land?—Yes, and it would be a blessing if they would pass an Act to reacquire some of our land.

373. *Mr. Matheson.*] If the settlers in this county had to depend on their own farms for a living, do you think they could make a living?—No, I do not.

374. *Mr. McCutchan.*] With reference to the valuation of the land, you say the hills have gone back in value?—Yes.

375. Were they originally under bush?—Yes, under heavy bush.

376. You say you put in a fine mixture of grasses?—Yes; the very best I could.

377. And the fern has gradually come in?—Yes.

378. Is it not the case that when you get land below a certain quality anywhere in the colony fern will come in?—I cannot tell you.

379. Is not that the case with your land?—No. The fern has come up on the good land just as well as on the bad land.

380. What is the carrying-capacity of your level land?—From a sheep to a sheep and a half per acre.

381. Do you call that good land?—It is good for this district.

382. Was it on the County Council you had a seat?—Yes, and on the Road Board.

383. Did your Council keep road accounts?—Yes.

384. We heard complaints from witnesses this morning that money had been taken from their locality and spent elsewhere?—Yes.

385. If road accounts were kept, how did that money come to be transferred?—Because a bridge might be down or a landslip occur in one part of the district, and if there was no money available from that district to do the work they must take the money from another district.

386. Under those circumstances what is the object of keeping road accounts?—To show where the money has been spent, so that a readjustment might be made afterwards.

387. Is not a road account kept for the purpose of protecting a particular locality?—Yes.

388. If the money is taken away from that locality is it not an act of dishonesty on the part of the Council?—I suppose so; but if you have no money to keep up your works in one district you must take it from somewhere else.

389. Then, has separate rate been transferred from one riding to another?—Yes.

390. In direct violation of statute law?—It is done by the riding member. If he has not enough money from his riding he must get it from the Council.

391. Does the Auditor-General pass expenditure of that nature?—I do not know how it is passed.

392. *Mr. McLennan.*] As secretary of the Farmers' Union, can you say if the meeting at which the question of freehold *versus* leasehold was discussed was called together by circular?—Yes; I notified the members.

393. Was it stated to them that the question of freehold *versus* leasehold was to be considered?—Yes.

394. Were any of the public there?—No, only our members.

395. *Mr. Paul.*] Did you act as your own engineer when you were on the County Council?—Yes. I spent the money to the best of my ability.

396. Do you think that is a good system?—No; but it was the best thing we could do.

397. What becomes of the improvements on these leaseholds when they are surrendered?—That is a thing I cannot answer.

398. Still, they are surrendering their holdings with improvements on them?—Yes, and it will pay them. They can keep an account of the cost of their bushfelling and fencing and grassing.

399. When these leaseholds are surrendered is a fresh tenant immediately available?—No; and that is why I say it is doing a great deal of harm to the colony.

400. Then, does not the settler forfeit his improvements?—He has put the land in grass, and he has had the use of it, and if he stays any longer he knows he cannot maintain his stock or himself on it.

401. You say a man fells the bush and grasses the land and then surrenders it?—Yes, after he has got all he can out of it.

402. Would it not do for the incoming tenant to regrass the land?—How could the incoming tenant regrass it? How could he regrass the steep rough hills or the broken country?

403. How was it done in the first place?—By cutting the bush and burning and then sowing.

404. If you took up leasehold land and got it into that state would you surrender it?—I would with the greatest pleasure to-morrow.

405. If that is how the land goes, why do these people buy the freehold?—Because they know that whatever they spend on the freehold they spend for themselves and their families. It is their home, and they are not harassed by the landowners or Rangers or any one else. My home is my castle.

406. And they can sell it?—Yes, or divide it up, or deal with it in any way they please. If they have a leasehold they have to depend on the Government.

407. Not so long as they pay their rent?—Yes, in a lot of little ways.

408. Then, if we are to have such tyrannical Governments in the future cannot they get at the freehold by increasing the land-tax?—Of course, they can, and that is why I say the Government should be composed of practical farmers.

409. Then, the fact is that the settler is in a hopeless position?—He is.

410. Freeholder and leaseholder?—Not so much in regard to the freehold.

411. *Mr. Anstey.*] In regard to the settlers who are felling the bush and grassing down the land and throwing it up, are they in this neighbourhood?—On the Kaipara Flats

412. How many have thrown up their sections?—I do not know of any. It is a thing which is spoken of as likely to occur in the future.

JAMES CLAYDEN examined.

413. *The Chairman.*] What are you?—I am a farmer, but I have done other things. I have a little over 600 acres of freehold about three miles from Warkworth. It is mixed farming.

414. *Mr. Matheson.*] How many years have you been in the district?—Nearly forty years.

415. Have you made a living out of your land most of the time?—I cannot say that. I have often had to resort to other things. I am really a builder by trade; but, still, I have resided on the land.

416. Does it now provide you with a living?—Yes.

417. *Mr. McCardle.*] What do you consider is the best tenure to bring about the settlement of the country rapidly? What do you think of the lease in perpetuity?—I have always fought shy of leases, and in my own case I should not have leased only that the land was connected with my other property.

418. I suppose we must have consideration for other people who have not money enough to buy the freehold?—If they have a little I would advise them to take a lease with the right of purchase.

419. *Mr. Paul.*] Are the settlers in this district fairly prosperous?—Well, they have plenty to eat and drink, and they have their pleasures, and so forth; but it is not a district that I, as a young man, would think of settling in.

420. Is it worth roading properly?—If it is not worth roading it is not worth having.

421. Is it too expensive to road?—I do not know about that; but the system is bad. I know the money they have is not sufficient, but it is not spent judiciously, in my opinion. I blame the local bodies for that.

CHARLES PHILLIPS examined.

422. *The Chairman.*] What are you?—I am a settler holding 297 acres of freehold at the Kaipara Flats, which is about four miles from Warkworth.

423. Have you any particular point you wish to bring before the Commission?—I only wish to say that I am an out-and-out freeholder; but if there are people who would like a leasehold for a time to give them a start I think they ought to have the right of purchase.

424. You recognise that the lease is a good way of starting people on the land?—I got started without it, and have brought up a large family on the land.

425. How long have you been in the district?—About forty-three years.

426. I suppose you use your land very much as your neighbours do?—Yes.

427. *Mr. Anstey.*] Have you good road-communication?—No; I wish I had.

428. Who makes your roads?—The Road Board and the County Council, I suppose, do what they can. We have not had much Government assistance.

429. How are you rated?—We pay a three-farthings rate in the Mahurangi Road District.

430. What staff do the Road Board keep?—They have a Clerk, who acts also as Clerk for the County Council.

431. They have an engineer, I suppose?—Not at the present time.

432. Who supervises the expenditure of money on the roads?—I can hardly say. I suppose they are all engineers. The district is divided into ridings, and each member is allotted his share, and he does what he likes with it, I suppose. He could throw it into the river if he liked.

433. Have they regular men employed?—Not surfacemen, I think. Each representative of the Road Board can employ what labour he likes, I believe. It was understood that when the Counties Act was brought into operation the work would be better carried out, but it is nothing of the kind. It is like so many petty Road Boards—each one on his own.

434. *Mr. Johnston.*] What is your land worth per acre?—I could not say.

435. Would you take £5 an acre for it if offered?—It is quite likely I might. It was counted as second-class land when we first took it up, and second-class land was worth 10s. an acre.

436. As to the way your local body does its work, I would like to ask, have you ever stood for election yourself?—I used to serve on the Board.

437. Do you vote when the election comes round?—Yes.

438. Does the land wear well in grass?—It gradually gets weaker, but it wears pretty well.

439. If you sold your land at £5 an acre would you consider yourself paid for what you have done since you took it up?—No.

MAUNGATUROTO, FRIDAY, 5TH MAY, 1905.

RICHARD CHRISTEY SMITH examined.

1. *The Chairman.*] What are you?—I am a farmer and sawmiller. I have about 500 acres of freehold land of my own, and I and my seven brothers hold also 1,600 acres of freehold between us. I came from Canada, and have been here since 1862.

2. Do you consider the present constitution of the Land Boards is satisfactory?—No, I think not. I think they should be elected, and there should be more country members.

3. Upon what franchise would you have them elected?—By the landowners and ratepayers, I suppose.

4. Would you restrict the election to country districts?—Of course, if the towns wished to nominate a man he could be elected under the municipal franchise. I think the Auckland District, for instance, should be divided into separate districts, and that there should be fair representation for both town and country.

5. What is your opinion with regard to the two systems of tenure—namely, the lease in perpetuity and the freehold?—I believe in the freehold, most decidedly. I do not think the land will be settled under the leasehold system. I consider that if the Bickerstaffe Settlement had been offered under the freehold it all would have been settled now.

6. Are there many sections not yet taken up?—I believe so. My experience is that the people will have nothing to do with the leasehold. On one occasion one of my brothers applied for a small section of land under the lease in perpetuity, and after residing upon it for about five years, having a family he naturally wished to get near a school, so as to get his children educated. He wanted to part with this area of 28 acres to another brother, and to move nearer civilisation. He was told that he would have to forfeit the land unless he resided on it for twelve months more. Well, a man could not reside on 28 acres of land unless he had money in the bank. I may tell you that he took up this 28 acres as he had other land adjoining it, with which he parted. He was not allowed to transfer this small area, and he was told he would have to forfeit. Well, it seems to me there is not much security under such a tenure as that. The farmers about here prefer the freehold, because they know they are working upon what is their own, and every shilling that they put into the land they feel they are putting into a savings-bank for themselves, whereas if they put money into leasehold land they think they are putting it by for the Government. As soon as the land is improved the rent may be raised on them, and if reverses some along they may not be able to pay the rent, and altogether there is no security of tenure. I would not take up a piece of leasehold land from the Crown at any price.

7. The lease in perpetuity is a 999-years lease, which is practically for ever as regards human occupation, and the Government would never think of breaking a contract with a tenant?—There are plenty agitating to break it already. There is nothing a Government cannot do. I consider it is quite possible for legislation to be passed to make revaluations, which, to my mind, is nothing more or less than confiscation.

8. That would be breaking the contract in the matter of rent?—Well, there are plenty now asking for that sort of thing. I can give you a number of instances to show what is being done. For instance, I took up a piece of land under occupation with right of purchase in the Tokatoka Swamp. The value put on it then was 7s. 6d. per acre. The area was 700 acres. I put a canal there three miles long and made other improvements, and after nine years and a half I gave notice that I was going to buy the land. I was told that the land was forfeited for non-fulfilment of conditions. That is, non-residence, non-payment of rent, and the non-compliance with the improvement conditions. It put me to considerable expense to prove that this was all wrong. I went to the Commissioner of Crown Lands and said I was prepared to bring evidence to show that the conditions had been complied with, and to show that the land should not be forfeited, but the door was closed in my face. They did not want to hear what I had to say, and the land was forfeited. I then wrote to the Commissioner, asking him to stay any further proceedings, and demanded an inquiry. I sent my solicitor to Wellington to proceed in the matter, and I asked that an independent officer should be instructed to inquire into all the circumstances. Inquiry was held, and it was proved that I had lived on the land for six years continuously, and my improvements exceeded by £1,000 what was required, because fences, ditches, grass, and so on do not disappear. I was accordingly reinstated, and allowed to purchase the land. I afterwards said to the Commissioner, "What is all the trouble about? What have I done that I should be treated like this?" I was told I had got the land too cheap, and that I could get as many pounds per acre for it as I was giving shillings. Well, that might be, but that was not my fault. I might say that the canal I made was counted as a road, and it was deducted from my improvements. It is in things like this that the Land Board show their ignorance, and that is why I think there should be country members elected to the Board by country people. They would know the conditions, because the conditions of settlement in this part of the country are quite different from those of any other part of New Zealand.

9. *Mr. Forbes.*] Where is your land?—At Matakahe, fifteen miles from here. I forgot to say that the tenure I would advocate is the deferred payment. I believe it has been one of the best tenures that was ever in force in New Zealand.

10. You do not believe in occupation with right of purchase?—I think the conditions are such that a man might have to forfeit his land through no fault of his own.

11. Is the Bickerstaffe Estate held under lease in perpetuity?—I do not know. I know it is a lease of some kind.

12. Where do the members of the Auckland Land Board come from?—There is one from Whangarei and one or two from the Thames, I think. They are nearly all new men now.

13. Do you not think that under an elected system they might be elected from the large centres of population, and that the country districts might get no representation at all?—The Government might nominate them from the cities.

14. You do not think they are representative as they are?—I think the present Board is the best we have had for some time; but there have been Boards composed almost entirely of town men.

15. Would it not be an expensive matter to hold these elections throughout the whole province, and would the people take a sufficient interest in it?—It would be their own fault if they did not. The country settlers have to work under these Land Boards, and I think they have the right to elect them. Under the present system the members of the Board are simply appointed by the party which may be in power at the time.

16. Would not the Minister see that all classes were represented?—I do not know who the Minister might be.

17. *Mr. Matheson.*] Do you not think the Minister of Lands is in a better position to judge of the fitness of a man for the Land Board than the ordinary citizen?—I do not think so.

18. Do you know all that manuka land lying between here and Auckland?—Yes.

19. Most of it is held under the freehold, is it not?—Yes.

20. Why has so little been done with it?—Because it would require a lot of money to bring it into use.

21. Can you suggest anything that would bring it into use?—I think a good deal of that land is held by absentees. Some of it was granted to old soldiers and immigrants, and so on, and that is why it is lying in that condition at the present time. I think if the Government gave the freehold of the poorer lands to people on condition that they would settle upon them and make certain improvements, it would be the best and only satisfactory way of getting those lands settled.

22. Why has better use not been made of this land?—The men who took it up in the past did not know what they were doing.

23. Do you think a man who knows the country and knows the best way of working it could make better use of it?—Yes. There is a family settled at Brigham's Creek who have proved that in a practical man's hands good use can be made of the land.

24. *Mr. McCardle.*] Does it not seem that your proposal for the election of Land Boards is almost an impossibility? You know, in the Auckland District, for instance, what a wide electorate the candidates would have to contest. Do you not think if the Government were to carefully select men from amongst the freeholders, the leaseholders, and the townspeople in the different parts of the district the object you have in view would be attained?—I dare say if the Executive would do that you might get a good practical working Board; but there is the chance the Executive might not do so, and if the people elected their own members, if anything went wrong, they would have themselves to blame. And I do not see that it is impossible, when we have elected Road Boards, and County Councils, and Licensing Committees.

25. Each man who stood for the Board would have at least five electorates to take in, even if the province were divided into districts, because you would have one man representing the whole of the community from here to the North Cape. There would be only four elective members on the Board?—I do not see why they should not be elected just as Education Boards are elected.

26. They are elected by the School Committees. Do you consider the lease with the right of purchase is the proper thing for the successful settlement of the country?—I would advocate that every acre of Crown land in the colony should be thrown open under the optional tenure.

27. Do not the objections you have raised arise more from an administrative point of view than from the present system of land-settlement?—No. I think all the land should be thrown open under the optional tenure.

28. Have you any experience of the Advances to Settlers Department?—No.

29. You advocate giving the land to the people in order to get it settled?—Yes; certain lands.

30. That would, I suppose, mean that after a man had resided a certain time and made improvements he should be given the freehold?—Yes.

31. Do you not think it would be better to charge a reasonable price and spend the interest returned upon making roads to the sections?—I think that would be a good way. I am an advocate of having the land settled at any cost. In regard to the lands such as you have seen to-day, if people could be induced to take it up and put their energy into it they should be given the freehold; but there is something in the argument that some amount should be charged and the funds derived put into the making of roads. There is no doubt that the want of roads has kept settlement back.

32. *Mr. McCutchan.*] You consider that in order to have a good practical Land Board you should have men who have an accurate knowledge of the capabilities of the district, and men who are conversant with the interests within that particular district?—Certainly.

33. In an extensive district such as this do you think it possible for four members to fulfil those conditions?—I think so; but at the same time it might be better to have more in a district like this, and for the district to be divided.

34. You advocate that the district should be divided into wards, and that there should be election within those wards?—Yes.

35. Do you not think the system of nomination would fulfil all conditions?—No; because there is no use disguising the fact that a man may be nominated because he is of a certain political colour, whereas the settlers could select any man in whom they had confidence.

36. You say the settlers have no security under the lease-in-perpetuity tenure. Is that in any way due to a pronouncement by the Trades and Labour Council in Wellington that there should be revaluation upon the death of the occupier or transfer of the land?—That has something to do with it.

37. Do you think if such a clause were introduced into the land laws of the colony it would militate against settlement?—Yes; but I do not believe in the 999-years lease at all. However, if any one wants it let him have it.

38. If the Trades and Labour Council became sufficiently strong by-and-by to return a Cabinet favourable to their interests, and brought in a revaluation clause to interfere with existing leases.

do you not think the tenants would then have the right of appeal to a higher power, and that such legislation would be *ultra vires*?—Yes; but if you have had any experience of the farmers you will know that they are very slow to move in their own interests. They are working from daylight to dark, and they have very little time to appeal for their rights. The Trades and Labour Council, being in large centres, can act together by simply inserting a short notice of a meeting in the daily papers.

39. What is the name of your county?—The Otamatea County.

40. Have you many Road Boards?—Only two, I think.

41. Do you approve of dual control by these bodies?—I approve of the Road Boards having wider control.

42. Does the county hand over the control of the main roads to the Road Boards?—No. As the Government give the larger amount of the subsidies on the rates collected to the Road Boards, it seems to me the Government prefer the Road Boards, and certainly they can do the work cheaper and better. They are not troubled with the question of charitable aid. The county has to hand over a portion of its rates to support the Charitable Aid Boards. I believe it would be a good thing to abolish one body or the other to avoid dual control.

43. Has your county raised much money by way of loan?—No. We attempted to raise a loan last year, but we did not get it, as there were not sufficient funds at the disposal of the Government.

44. But there were refusals all over the colony at that time?—Yes. The amount we asked for was £4,000, and since then Mr. Seddon has told us that we could have £1,000 after the 31st March last year, and another £1,000 after the 31st March of the coming year. That is the first loan we ever asked for.

45. Has your county put into force the Noxious Weeds Act?—Two or three clauses of it, but it is practically a dead-letter because no one will inform.

46. Would not the Stock Inspectors take the matter in hand?—No one will inform. If the Clerk of the county knows that a man has certain noxious weeds on his land, he writes and tells him that unless he cuts them down at once proceedings will be taken. That is all.

47. But there is no Inspector?—No, unless the Stock Inspector is one. The County Council has passed a resolution declaring only the worst kinds of weeds, such as gorse, blackberry, and briar to be noxious weeds.

48. Has any notification to that effect been sent to the Stock Inspector?—I could not say.

49. With reference to the poor country between here and Auckland which you think might be made profitable, do you think it might be made profitable by sowing English grass upon it?—No, not the ordinary English grasses.

50. Do you think the Government should take up the question of sowing danthonia upon these lands?—I do not think the Government should take any of these matters up.

51. It is recognised that this grass, danthonia, is going to redeem the North?—It would not grow well on limestone land, but it would on poor dry land which would grow nothing else; and instead of going to the trouble of clearing these lands, the danthonia comes up better after the burning.

52. What do you think of rating on unimproved values?—I have not gone into that. It is a very broad question.

53. *Mr. McLennan.*] Have you had any experience of the South Island—Canterbury and Otago, for instance?—None.

54. You never saw the result of the lease in perpetuity?—I have been in the South Island, but I did not see the result of that system.

55. You have not seen the prosperous homes those tenants have made in the South under that tenure?—No.

56. I think you should have gone down there and looked around before condemning the lease in perpetuity?—I think I stated in my evidence that I considered what might suit the South would not do in the North.

57. Would you be in favour of the people in the South getting the option of the freehold?—I would give them whatever tenure they wanted, and the money derived from the sale of the lands I would devote to the purchase of native and other lands.

58. *Mr. Paul.*] Do you think Crown lands should be sold for cash straight out?—Most certainly I do.

59. Do you believe in any system of leasehold?—I believe in the deferred payment or the lease with the right of purchase, those are the only two kinds of leaseholds I believe in.

60. Do you know any farmers who have been successful on leasehold land?—I do not know one.

61. Can you imagine that they might be successful on leaseholds?—Yes, if the rents were not too high and the rent was not raised on them. I cannot imagine a man being successful on poor land under a lease.

62. Do you think land always increases in value?—Of course, a man increases the value of his land by his labour, or it may be increased by the labour and enterprise of those around him.

63. Have you ever known of a decrease in value?—Yes, certainly.

64. In that case, would you allow a tenant a reduction in rent?—I suppose so.

65. In the case of land being valued far too low, do you think the State should increase the rent?—I do not believe in interfering with the tenure in any way. If you went in for revaluing land that had been valued too low, I think it would be a very dangerous precedent. It would be far better to allow the land to be purchased straight out, or that the option of purchase should be given.

66. Do you think it a good thing for a man to pay too high a price for his land?—I think it would be better than paying too high a rent.

66A. Suppose the people of this country insist that a certain proportion of the land must be held under lease in perpetuity, do you think the principle of revaluation would be equitable?—I do not believe in the principle of revaluation in any way. It might in some cases amount to confiscation.

67. It might mean confiscation if there was no revaluation?—Well, it might. But I believe revaluation would be what I might call the thin end of the wedge of confiscation, because once you break the contract for the 999-years lease, and say, "Your land must be revalued at the end of twenty-five years," there is nothing to prevent some agitation which would result in the land being revalued every twelve years, or every five years, and that simply means confiscation.

68. But none of us suppose that a present 999-years lease will be interfered with?—I am not so sure about that.

69. Do you look upon a lease as a contract?—Yes.

70. Do you approve of those people now holding leases in perpetuity being given the option of the freehold, and thereby breaking the contract?—I think if it can be shown that their land will be better worked as a freehold they should be given the right to purchase on the present value of the land.

71. Would you be prepared to give the tenants the value of their improvements and put the land up to auction?—No.

72. Do you think if the land had originally been offered as freehold a larger number of people or a different class of settlers would have put in applications?—I do.

73. Do you not think when the conditions are being altered it would be fair to let that other class of people come in and have a chance of acquiring the land?—No; I think the man who goes into the back blocks and carves out a home for himself has a right to be considered.

74. What is the principal reason why the lands up here have not been more closely settled?—The difficulty of getting on to the land is one reason.

75. Are there any absentee leaseholders?—I do not know of any. The absentee lands are mostly grants given to soldiers and to immigrants. Probably the original owners have died, and the land may be now held by their heirs in London and elsewhere.

76. Is it a drawback that there should be absentee landowners?—It has been a drawback. I do not think it is to such an extent now.

77. Do you think it good policy for the Government to buy any land?—I do not think the Government should buy any private land while there is an acre of Crown land in the colony. As soon as all the Crown lands are settled, they could start and buy land of this sort. That is my opinion.

78. What do you consider would be the better condition—good roads with the leasehold tenure, or bad roads with the freehold tenure?—May I answer your question by asking another? Why should we not have good roads with the freehold? It seems to me you are more likely to have good roads if you part with the freehold, or give the option of the freehold, than if you lease at a rental of 4 or 5 per cent.

79. Do you think the settlers would come into this part of the country and pay cash for the land?—Yes, unless too high a value was placed upon it. You would get ten settlers under the freehold for every one under the leasehold.

80. There must be a difficulty in getting roads?—Yes, a very great difficulty.

81. How do you account for it?—Five or ten miles back there were very valuable kauri trees growing on most of the land. Thousands of pounds have been paid for kauri which has been sold for cash, and the money has been taken straight away, and the land when the timber was taken off was of very little value. The local bodies collected very little in the way of rates from it. If the whole of the money the Government received from the timber had been given back to the local bodies to make roads the road difficulty would have disappeared.

82. Have any of the freeholders sold timber?—Very few of them had timber to sell.

83. *Mr. Anstey.*] Are you a member of a local body?—I am a member of the County Council, and I was a member of the Road Board for sixteen years.

84. What is the capital value in that road district?—I could not say. I have not been a member of the Road Board for two or three years. On a three-farthings rate I think they collected something like £100. There are two Road Boards in my county; one of them has been only recently created.

85. What is the annual rateable value of your county?—I could not say. I think our rates amount to something about £1,500 a year.

86. Do you think that the Road Board with an annual income of £100 could, with economical administration, do much in the way of making roads?—I think the money has been spent economically.

87. What is the cost of administration?—It is very small. They pay the clerk £7 a year.

88. Can you get efficient service for that?—Well, he is a man who has been Chairman of the Board, and he has been a member of the Board for fifteen years.

89. Do you employ an engineer for road-making?—No; they sometimes get the services of an engineer or some one in the district. They have sometimes had the services of the county engineer and sometimes of the Government surveyor in the district.

90. Do you not think it would be wise to employ a man with some little experience in road-making?—If we did that we should have nothing left for making roads.

91. Do you think it would be better if the area of the local bodies was extended, so that you could get a fair amount in the way of rates?—We have the County Council, and we cannot afford to employ an engineer there.

92. Do you think it is economical to have small local bodies if their annual revenue amounts so only £100 a year?—I think if it were not for the Road Boards the back-block settlers would not be able to get on to the land. The County Council is too unwieldy. I think the Road Boards are better able to look after the roads than the County Council.

93. Do you not think it would be economical to appoint a competent engineer?—You could not get an engineer for less than £200 a year. If the county had an assured sum every year of £1 for £1 or 10s. in the pound it might be possible; but under the present system, where we are only occasionally getting grants, we cannot afford to keep an engineer. The rateable value is too low.

94. With regard to Land Boards, do you think the conditions of settlement are the same in the north of Auckland as in the south?—No.

95. Do you think it would get over the difficulty if they had a Land Board for the north of Auckland and another for the south?—I think the Auckland Land Board should be divided.

96. You told us that the land lying between here and Auckland had something wrong with it: can you tell us anything that might put it right?—I do not know that there is anything wrong with the land, except that it is poor. I said that under certain conditions, in the hands of practical men, the land might be brought to a fair carrying-capacity. There is something wrong, because they are leaving it idle.

97. What effect do you think a good graduated tax would have?—Well, that is a broad question. It might do some good for that land, but it might be bad for other land. The rating on the unimproved value has been tried in the adjoining county.

98. *Mr. Johnston.*] Can you tell me why, in the case of Cheviot where every other section was offered as freehold when the estate was thrown open, only the leasehold sections were taken up?—I cannot tell you, except that I believe the conditions of settlement in the South Island are quite different from what they are here. I think if the same amount of money had been spent in this part of the country in putting roads through as has been spent in Cheviot you would see that land settled too.

99. *Mr. McCutchan.*] In speaking of the tenure question, you said you thought the right of purchase should be given to 999-years-lease holders at the present value?—Yes.

100. How would you assess the value?—As the value is assessed in the first place.

101. But it is the value of the improvements?—I think the improvements are a man's own. I would not value the improvements at all.

102. Then, it is the other value you would assess?—The value of the land.

103. Then, in assessing the improvements, how about the improvements that are not visible after a man has been working land, say, twenty years?—I think any practical man would be able to tell.

104. He would have no history of the land?—He could find out.

105. From hearsay?—From official inquiry.

106. Is it not the case that a large amount of improvements disappear altogether, especially in bush country?—Yes.

107. And would it be possible for a tenant to be reimbursed for his improvements by sending in an assessor ten years afterwards?—It would be very difficult.

108. And how about the improvements outside his fence-boundary, such as the dairy factories he puts up, which give an added value to the land?—A practical man would take all that into consideration. I think the unearned increment is paid for ten times over by a settler who goes into the back blocks. I do not think there is any unearned increment in this part of the country, because it is a man's own energy and sinews which give an increased value to the land. I quite admit it would take a competent man to do the work.

109. Then, taking these things into consideration, at what price should the tenant get the land?—It all depends on the class of land he has.

110. Take this class of land: is there any unearned increment on this?—No. I do not believe for a moment that there is any such thing as unearned increment on country land.

111. Then you are departing from your previous position when you said the tenant should get the land at the present value: if there is no unearned increment he should get it at the upset value?—That is the value I put on it.

112. Then, your statement now is that the tenants should get the right of purchase at the original capital value?—Unless there is an unearned increment due to such a thing as a railway put through by the Government, for which the whole of the people of the colony have to pay. But if the people in this settlement put their hands in their pockets and build a dairy factory, for instance, I do not think there is any unearned increment then.

113. The people of the colony borrow the money for the railway?—Yes.

114. And the people of the particular district pay their proportion of the interest, and, according to our method of constructing railways, before the Government put a railway in they see that there is a probability of that railway paying the average earning-power of the railway—viz., £3 6s. per cent.?—Yes.

115. Then, is it not the people of that particular district who put the railway in?—To a certain extent it is.

116. Is it not to the whole extent?—It is to the whole extent almost. If there is any unearned increment at all it can only be owing to this sort of thing: one class of people or one particular settlement may get a greater share of borrowed money than another. That is the only possible way, to my mind, by which there could be any unearned increment.

117. Well, suppose there is a small unearned increment, seeing that the rural population are really in excess of half the total population, should not half of that small margin of unearned increment really belong to them?—That fact might be admitted.

118. You stated you do not favour the purchase of private properties by the State under any circumstances until all the waste lands of the Crown are settled: is it with a full knowledge of the conditions existing in the South Island that you make that statement, or do you make it solely with reference to the district you know?—To the North Island, and I know it from one end to the other.



119. Is it not the case, even in the North Island after a number of years, that farmers and settlers who have brought up families naturally desire to see their children settled round about them, and that unless these large estates are purchased their young people will have to be scattered away, or go out of the colony? Is it not a laudable and a patriotic thing for these people to endeavour to keep their children settled round about them?—It may be, but I do not think it is a good thing. The curse of Ireland has been that too many people have wanted to settle on one little patch. I think it is better that the people should be spread about.

120. Then your principal argument would not apply until excessive subdivision takes place?—That is right.

121. *The Chairman.*] Is there not a great deal of land surveyed and mapped, and ready to be taken up in the Province of Auckland?—Not with roads through it, and I do not consider land is ready to be taken up unless there are roads.

122. On that point would you recommend that the homestead system be reintroduced in the Auckland province?—Both the homestead and deferred-payment systems. I believe in them both.

123. *Mr. McCardle.*] You mentioned the difficulty in regard to Native lands: is there much Native land in this district?—Not in this, but further north there is a great quantity of very fine land held by the Natives.

124. Do you think it is being dealt with satisfactorily now by the Maori Land Council?—No. Nothing is done except to allow it to be overrun with gorse and blackberry. It is going back every year.

CHARLES ERNEST FISHER examined.

125. *The Chairman.*] What are you?—I am a tenant under the Crown. I hold 156 acres under lease in perpetuity on Bickerstaffe. I am paying about £60 a year for the land, and another £20 a year for the buildings.

126. Are you fairly satisfied with your section?—Yes, the section is all right.

127. Are you satisfied with your tenure?—Not altogether. I have a young family growing up, and I would like to see my way to acquire the freehold by-and-by, so that I might hand the property to those of my family who have helped me to pull it together.

128. Can you not do that now—in fact, after you have fulfilled certain residence and improvement conditions, can you not sell out your holding, or leave it to your family?—I cannot do that until I have lived on the place a certain time.

129. Were you farming before you went to Bickerstaffe?—No, but I have been a cadet on a farm.

130. Have you been in this district for some time?—No, only for the last twelve months. I came from the Christchurch district.

131. Is there any particular point you wish to bring before the Commission?—Only that I would like to have added to my tenure the option of the right of purchase when I am in a position to do so.

132. You knew the terms and conditions when you went on to this land?—Yes, but I had not the experience I have since gained. I put in for the section and took it up without looking at it. I went straight on to it, and after considering the matter I have come to the conclusion that I would like to purchase the land.

133. Did you not see the land before you applied for it?—No. I took it up from the pamphlet. I was satisfied with the report and description in the Government pamphlet of the other settlements I had seen.

134. *Mr. Forbes.*] Have your neighbours the same feeling about the lease in perpetuity?—Every one I have spoken to on the subject.

135. They would like the option of purchase added to their lease?—Yes.

136. Do you not think that the lease in perpetuity gives a man more freedom in connection with the land; and if he has his money is he not always in a position to use it to make further improvements?—Yes; but I feel that if there were two or three exceptionally bad years and he was not able to raise his rent out of the land, he might have to clear out, whereas if he had two or three years of prosperity and saved his money the first thing he would do would be to acquire the freehold, and then he need not care a snap of the finger for any bad year. A man finds it pretty hard to tide over a bad year if he has £80 a year rent staring him in the face all the time.

137. Supposing a tenant had a certain amount of money sunk in the land, and a bad year came along, if he wanted the money badly would he not have to raise a mortgage on the land?—He could do that.

138. Do you not think that would be getting away from the spirit of the Act, which is to keep the land out of the position of the mortgaged freehold?—Not if the law was altered so that a man could not acquire more than a certain acreage of first-class land.

139. Suppose you and all your neighbours sunk a certain amount of money in the purchase of freehold, and a certain number of bad years came and you had to raise money from a loan company on your places, and suppose times continued bad and you could not meet your interest payments and your land fell into the hands of the loan company, would not that be aggregation?—Yes; but that is a thing a man will have to face in any business.

140. But, from the Government point of view, is it not right and proper that they should protect themselves against a contingency of that sort?—But they do provide against it.

141. There is the lease in perpetuity?—What does it matter to me whose hands it falls into if I lose all I put into it. Suppose I have bad times and I have to forfeit my section, what does it matter to me whether it is to the Government or to a loan company.

142. But the Government have to look to the success of settlement as a whole: you think that settlement will be more successful if the tenants can put their money into the land?—I do, certainly.

143. You are thoroughly satisfied with the place at is it?—Yes, perfectly.

144. Is it all taken up?—No.

145. What is the reason of that?—The rents are too high.

146. You do not think you are paying too high for your particular land?—Not for my land, because it is all cleared. It is the only section on the whole estate which could honestly be called ploughable land. I can go straight to work and plough it.

147. One witness said the reason why the land was not taken up was because there was no option of purchase: do you think that is the reason?—It is in this district, but it was not with those about Christchurch. I think the chance of getting on the land by paying down a small percentage of the purchase-money is a splendid inducement for we poor people to go on the land, but we should feel better contented and more secure if we could purchase the freehold.

148. Do you fear that the land may be revalued by the Government?—Yes.

149. Have you seen it stated that revaluation may be made to apply to leases in perpetuity already in existence? Have you a feeling of insecurity in that respect?—Yes.

150. Is that one of the reasons why you wish to acquire the freehold of your section?—Yes, my great reason.

151. *Mr. Johnston.*] You pay 5 per cent. on the capital value of your land?—Yes.

152. You expect to be able to make it freehold if you have the opportunity in the course of time?—Yes.

153. Are you doing sufficiently well so far to be able to do it?—I am doing pretty well so far.

154. Could you not invest your money at 5 per cent., so that it would bring you in sufficient interest to pay your rent, and still leave your land leasehold?—The fact is this: I have just come through the experience of having a lot of money, and I know a man may sit down and say he is going to invest his money in this and that, but while he has a lot of money he goes sporting about and loses a lot of it.

155. That is due to his own weakness?—That is my weakness.

156. *Mr. Matheson.*] Have you seen land-settlement going on in the South Island?—Yes.

157. Has it done good in promoting settlement?—Certainly.

158. Do you think the State would be wise to let those people pay off the capital value out of their savings?—I do, indeed.

159. Do you think if they do so it should be at the original value?—Yes, because the fact of these people going down there and taking up small farms, and paying rates and taxes and building roads and dairy factories has improved the value of the land, and I do not see why they should be asked to buy the land at the increased value which they have given to it themselves.

160. *Mr. McCardle.*] One reason why you favour the freehold was that you were afraid, in the case of the lease in perpetuity, in the event of death you could not will your property as you wished, as it might turn out that you had willed your property to some person who would not be accepted as a tenant by the Land Board: do you not think it would be wise on the part of the Government to amend the Act so that you could will your property as you thought fit?—Certainly, I think so.

161. Is there any real objection to the lease in perpetuity, so far as you are concerned?—The only objection I have is that I do not see any possible way of acquiring the freehold of it.

162. You said you were afraid that if you got some money together you might squander it?—I am sure I would.

163. If the Government amended the Act so that you could pay off the greater portion of the capital value of your land, the Government still retaining an interest in the property, would not that meet your case and enable you to make the land your savings-bank?—It would be an improvement, certainly.

164. *Mr. McCutchan.*] The previous witness said there was Canadian thistle on the Bickerstaffe Estate: is there any on your holding?—No. There is what the expert tells me is ensilage thistle, which is a very useful thing. I have seen no Canadian thistle, and only one blackberry bush on the whole place.

165. Have you a representative on the County Council?—I do not know.

166. Has anything been done in the matter of eradicating briar?—Not that I know of.

167. Do you know if it has been gazetted a noxious weed?—I do not.

168. Are the roads satisfactory on the Bickerstaffe Estate?—So far as my place goes, Yes: but further on, No.

169. Was the estate loaded for roads?—I did not see anything about it in the conditions under which I took the land up.

170. *Mr. McLennan.*] Did you ballot for this property?—I did not.

171. *Mr. Paul.*] Have your dealings with the Land Board been satisfactory?—Very.

172. Were you examined by the Land Board when you applied for this section?—Yes.

173. Your section has the highest rent on the estate?—Yes, it is part of the homestead block.

174. Do you think the condition under which you pay off the value of the homestead in a certain number of years is satisfactory?—Yes, very.

175. Is there anything in the conditions of your lease which interferes with you farming the land to the best advantage?—I do not altogether approve of the cropping conditions, because a man in cropping his land for the three years that are allowed may meet with three bad seasons, and not get any grain out of the land. Why should he not be allowed to take another crop? I think his experience would tell him better what should be done than any set of regulations drawn up by people in an office.

176. Do you think the cropping regulations are likely to interfere with your farming of the section?—Yes, I do.

177. Do you think it is better for a poor man to have capital to work his farm than to expend it in buying the freehold?—Yes, I do, for a poor man.

178. Then, it is only for the well-to-do men that you want the freehold?—No, for the poor man, when he has made enough out of his farm to buy it. I say you should give him the same privileges and opportunities as the wealthy man.

179. And you think he should have the option at any time?—No; I should say after he has resided on it for five years.

180. Have you an intimate knowledge of the settlements under the Land for Settlements Act in Canterbury?—No, not very.

181. Why do you express the opinion that they should have the option of the freehold?—Because I feel I want the option.

182. Do you recognise that they are in exactly the same condition?—I do, indeed.

183. Do you think the conditions of settlement are the same?—They seem to me to be the same. Those who have been lucky enough to draw a real good section will do better than us with the poor land.

184. Are there any really bad sections in Canterbury under the Land for Settlements Act?—I am not prepared to say that. I dare say there are plenty.

185. You believe the freehold should be given at the original capital value?—Certainly.

186. Then all the good bargains would be taken up immediately on the option being given?—Yes.

187. Do you think it would be a bad thing for the State if the bad ones were left on its hands?—I suppose it would be. It is only natural if those who assess the value of the land do not do it right that those who sent them to assess it should bear the brunt of the mistakes.

188. You think, however, the tenant should have the option of the freehold, even if the State loses something by the transaction?—I would not go so far as to say that. The State did not lay itself out to lose anything by the transaction. The Government buy the land at a price, and they assess certain parts of it at certain values, and they should take the responsibility of their act. The land will not become any more valuable, except through the energy of the men who take it up.

189. Do you think it might be fairer to the State if the tenants' improvements were conserved to them at a liberal valuation, and the land put up to auction?—To my idea that would not be an unreasonable thing to do; but I think, after acquiring a section and working and living on it for a number of years, a settler should have the right to purchase it if he is in a position to do so.

190. If you held a section that you thought was valued too high, and for which you were paying too much rent, would you purchase it at the capital value?—No, and I would not blame myself for not purchasing it. I should blame the Government for assessing it at that high rate.

191. And all over the estate, if some men had excellent bargains and the option of the freehold was given, the State might very easily lose on the transaction?—That should not be if the value was assessed right.

192. If the land was put up to auction you think that would overcome any loss that might accrue?—Not necessarily. A wealthy man might outbid me and give more for my section than it was really worth. I do not ask the State to lose unless it has assessed the land at too high a value.

193. *Mr. Anstey.*] Do you grow any crop on your land?—I am going to.

194. Oats or wheat?—Oats.

195. What do you get off it now?—I have only been there a few months. We are going to dairy and grow crops and sheep.

196. Can you grow turnips on it?—I do not know, but I do not think so.

197. Is your chief objection to the lease in perpetuity due to the fact that you think you have not full power to will it as you choose?—That is only one objection.

198. Are you now satisfied with the Chairman's explanation, that you can will it as you choose altogether independent of the Land Board?—I am not very clear about that.

#### DANIEL GEORGE PEBBLES examined.

199. *The Chairman.*] What are you?—I am a farmer. I hold 308 acres under lease in perpetuity on the Bickerstaffe Estate. I came here from New South Wales about eighteen months ago. I am paying £87 per annum.

200. How do you feel in this new country? Do you like the section you have got?—Yes, the section is very good. There is plenty of good grass and plenty of water.

201. What is your view with regard to the lease in perpetuity?—The lease is right enough, but I would like to have the option of purchase with it. I would then desire to make more improvements, and I would be happier and more contented.

202. Still, you knew the conditions before you took the section up?—Certainly.

203. Is your land fit to crop?—It is too rough. It is all grazing land.

204. What has been your experience with the Land Board?—So far they have dealt very fairly with me. I have no fault to find with them.

205. *Mr. Forbes.*] You do not know yet whether your rent is too high or too low?—I fancy it is a little too high.

206. Are the sections round you taken up?—They are taken up on each side of me.

207. Are some still not taken up?—Yes, a lot of them.

208. Do you think it is the rent that is keeping the sections from going off?—As much as anything—that and bad roads. Of course, the roads are a little better now. There have been a lot of obstacles in the way of taking up the land.

209. Have many roads been formed on the place?—Yes, by the Government. They are still working at them.

210. Do they intend to put roads into the sections that are not yet taken up?—The sections all border on the roads.

211. What sort of ground is it that is not yet taken up?—It is a sort of ironstone rubble formation.
212. Is it in English grass?—It is principally in cocksfoot. There is fair grass on it.
213. What are you going to run?—I have been dairying for the last six months.
214. Is the land round there suitable for dairying?—I think so.
215. Is the land not taken up suitable for dairying?—No, there is an undergrowth of tea-tree. I think the land is very poor.
216. Do you think, in that case, it would be better for the Government to face the position and reduce the rent?—I think they would get the land off their hands quicker.
217. And you think it would be better for the country to get somebody on the land?—Yes, because while it is unoccupied it will not be improving.
218. *Mr. Johnston.*] Were you farming before you came here?—Yes, in New South Wales and in Ireland.
219. *Mr. Matheson.*] Do you think if the right of purchase was given with these leases it would induce more people to apply for sections?—I think so. I think if the land was thrown open under the optional system it would be all taken up.
220. Have you been in Ireland since the Land for Settlements Act has been in operation there?—No, but I am pretty well versed in the land laws there.
221. Are you acquainted with the operation of the Wyndham Act in Ireland?—It gives what we are looking for here; it gives the option of the right to purchase.
222. I understood the Wyndham Act was a system of purchase by instalments?—Yes, the same as the deferred-payment system here.
223. You spoke about the roads being in a bad way?—Yes, they have been.
224. The Government are expending the money: is it a grant?—I think it is a grant direct from the Government.
225. Is the work being done by settlers' labour?—No, with outside labour. I think the Government are paying wages by the day.
226. Do you find the work is done satisfactorily?—Sometimes it is and sometimes it is not. What they are doing is very good, but it takes them a long time to do anything.
227. Do you think if the work were let under a small contract system it would be done better?—I think it would be done quicker and cheaper too.
228. We have had evidence elsewhere that day labour is satisfactory: You think it is not satisfactory on the Bickerstaffe Estate?—I do not think it is, so far as I have seen it. I have been there since last August, and it takes a long time to form a few chains of road.
229. Is there an overseer?—There is an inspector of roads.
230. What is the daily rate of wages?—8s. per day.
231. *Mr. Paul.*] Are they using proper modern implements to make the roads, or doing too much by hand?—They are using the pick and shovel and mattock.
232. Do you think the roads would be better made if they used teams?—I do not think they could use teams here. The country is too broken.
233. Have you any idea whether the price of land under the Wyndham Land Act in Ireland is too high for successful settlement?—No. It seems to work well. It seems to be appreciated, at any rate, by the people of Ireland.
234. You never heard that the price the tenants are compelled to pay is altogether too high?—No, and I do not think it is either.
235. *Mr. Anstey.*] You would like the right of purchase?—The option of purchase.
236. Do you think you would feel more safe, and do you think you would farm your land better?—I think it would be a great encouragement to people to work better and to become better tenants.
237. Do you want the right to purchase at the original valuation or at the value at the time you purchase?—I think the upset value would be a fair thing.
238. Do you not think if the Government give you the right of purchase they should say on what terms you should buy?—I dare say they should.
239. Would you consent to revaluation in that case?—I do not know that I would mind revaluation to-morrow.
240. Are you ready to buy to-morrow?—I would not be ready to buy, but to give the full rateable value of the land.
241. Do you think it is a wise thing to break a contract regarding the title to land?—I do not think it would hurt to break it.
242. Do you think it would be a good thing to break a contract in regard to the freehold?—I think it would be a good thing for the country at large.
243. In what way would you break the contract with the freeholder?—They acquired the freehold in the early days, and they got it for next to nothing, and when we come in we have to pay a high price for it.
244. Would you charge them the difference between the value of the land now and the price they originally paid for it?—Yes, I would make it one thing or the other.
245. Would you take away the freehold title now held and put the land throughout the colony under lease in perpetuity?—I would have one law governing one people.

JAMES ANDERSON examined.

246. *The Chairman.*] What are you?—I am a farmer. I hold 328 acres under lease in perpetuity on the Bickerstaffe Estate. I am paying 5s. 10d. per acre.

247. Are you well satisfied with your section?—It seems to be a very fair section, but I think it has a higher rent than any other section round here, and it is no better.

248. Did you go over the ground before you went in for it?—I did.
249. And you then thought it was worth the money?—I did.
250. Can you plough any of it?—No; I do not suppose I could plough an acre of it.
251. Then, you will have to rely on grazing?—Yes, principally.
252. Is it in grass?—Yes, the greater portion of it. I run sheep and cattle.
253. Are you satisfied with your tenure?—I would like the option of purchase.
254. You heard what was addressed to the last witness about revaluation: would you be agreeable to that?—I think if we get the option of purchase it should be at the valuation on which we pay rent.
255. But in your case, though you think it is rather high, still you would risk it if you had the money?—Yes.
256. *Mr. Forbes.*] Why would you like the option of freehold: why are you dissatisfied with the lease in perpetuity?—Well, I would like to make the farm my own in the future and have it rent-free.
257. Do you think you are not secure under the lease in perpetuity?—I have that feeling also.
258. Do you think if you made it a freehold you would have feeling of greater security?—Yes.
259. If you got the option of purchase do you reckon it should be paid off in instalments at any time?—Yes, as the tenant could.
260. You say you are paying too much rent for it as a lease?—I think it is dear. Of course, I have only been on the place a short time.
261. Do you not think that the people who are leasing the land cheap enough, if they get the option of purchase, should pay a little more for that concession?—I do not think they should. I question if any of the tenants have the land too cheap. In any case I do not see why they should be charged any more for it. I think that concession should be thrown in for nothing.
262. *Mr. Johnston.*] How do you reconcile the fact that you would like to buy the freehold on a basis of 5s. 10d. per acre, capitalised at 5 per cent., but you would not like to give 5s. 10d. per acre rent?—I have to pay 5s. 10d. for ever, and in the other case I can pay it off in a certain number of years.
263. But if you did pay off you would expect to pay 5 per cent. on your capital?—Yes.
264. What stock do you carry?—I have three hundred sheep and fifty head of cattle.
265. How long have you been on the land?—About four months.
266. Were you on the land before you came here?—Yes, farming in the North of Ireland.
267. You knew what this section was before you took it up?—So far as I could when I looked over it.
268. Are you satisfied with the results for the four months?—The grass has not kept up as I thought it would. The grass had not been heavily stocked before I purchased.
269. It had been allowed to run into grass before you purchased?—Yes.
270. Have you any weeds on it?—Not noxious weeds.
271. Do you know if there is any ragwort or Californian thistle on it?—No.
272. Have you had any other dealings with the Land Board except applying for the section?—Very little, except getting an account from them for fencing, which I did not feel I owed.
273. *Mr. Matheson.*] If the State sees it is wise to give you the right to purchase, and you agree to take it, do you think that could be done by an amendment of the Act without breaking your lease?—Yes, I think it could.
274. Did you see anything of the working of the Wyndham Land Act at Home?—It had not come into force when I left; but I believe from what I hear it is working very satisfactorily.
275. *Mr. McCardle.*] Do you know how many settlers there are on the Bickerstaffe Estate?—I think about sixteen or seventeen, and there are quite as many sections not yet taken up.
276. Do you think they are likely to be taken up?—I do not think so.
277. What is the reason?—I believe the tenure is the principal objection, from what I hear.
278. I suppose all the settlers around you are freeholders?—Yes, outside the block.
279. Will you be able to carry more than three hundred sheep and fifty head of cattle?—I do not think so.
280. Do you think that will be sufficient to keep you and pay the rent, and so on?—I took the section up thinking it would do so.
281. If you get the right of purchase, I suppose you want it on long and easy payments?—Yes.
282. What number of years do you think you would require?—I would say from twenty to twenty-five years.
283. *Mr. Paul.*] Do you think, if the State thought it wise to amend your lease by putting in a provision for periodical revaluation, you would look upon that as breaking the lease?—I think it would be breaking the contract.
284. Yet you do not think it would be breaking the contract if the State inserted a provision giving you the option of the freehold?—Yes, it would be breaking the contract.
285. Do you think the State might lose by giving the option of the freehold if the bad bargains were left on its hands, while the good ones under the Land for Settlements Act were purchased?—Taking the Bickerstaffe Estate, I do not think the State would lose anything by giving the option of purchase at the prices the sections are at present rented at.
286. I think you said some of the sections are rented too high?—Yes.
287. Do you believe all the land would be bought and made freehold?—I think it would.
288. If that did not apply in all cases, would you be prepared to modify your opinion to save the State suffering any monetary loss?—If the Government gave the right to purchase at the prices they rent on they could not suffer loss.
289. But supposing half the tenants refused to take up at that price, and insisted on a reduction of rent when bad times came, would not the State suffer loss?—The State is not compelled to give them a reduction of rent.

290. Do you think the State could purchase an improved estate and settle half of it and leave the other half unsettled? Would not the Government be compelled to settle the whole of the estate?—If they could get settlers to go on it.

291. But would they not have to decrease the rent until they could get settlers permanently on it?—Yes, if it is too dear.

292. How would it do to make the purchase compulsory, so as to insure the tenants buying even the dear sections: would that meet with your approval?—I do not think so. I think the tenant should have the option.

293. Supposing the tenant's improvements were conserved and full valuation given for them, would you be prepared to have the land put up to auction?—No; I do not think so.

294. You think the only way is to give the tenant the option at the original capital value?—I think that is the fair way.

295. Even though the State might lose a little by the transaction?—But I do not see how the State could lose.

296. You do not see that some bad sections would be left on its hands?—But some bad sections are left on its hands as it is.

297. In Canterbury?—I am not speaking about Canterbury; I am speaking about where I am myself.

298. Yet you think there are plenty of people waiting to buy the freehold at that capital value?—From what I hear.

299. *Mr. Anstey.*] Is there a creamery near you?—Not nearer than five or six miles. There is a site on the estate.

300. Do you do any dairying?—No.

301. Do you anticipate doing any?—Not with a creamery six miles away. I would go in for dairying if I had a creamery near me.

302. How is the roading of the estate progressing? Are the Government spending the money judiciously?—I think they are.

303. Are the roads already made?—The road is pretty well formed all the way through, except the last couple of miles towards Maungaturoto.

304. Is that all the Government have promised to do for the estate?—I think so, but I am not certain.

305. Are you entitled to 10 per cent. rebate for prompt payment of rent?—I believe I am. I have not yet paid any rent except the first instalment.

306. *Mr. Matheson.*] Do you see a distinct difference between an alteration in a lease to which both parties agree and an alteration to which only one party agrees? Would you not call one an amendment and the other a breach?—Yes, I suppose so.

WILLIAM HEATHCOTE JACKMAN examined.

307. *The Chairman.*] What are you?—I am a farmer. I have about 250 acres of freehold and 287 acres under lease in perpetuity on the Bickerstaffe Estate. I pay 4s. per acre rent for it.

308. Are you satisfied with your Bickerstaffe property?—Yes, I am satisfied with the land.

309. And with the tenure too?—I think the tenure should be amended. Of course, I think if you form a contract with the Government or with any one else you are bound to fulfil that contract. I formed this contract with the Government, and I feel bound to fulfil it; but I think at the same time, for the benefit of the whole colony the contract should be amended. There is no breach of contract if both parties agree.

310. What would be your amendment?—In the first place, I would give the people the option of buying the freehold. The great objection to the present system is the fear of revaluation, and also there is a difficulty in transferring your rights. At the present time before you can transfer your rights you have to go before the Land Board, and, of course, the Land Board, if they like, can say No.

311. Of course, you can get a transfer if you bring forward a reasonable man to take your place?—Yes; but you are not free. You cannot demand it as a right. If you have a freehold you can sell it to any one.

312. *Mr. Forbes.*] Have you been long in this district?—I have been forty years here.

313. Do you think this Bickerstaffe Estate is too highly rented?—I do not think the rent is altogether too high on many sections. I think the place was not valued properly. I think some of the sections were valued too high, and some of the others perhaps a little too low; but I do not think the rent is too high as a whole.

314. What do you think is keeping the settlement back?—It is simply the want of optional tenure. I will give you an instance. The country that you drove through on the other side of Maungaturoto is no better than Bickerstaffe, and it was put up to auction and sold with the right of purchase, and every piece of it was taken up. No one paid for the land; they are paying 5 per cent. on the value.

315. How do the prices compare with Bickerstaffe?—The price, if anything, was a little higher than Bickerstaffe.

316. And have the people who took it up done well out of it?—Of course, it was only sold about the same time as Bickerstaffe. You cannot tell if a man has done well in a year.

317. You think if the option of purchase was given that the whole of Bickerstaffe Estate would be taken up?—I think the whole of it would be taken up.

318. You think that is all that is keeping the place back?—Yes. Of course, if an alteration was made, and if a man who took up, say, 100 acres under lease in perpetuity was at the end of five years, when he had completed his improvements, just as free to deal with his land as a freeholder, I think you would probably hear very little grumbling about the option of the freehold.

319. Of course, he cannot be as free as a freeholder in the matter of selling to his neighbours?—That is it—he wants to be as free as a freeholder.

320. The Government insert that provision in order to prevent the aggregation of estates: do you not think that is a good provision?—Yes; I think no man should own more than a certain area of land. But I think the Government could regulate the matter in another way.

321. *Mr. Johnston.*] Have you seen any of the settlements under the Land for Settlements Act in the South Island?—I have no experience of it whatever.

322. Can you form an opinion in regard to the Bickerstaffe Estate?—Yes.

323. How much land was sold by auction?—About 3,000 acres. It belonged to private people.

324. It is all freehold land between here and Warkworth?—Yes, pretty well.

325. How do you account for it being in such a disgraceful condition?—A great deal of the land is poor, and, another thing, there has been no communication between North Auckland and Auckland. For instance, it would cost the small settlers a great deal more to get their produce to Auckland than it would to produce the stuff.

326. There is a steam service to Warkworth and all up the coast, and the road is not at all bad that we came along. You do not call the road that we came along to-day bad?—If you came along the road in two months' time you would find it in quite a different condition.

327. You have the spring to get rid of your stuff?—A man who is a practical farmer does not get rid of all his produce in the spring.

328. How do you account for the land not being taken up and worked?—I cannot account for it in any other way.

329. Do you think if the land was leased it would be cultivated, because then the people would have to reside on it?—I certainly do not.

330. Have you had anything to do with the Land Board?—A little. They have been very satisfactory.

331. You say the land would not be satisfactory under leasehold. Why did you take up your land if the lease is not satisfactory?—I am quite willing to abide by my contract, but there is no reason why I should not get it amended if I can.

332. Have you had anything to do with the Advances to Settlers Office?—No.

333. *Mr. Matheson.*] Does it seem to you that the Minister of Lands is in a better position to pick good members for the Land Board than an ordinary citizen?—Well, the Minister of Lands ought to be in a better position to nominate a man to the Land Board than any single individual in the district; but I think the County Council could pick more suitable men than the Minister.

334. *Mr. McCardle.*] Suppose the restrictions under the lease in perpetuity were removed, and you were able to deal with your property much in the same manner as the freeholder does now, would that waive any desire you have for the right of purchase?—That would waive my desire altogether.

335. Suppose the Government agreed, as soon as a settler under the Land for Settlements Act had done improvements up to a certain value, to remove these restrictions and allow him to deal with his land as he liked, subject, of course, to the provisions of the Land Act, would the whole of your objection be removed?—Yes, so far as my business objections are concerned; but, of course, every one knows that the matter of land-tenure is a matter of sentiment. It is the same with a man who is going to take a wife: he does not reckon what his wife is going to cost him.

336. You also expressed yourself in favour of a restricted area: do you think the Government should restrict a man's holding to a certain area?—Yes.

337. *Mr. McCutchan.*] You say you cannot transfer your lease without the sanction of the Land Board?—Certainly not.

338. Is it the sanction of the Land Board or the sanction of the Minister under the Land for Settlements Act that is required?—I cannot tell you, but it is some one in authority.

339. Do you know any case where a transfer was applied for and refused?—No.

340. Do you not think it is a wise thing for the Land Board to exercise some control over the lease?—Certainly not, if the necessary improvements have been done.

341. Your lease on the Bickerstaffe Estate is land which has been purchased for the purpose of settlement?—Yes.

342. And for a considerable time the interest of the State in the land will exceed your interest, and yet you say the State should have no voice in the control of that land?—Certainly not. They should be in exactly the same position as a landlord. A landlord has his interest in a farm—say it is £4 or £5 or £10 per acre—and his interest remains at that figure. There is no loss to the State if the whole of the Bickerstaffe tenants bought the estate to-morrow and paid the upset price for it.

343. Do you know of any private landlord with as much interest in the land as the State has in this, who would allow his interest to be transferred from man to man without exercising some control over it: have you known of any instance of it?—I have not.

344. Then, do you think it is wise for the State to forego its control?—I think it would be wise for the State to give the option of purchase.

345. Are you on any local body?—I am on the County Council.

346. Are you on any Road Board?—No.

347. Do many complaints come from the settlers in your locality with reference to the disabilities they suffer under on account of roads?—Yes, any quantity of them.

348. A gentleman who had a seat formerly on the local body, and who gave evidence this afternoon, stated it would be a good thing if the local bodies got an assured finance. That term, "assured finance," is used all over the colony: do you know what it means?—I cannot tell you.

349. As a member of the County Council, do you think the road-making of the county should be subsidised by the Government?—Yes. I think the monetary grants should be divided among the local bodies, instead of being placed in the hands of the members of the electorates. It would be a very difficult thing to do if the grants were made on a population basis, because then the towns might get the whole of the money.



350. Could you not take it on a valuation basis?—Then the cities would get all the money.
351. Is it not the case now that the subsidy decreases the higher the rate that is levied?—I cannot tell you.
352. Are you acquainted with the Local Bodies' Finance and Powers Act, under which the subsidies are fixed?—I am not, very well.
353. Does your county keep road accounts?—No.
354. Have you complaints from the settlers about their rates being transferred from their riding and spent elsewhere?—Not that I am aware of.
355. *Mr. Paul.*] Do you believe the best way to constitute the Land Board is by the County Councils electing them?—Yes; I think the local bodies are the best people to elect the Land Board.
356. Better than the whole of the people?—Yes.
357. *Mr. Anstey.*] Is there anything in the nature of the tenure of your lease which will prevent you making the best use of your land?—Nothing whatever.
358. You are able to farm it just as well as your freehold?—Yes.
359. Do you think you possess just as good security for your improvements?—No.
360. What is the difference?—There is the fear of revaluation.
361. Is that the only difference?—Yes.
362. Can you tell me whether the settlers generally on this Bickerstaffe Estate, so far as they have gone, are farming the land as well as the freeholders around them?—Just the same.
363. Can you tell me whether the freeholders generally are farming their lands well in this district?—I would not like to say. If you go into any district you will find good farmers and bad farmers. It is impossible to make a sweeping assertion.
364. Do you think there ought to be any interference on the part of the State in the case of the people who are keeping their lands idle?—Certainly I do.
365. What would you suggest, in the case of the lands referred to by Mr. Johnston as being in a most disgraceful state of neglect, to compel the owners to put their lands to some use?—I cannot suggest anything.
366. Can you tell me how the land is rated?—On the improved value.
367. What would be the difference in the rating of a farm highly improved and another next to it in a state of neglect?—A great deal of difference. I am in favour of rating on the unimproved value.
368. What would it cost to bring any of this land into a fairly improved state?—It depends altogether on the land.
369. Take the tea-tree scrub land?—It would cost about £3 per acre.
370. Would that include buildings and fences?—No; to get it into grass. That is where the unfairness of the valuation comes in. A man will work the land and put a lot of manure in it, and when the valuer comes along he knows nothing about the manure that has been put in.
371. Then, the difference between the improved and unimproved value would be the difference between, say, £1 or less per acre and £4?—Yes.
372. Then, in rating on the capital value an improved estate pays rates on £4 per acre, and the unimproved estate pays on 10s. per acre?—Yes.
373. You think it would be wise to alter that system?—Certainly, I do.
374. *Mr. Forbes.*] A previous witness said there was Canadian thistle on Bickerstaffe Estate: do you know if that is so?—I have not seen any.
375. *Mr. Matheson.*] Do you think it is a wise policy for the Government to help those settlers who are trying to help themselves?—Certainly.
376. Do you think that might be done by abolishing grants, and allowing the settlers to raise loans to make roads, the Government to pay one-half the interest on such loans?—Certainly.
377. *Mr. McCutchan.*] You have had forty years' experience working the land?—Yes.
378. You think it is apparent to any one—even a novice in the district—that the reason why the poorer lands have not been brought into productivity is because it is almost impossible to do so by the sowing of English grasses; but we had an expression of opinion this afternoon, from a gentleman of long experience, that this very poor country could be redeemed by such grasses as danthonia: is that your opinion?—I have seen a lot of poor land redeemed by danthonia towards Wellsford way; but danthonia will not grow on lots of land. I doubt very much whether it will grow on those hills at the Wade. I think such land is only fit for tree-planting.
379. *Mr. Anstey.*] I notice there are a large number of small Road Boards about here with microscopic revenues: do you think that is the most economic way of attending to the roads of the district?—Certainly not. I think it would be better if two or three of the counties were made into one.
380. That would mean putting about fifty Road Boards into one?—There are very few Road Boards in the Otamatea County.
381. You think the County Councils are too small?—Yes.
382. Do you think that one local body instead of two is sufficient to administer all the roads?—Certainly.

## WILLIAM BAILEY examined.

383. *The Chairman.*] What are you?—I am secretary of the Maungaturoto Co-operative Dairy Company. This is the third season it has been in operation. There has been 39 tons of butter made during this season, and 38 tons of that has been exported to London. This season 7d. per pound has been given for butter-fat.

384. What effect has the factory had on the farming in this district?—It has not to any great extent led to cropping at present. There is no doubt that is coming to the front, and the settlers generally recognise its importance, and that they should take steps to provide winter feed for their stock.

385. I suppose milking is mostly done by the suppliers?—The company generally meets them to the extent of running a cart and paying half the cost of cartage. The milking of the cows is mainly done by the farmers and their families. I only know of two instances in which farmers employ outside labour. The monthly payment of about £400 is divided amongst forty suppliers, and £10 a head is about the average paid to each. That lasts for six months in the year, but during two seasons it lasted for seven months. The Brynderwyn Estate was sold on the freehold tenure, but the settlers buying that land were not obliged to pay down the whole amount. Other land in the district was also put in the market the year before last. These sales of land have had an effect on the settlement at Bickerstaffe, and that has been the cause why some of the Bickerstaffe land has not gone off.

386. But there is no doubt that Bickerstaffe will go off?—Not the slightest doubt.

387. *Mr. Forbes.*] Was a petition got up to the Government to buy Bickerstaffe?—I am not acquainted with all the circumstances which led to the purchase of that land.

388. Was there an agitation got up here for the Government to acquire the estate?—It did not come from the settlers round here.

389. There was nothing to lead the Government to believe that there would be a good local demand for the Bickerstaffe land?—Not on the part of the settlers collectively. To most of the settlers here it was a matter of surprise that the Government bought the estate.

390. Where do the settlers at Bickerstaffe send their milk to?—Two of the settlers supply our factory with milk.

391. What is the road like between here and Bickerstaffe?—I think it is a very good road, but until it is metalled it will be almost impassable in the winter-time. During the summer the road is all that can be desired.

392. *Mr. Matheson.*] How long have you been in this district?—Forty years.

393. What tenure do you think it is wisest for the Government to offer land under?—The leasehold.

394. Do you think that is as likely to promote prosperous settlement as if the right of purchase were given?—I think there is a widely prevalent sentiment in favour of the freehold. I do not know that it is founded on reason, but it will probably have the effect of checking settlement for some time, because I do not think the leasehold system is properly understood.

395. Do you think if the tenure were properly understood people would be quite satisfied with a Government lease?—Yes.

396. Do you think that the Government lease should be revalued at stated times?—Yes.

397. What periods do you think it would be reasonable to revalue them at?—I should say five years, but probably it would be better at longer periods than that.

398. *Mr. McCardle.*] How does it come that you are only paying 7d. this year?—The factory commenced at the middle of the season, which resulted in a loss, and the directors decided to keep the price low, with a view of paying dividends, if possible.

399. How is the factory worked?—They have borrowed money from the bank on the joint guarantee of the members of the company.

400. Do you know what is the average this year?—I should say about 3.8, but it has risen up to as high as 5 in the last of the season.

401. You would get a good average test if only the quantity was sufficient?—Yes.

402. You expect that in another season the quality will improve?—Yes.

403. Do you send the butter Home or sell it to agents?—It is shipped entirely at the settlers' risk. The agents advance so-much per pound, subject to recall in case the butter does not fetch the price at Home.

404. I think there are agencies with which you could make better terms?—The company had an offer of 9d. f.o.b. in Wellington, and they guaranteed, but they declined to take that, and it has resulted in their offering close on 9½d.

405. *Mr. McCutchan.*] You advocate a five-years revaluation clause being inserted in the lease?—I think five years would be a fair period, in justice to the country.

406. Why in justice to the country?—Because I think the community has an interest in the lands of the country—that is, in contradistinction to individualism. I think there is an increment in the land that should be the property of the people.

407. Is it the people that make it?—Decidedly.

408. How?—By improvements, by their energy and business, and even by roads and railroads. The improved value of property resulting from this expenditure should, I think, belong to the people of the colony.

409. Has the dairy factory increased the value of the land at all?—Undoubtedly.

410. You made 39 tons of butter last year, and exported 38 tons Home. How, then, does the increased value of the land belong to the community of New Zealand?—The increased value of the land belongs to the colony generally. The unearned increment belongs to the people of the district, who are really getting it in this case.

411. Therefore, any increase in the value of the land here belongs to the men who are in occupation of it?—No. Any increased value belongs to the people of the country. I take it that if the increased value goes to the men in occupation that is individualistic. I think if the expenditure of the people increases the value of the land the people of the country have a claim to that increase.

412. Have you had any Government grants here in connection with your roads?—Yes; in the early days, a great amount.

413. Do you think the amount this district has had is more than its share in proportion to the expenditure over the whole colony?—No.

414. Are you a freeholder?—On a small scale.

415. Does not the increased value of that land belong to yourself?—Do you mean by my labour?

416. I mean the increased value given by public works?—It belongs to me as a colonist, but not exclusively to me. You will understand that if I am a freeholder that was the only tenure that existed when I came to the colony; but, speaking broadly, I think the Government should reserve to themselves some authority over all land.

417. If you sold your property to-morrow would you hand over the increased value that was not made by your own efforts to the colony?—If other people would do so I would; but that is hardly a fair question to ask under the circumstances. Every one cannot quite live up to the principles he holds in regard to questions of that kind.

418. Would a single section of Bickerstaffe have been taken under a five-years revaluation?—The probabilities are it would have been taken up.

419. Do you think men would go into the rough bush country here and take up land on a five-years lease, because revaluation every five years means simply a five-years lease? Do you think that men of experience and men with the requisite ability and capital would take up the rough bush land of the colony under that tenure?—I do not think the rough bush land of the colony is of very great value to any one until it is improved.

420. Do you think men would undergo the risks and hardships of taking up such land under those conditions?—Not if it meant that the lease would terminate at the end of five years; but if the revaluation was a fair one I do not think it would deter many of them.

421. Do you not think, in the case of the back country, it would be better to give the settlers a longer lease at a very low rent?—Certainly. I would like to say this in reference to the length of the term I mentioned—namely, five years—that I do not wish it to be understood that I would limit the lease to five years. In answering the question as you have put it, I think it would be unfair.

422. Do you not think the old perpetual lease was a fair thing—namely, the first period for thirty years, and a subsequent revaluation every twenty-one years?—Yes, I think so. I am inclined now to think that five years would be too brief a period, and that twenty-one years would be a better term.

423. You think the term of revaluation should be according to the nature and the value of the land?—Yes.

424. You think that the settlers in the back blocks deserve every encouragement and help?—Yes.

425. *Mr. Anstey.*] Do you expect the settlers at Bickerstaffe next season to supply milk to your factory?—Yes, cream.

426. How far are they from the factory?—The most distant one is between five and six miles.

427. Is the land there suitable for dairying?—Part of it has very good grass.

428. Is it suitable for grain-growing?—A very small area.

429. Is it suitable for sheep?—Yes, sheep and dairying.

FREDERICK BRABAZON WINSER examined.

430. *The Chairman.*] What are you?—I am a farmer at Bickerstaffe. I hold 547 acres, and my rent is 1s. 9d. an acre. It is rough, broken land, and is purely grazing land. I am perfectly satisfied with my rent and with the tenure. I have a good summer road to my place. There is a Government wharf at Bickerstaffe, about five miles from my section.

431. *Mr. Forbes.*] You have heard other witnesses say to the Commission that they are not satisfied with the lease-in-perpetuity tenure, and they want the option of purchase?—I certainly agree with them about the option of purchase.

432. But you are willing to abide by the contract you have entered into with the Government?—Yes.

433. But if there is to be any alteration you would like the option of purchase?—Yes.

434. You do not wish to have your present lease broken?—I think it would be very nice to get the land as a freehold if I was in a position to take it up under that tenure.

435. *Mr. Matheson.*] Do you think the State would be wise to give you that chance if you gradually made savings on the property?—Yes, I certainly think so.

436. *Mr. McCardle.*] If you took it up on those terms you would want a long term on which to pay it off?—I could not really say at the present time.

437. Do you know anything about the working of the Advances to Settlers Department?—No.

438. *Mr. McCutchan.*] You think of raising enough to acquire the freehold?—Yes.

439. I suppose you mean after putting sufficient improvements on the land?—Yes, and after I have got a little from it.

440. Do you expect to mortgage the goodwill?—I would not like to mortgage it too much.

441. Do you think the goodwill belongs to you?—If I could get hold of the section I would be very glad to get it.

442. Are you aware that the Advances to Settlers Department is now advancing on the goodwill?—No.

443. If the Advances to Settlers Department is advancing up to 50 per cent. on the tenant's interest, would you consider that is an acknowledgment that the goodwill belongs to the tenant?—I thought the Advances to Settlers Department only advanced on improvements.

444. But would you consider that was an acknowledgment by the Government that the goodwill in these leases belongs to the tenant?—Yes.

445. *Mr. McLennan.*] Can you grow a green crop on your property?—I do not think so.

446. Is it all in grass now?—No; 125 acres is in bush, and 250 acres in tea-tree, and the balance is in grass.

447. How do you get rid of the tea-tree?—You have to cut it and burn it. I have been only four months in the north, but they tell me that danthonia and brown-top are the best grasses to plant.

448. *Mr. Paul.*] Is there anything in the conditions of the lease in perpetuity which prevents you making the best use of the land?—I do not think so.

449. Why do you think it would be wise for the State to give the freehold?—I am not thinking of the State, to tell you the truth.

450. You are thinking of No. 1?—Yes.

451. *Mr. Anstey.*] Is there any kauri-gum on your property?—I hope so.

452. Do you expect to make a considerable sum from that?—I might make a little to pay the rent.

453. Do you expect to do dairying or to run sheep?—It is too rough for dairying, but I will keep sheep and cattle.

THOMAS MEYERS examined.

454. *The Chairman.*] What are you?—I am a settler at Bickerstaffe. I hold 372 acres, and my rent is 2s. 4d. an acre. My land is practically unimproved land. I suppose after the tea-tree scrub is cleared off some of that can be ploughed and improved. I am satisfied with my position as far as I have gone. The tenure seems fairly reasonable. It might be improved by the insertion of the optional clause. I would like to have the chance of making it a freehold some day. I have a fairly good road to my place. I intend to use my farm for dairying.

456. *Mr. Forbes.*] How long have you been in this district?—Four months. I came from Feilding.

457. Is the rental reasonable?—On the whole I think the rent is rather high for the time being. It has been said here that the leasehold is stopping settlement at Bickerstaffe on the poorer sections. My opinion as to the unimproved sections is that if there is any rebate given there are numbers who would settle on the poorer sections, because I am firmly convinced that any man with energy could make something out of the land, but the great drawback is that you are paying for land from which you are getting no return.

458. If the rent was made reasonable for a number of years, until the settlers were getting a return, you think that would be better?—I think that would be quite reasonable.

459. You are satisfied with the lease in perpetuity?—I think it is a very good thing. There is every inducement offered to a man with small capital to settle on the land. It is useless for a man crying out for the freehold if he has not got the money to buy the freehold.

460. Do you think if the option of purchase were given it would be a little more inducement to the settlers?—I think on this land it would be very difficult indeed to place a fair valuation on the improvements made by the settlers.

461. You think it is in the interests of the State to keep the people off that land, and give them every inducement to keep at work?—Undoubtedly. I think if the people are willing to work it is the duty of the State to offer them every inducement.

462. *Mr. Matheson.*] Do you think that by offering the option of the freehold it would be giving a little more inducement to the settlers?—Yes.

463. Do you think the tenants should be allowed to pay off the amount in sums of, say, £25 and upwards?—That might suit a man of small means, but I have not studied that question.

464. Do you think the option of paying off the amount in sums like that would be better than paying the whole amount off in, say, twenty years?—No, it would not be better in the case of a man who has the means I have got.

465. *Mr. McCardle.*] Do you think the rents will have to be reduced or the right of purchase be given before the balance of the sections will be taken up?—I think if the Government would offer such inducements in regard to certain sections they would be readily taken up. If you gave a settler a rebate for two years, or gave him the land rent free for two or three years, and he puts his energy and money into the land in improving and grassing it, I think that would be a very good thing.

466. Would that be fair to the settlers who have already taken up the land?—Perhaps they might not think so.

467. You have got a section, and it is a paying section?—It will not pay for three years.

468. *Mr. McCutchan.*] We had evidence given to-day that the reason why Bickerstaffe was not all taken up was because there was no right of purchase, and there was also another reason given—viz., that the local demand had been already satisfied by the previous sale of other land in the district: is either of those reasons the true reason?—I should think the right of purchase would be a great inducement to more settlers to come here.

469. *Mr. McLennan.*] Can you plough any of your land?—If it was cleared a good bit of it would be ploughable.

470. Is it clay or chocolate?—There are about fifty different sorts of soil in the 300 acres.

471. Is there much limestone in it?—Very little.

472. *Mr. Paul.*] Do you think the settlers are in a position to acquire the freehold if they were given the option?—Not at present.

473. Do you think they can pay for the freehold out of the revenue from the farms?—They might after a while.

474. About how long?—I could not say.

475. Is there any revenue they would get under the freehold that they could not get under the leasehold while they occupy and work the land?—I think it would be an additional inducement to people to settle on the land if they were given the option of the freehold. I think the leasehold is altogether reasonable, but my opinion is much the same as other witnesses, that the optional clause would be another inducement to them.

476. The optional clause would make it a more valuable tenure?—I think so.

477. There is nothing in the leasehold tenure which prevents you from getting the best from your farm?—Not so far as I can see, individually.

478. *Mr. Anstey.*] How many sections were taken up at Bickerstaffe at the original ballot?—About seventeen.

479. Have any been taken up since?—I do not think so. I might say my own was not taken up at the first ballot, but shortly afterwards.

480. Do you know if any more have been taken up since?—I do not think so, but I could not say.

481. Is yours the only one that has been taken up since the original ballot?—I believe they were all taken up either at the ballot or shortly afterwards.

482. What about the man on Section 58?—I do not think 58 is taken up at all.

483. Is there any kauri-gum on your section?—I think so, because there has been some digging.

484. Do you expect to get revenue from it?—I have not the time. I have been chopping all the time.

485. Have you the right to dig for gum?—There is nothing so far as I can see to prevent me.

486. *Mr. McCutchan.*] When you have chopped down the manuka scrub do you think the ground will hold English grasses?—I do not think it would be wise to sow English grasses. I think the native grass would be best at the start. In two or three years, when the ground has been worked, it might be well to try English grass.

487. Is your land capable of being ploughed?—Yes, after a while.

488. Have you had experience of this country before?—Yes.

489. You handled the manuka in the same way as other people do here?—I have not had much experience of manuka country. I was referring to the soil. I am only just a new arrival here.

490. Have you had any experience of native grasses?—Yes, a little.

491. Have you had any experience of this danthonia?—I have made inquiries, and it seems to do well about here. I have had no experience of it personally.

492. Have you observed it closely since you came here?—Yes, as closely as I could.

493. If you sowed down that grass in this class of country, what do you think would be the carrying-capacity of your land?—About 4 or 5 acres to the cow—about a sheep to the acre.

494. Do you think it would be wise on the part of the Government to foster the growing of this danthonia?—Yes. As regards the North of Auckland, I have thought the matter over, and compared this district with other parts of the world, and I think what has been done in other parts of the world could be done here if there was sufficient inducement.

495. *Mr. Anstey.*] Could you give a fair idea of what sized farm is necessary to make a living on the Bickerstaffe Estate?—I should not care to offer an opinion.

496. Are 350 acres sufficient for you?—Not at present, because it will not carry anything yet.

497. Is that because it is not cleared?—That is the main reason.

498. Do you think 100 or 150 acres would be sufficient if it was cleared?—No. I think a man would need 300 acres.

499. There are a number of sections on the Bickerstaffe Estate not taken up; some of them are small sections of 100 to 150 acres: do you think they are too small?—No, because they are on the limestone land, and are all ploughable. You could go in for more mixed farming. You need not confine yourself to dairying. I think they are a suitable size.

#### JOHN DALRYMPLE examined.

500. *The Chairman.*] What are you?—I am a settler on Bickerstaffe, and my section is No. 50, and the area is 174 acres. The rental is 5s. per acre. I have been there eighteen months.

501. Is your land ploughable?—Yes, mostly. I have done some ploughing.

502. Have you had any crop?—I made an attempt to get a crop of maize, but was not successful. The land was twice ploughed.

503. Are you satisfied with the tenure you have it under?—I have taken it up under lease in perpetuity. I have made a bargain and am bound to fulfil the conditions.

504. How far are you from a port or wharf?—Three miles by road.

505. *Mr. Forbes.*] Are you of the same opinion as your neighbours about the option of purchase?—I know nothing about my neighbours, but I prefer the option of purchase.

506. *Mr. Matheson.*] Do you think the best way would be to give you an opportunity of paying for your land in fixed instalments, or in sums of, say, £25 whenever it suited you?—I think there should be the option of paying in about ten years, and if the people were not able to comply with the conditions in that time they should have the option of another five years. Fifteen years would be a fair limit.

507. *Mr. McCardle.*] Would you prefer to pay it off in a lump sum at the end of that term?—I should prefer to pay it in instalments, as I should not care to bind myself to anything. I merely want the option.

508. I suppose your neighbours are all freeholders?—I think so.

509. Do you think if the balance of this land were offered with the right to purchase it would be a means of inducing settlement?—I can only speak from my eighteen months' experience, and I think it would be an inducement.

510. What do you think would be about the largest carrying-capacity of this land when in grass?—About a sheep and a half to the acre.

511. Is your land suitable for dairying?—Yes, and I think the whole of the district is just as good for dairying.

512. Do you think it would be an advantage to you when breaking up the land to leave it exposed for a time with a certain amount of manure in order to sweeten it?—Yes.

513. Do you know anything about the Advances to Settlers Department?—I have had no transactions with it, but I know something about it, and I believe in the principle of it.

514. You have had experience in other parts of the colony?—Not for some years. I recently came over here from Australia.

515. *Mr. McCutchan.*] What expenditure do you estimate would be required to enable your property to carry a sheep and a half to the acre?—About £1 to £1 5s. per acre on the whole lot.

516. Is the carrying-capacity of Bickerstaffe a sheep and a half to the acre when improved?—So far as I have seen.

517. Well, it must be a fairly cheap place: considering the rental you pay it is a fairly good investment?—I pay 5s. per acre rent, and I have placed fencing and stock upon the land, and have erected a building to live in, and that sort of thing.

518. *Mr. Paul.*] Have your dealings with the Land Board been satisfactory?—Yes.

519. And with the Ranger?—I have had no connection with the Ranger at all.

520. *Mr. Anstey.*] Is your farm large enough to make a good living out of?—No.

521. What sized holdings do you think the Bickerstaffe land should be held in?—Not less than 500 acres.

522. Do you think you should be allowed to increase the size of your holding?—Yes.

523. Is there any kauri-gum on your property?—Not to my knowledge.

ROLAND HAMES examined.

524. *The Chairman.*] What are you?—I am a settler. I hold about 500 acres of freehold about two miles from Bickerstaffe. I have been in the district about forty years—from infancy, in fact.

525. Have you been farming for a long time?—Yes.

526. What do you do with your farm?—Grazing sheep and cattle entirely.

527. Do you send away fat lambs?—No; they would get thin before they reached town. I can send wool, grain, and mutton. I do not go in for dairying at all.

528. What are your views with regard to land-tenure? Under what tenure do you think the country would be rendered most productive?—I believe in the optional tenure—in allowing everybody to please himself.

529. Do you think the freehold is good for the country?—I think so. I know it is called sentiment, but the desire to get upon the land at all is a sentiment. Logic would say it is better to borrow money from the Government at  $4\frac{1}{2}$  per cent. and have your own capital to yourself. There is this feeling, however: that we would like to be our own masters and have our own piece of land.

530. *Mr. Forbes.*] Do you know why Bickerstaffe has not been all taken up?—Judging from my own knowledge of the place, and the value of the land, and all the conditions, I should be very sorry to take any of it up under those conditions. I think the rent is so high that the men who take it up will have to be much smarter than I am to make a living out of it, or else they must have a good deal more capital. I think the reason why it is not taken up is partly because there is no option given to acquire the freehold, and partly because the rents are higher than people will be able to pay.

531. Do you think giving the option would make any difference?—Well, I think a man might go into it with more heart and determination if he had a chance at some time of making it his own.

532. Do you think the lease-in-perpetuity people do not go upon the land with heart and determination?—They may do; but you want a good deal of energy and determination to tackle this scrub and tea-tree. I have a little of that land, and I agree that danthonia and Waipu brown-top are the best kinds of grasses to grow on such land.

533. Do you think the Government made a mistake in buying Bickerstaffe?—Yes.

534. How did they come to buy it?—That is what we do not know.

535. *Mr. Matheson.*] Have you seen any one take up a piece of this poor manuka land and gradually get it into grass, so that the manuka would not grow again?—Yes. My own idea, from some experience, is that it should be cleared for something like nine months before it is burnt. It should be left to lie idle for a winter and spring and then burnt. By that time most of the seed has germinated, and the young tea-tree is caught by the fire. A few weeks after it is cut down the seed is in the ground and germinates subsequently. After the burning the land should be ploughed.

536. Do you think it is wise to encourage the sentiment which draws people on to the land?—Certainly.

537. *Mr. McCardle.*] There is a gentleman here who holds that there is a good deal of unearned increment in the district?—There is not much about my place, because it was five miles from the settlement; and as I look back at the hardships of my parents in the back country, and of the children with no opportunity of education; when it was quite a startling event in my time to see any woman except my mother, I feel that all the increase that comes to a property that has been worked under such conditions is well earned.

538. You think the settler by his self-denial and hard work is hardly paid even if he gets all the so-called unearned increment?—Unless I can see something more than I now see in prospect, I think he is not paid.

539. Do you think the advances-to-settlers scheme is a good thing?—Yes.

540. Do you think it is a means of assisting the small settlers?—Yes; but I have met people who have applied frequently and have been disappointed.

541. In giving such assistance do you think greater preference should be given to tenants of the Crown than has been given in the past?—I think they should have a fair chance. I think any one who wishes to borrow money and has sufficient security to offer in land and improvements should be assisted.

542. You consider the defects have been more in administration than in the principle of the thing?—Yes, I think so.

543. *Mr. McCutchan.*] I think the method spoken of by you for the destruction of the manuka has been fairly successful on the east coast; but on the poorer lands between Warkworth and here there is a scrub which is very light: in that case, if the scrub is allowed to lie on the ground until the seed germinates, would the method be equally successful?—I think so.

544. Do you think danthonia would do there?—Yes; but I think on some of that poorer land between here and Devonport the land is so miserable that I would be sorry to see any one waste time upon it, even with danthonia.

545. In speaking of Bickerstaffe, you considered the land was too dear?—That is my impression.

546. There is a settler—Mr. Jackman—who has been forty years in the district, who took up an allotment. Do you think he made a mistake?—No doubt he made a wise selection of the land. He knows the district thoroughly; but I speak of the Bickerstaffe Estate as a whole.

547. Do you consider the roads in the district are satisfactory?—They are all right in the summer, but they are all but impassable in the winter.

548. Can you devise any scheme to improve the condition of things?—No, unless there is an increased rate or a more reliable income from allocation of money. It should be allocated on some systematic basis to the local bodies, instead of just a grant here and there.

549. Have you a seat on either of the local bodies?—No.

550. Do you know whether any proposals have come before this county for raising loans?—Yes, and I think it was carried in most of the ridings, but it fell through, as the Government had not the money.

551. Has the application been renewed?—I understand so.

552. Do you think a railway through this district would be justified?—I suppose as far as here it would not pay a great deal, but further north there would be a splendid return, as the land is so much better.

553. You make that statement having in view the competition there would be from water carriage?—Yes. Railway carriage is so reliable; water carriage is so unreliable.

554. *Mr. McLennan.*] How did you acquire your land?—Most of that land I have purchased myself since my father died.

555. How much have you got cleared?—About 400 acres. I have just sown a good deal. I did not buy it all at once; I bought as I got the money.

556. *Mr. Paul.*] Have you formed any opinion as to the best constitution of Land Boards?—I have not considered the question very much; but I believe if there was a partially elected Board instead of being entirely appointed it would be an improvement. I know the members of the Board are not always men most fitted for the position.

557. How would you have the Board partially elected?—Well, perhaps it would be better to have the Board entirely elective. It is easy enough to have an election if it is wanted for other bodies, and I do not see why the Land Boards should not be elected.

558. Do you never have unsatisfactory men on any of the local bodies which are elected?—Possibly; but they are the choice of the people.

559. Do you think the Land Board, being an administrative body, should be elected?—I think it would give more satisfaction.

560. Would you elect them on the parliamentary franchise?—I should elect them on the land-owners' franchise; but, of course, I have not thought the matter out.

561. Do you think the people in the towns and others should have a choice?—Perhaps it would be well; but I suppose, as a rule, they would not take much interest in it.

562. Do you consider the Crown lands are the national estate?—They are certainly part of the national estate.

563. And have not all the people a right to a voice in the way those lands should be dealt with?—Yes, they have a right.

564. Do you think the Government are paying too high a price for these improved estates they are acquiring?—I only know of this one here. I should not like to say the seller got too much, but I fancy it was not a success from any point of view except the seller's.

565. Did the seller get more than a fair price?—I do not know that he did; but I do not know that it was suitable for close settlement—at any rate, under the leasehold system.

566. But if the land was too dear as leasehold, would it not be too dear as freehold?—Well, people are willing to pay more for something which is their own, and they will sometimes pay more for a freehold than it is worth.

567. *Mr. Anstey.*] Does your statement, that on the whole Bickerstaffe is rather dear, apply more particularly to those sections which are not taken up?—Yes. When a man has spent £3 an acre in clearing, fencing, grass-seeding, and stocking it, it will be two years before he gets any return, so that a man must have a good deal of capital to enable him to take up such sections.

568. Do you think it is the poorest sections that are left?—That is probably so in the main.

569. How many sections are taken up?—I believe sixteen or seventeen; but I have not been over the place since it was opened.

570. Do you know how many sections there are left?—No.

571. Do you think Bickerstaffe would be better if opened on the freehold tenure?—I think a good many young men in this neighbourhood would have taken up sections with the right of purchase who would have nothing to do with a lifelong lease. They would be more disposed to go further back than take land under lease.

572. Have you ever had a seat on any local body?—No.



573. What rates are you now paying?—Six farthings the two rates—the general rate and a separate rate. I am in the Paparoa district. We pay both rates to the county. There is no Road Board.

574. Do you know the annual revenue of the County Council?—I forget.

575. Have you had any experience in any other districts where there are both County Councils and Road Boards?—Just observation.

576. Do you think the administration is better with one local body or with two?—I think it would be better to stick to one.

DOUGLAS CROMWELL SNELLING examined.

577. *The Chairman.*] What are you?—I am a farmer. My brother owns about 200 acres of freehold. We have been settled here twenty-four years. Our place is about three miles from here. It is chiefly pastoral country—sheep and cattle.

578. What do you think about the tenure? Do you think the freehold system is better than the leasehold or otherwise in order to promote settlement and draw out the capabilities of the country?—I think the freehold is the best, but that every one should have the option.

579. *Mr. Forbes.*] Where is your farm?—Maungaturoto.

580. Do you know anything about the Bickerstaffe Estate?—I know it pretty well.

581. Do you think the rents are too high there?—I think on the whole they are.

582. Is that on the ground that is not yet taken up?—I think on the ground that is taken up as well.

583. *Mr. Matheson.*] Do you think if the State gives the option of the freehold to its tenants it is doing justice to the city people, who look upon the Crown lands as the public estate?—I do not care a “hang” for the city people.

584. Do you not think the town and country people are closely linked together?—I think the country people have a harder time on the whole than the town people.

585. But do you not think their interests are closely linked together?—In what way?

586. If you do not understand, I am afraid I have not time to explain.

587. *Mr. McCutchan.*] Do you think if the consumption of the people of the colony, exclusive of the farmers, were done away with the price of farmers' products would be lessened?—I consider our exports are what we have to look to. The consumption within the colony is not the main thing.

588. You think it is the market beyond our shores, and that the consumption in New Zealand in no way influences prices?—I suppose consumption within the colony has some influence.

589. Is not, then, the welfare of the towns and the welfare of the country largely identical?—Yes, it is.

KAWAKAWA, MONDAY, 8TH MAY, 1905.

JOHN ALEXANDER LINDSAY HALL examined.

1. *The Chairman.*] What are you?—I am a commission agent. I hold 150 acres of freehold. I have been in this district some thirty years, and I am thoroughly acquainted with it.

2. I believe there are a considerable number of settlers scattered round in the valleys?—A fair number who are engaged in farming, chiefly sheep and cattle.

3. Are they fairly prosperous as a whole?—I cannot say that exactly. They are living.

4. Are they generally pretty long settled?—They are very old settlers.

5. I suppose they are all settled under the freehold system?—Most of them.

6. Is there much exchange of properties going on here?—Not a great deal.

7. Is there any Maori land in amongst the freehold?—A very great deal. All the best land is still held by the Natives.

8. Is this Native land retarding the settlement of the country?—Yes, it is greatly against it.

9. I understand they have a great many privileges?—Yes; hitherto they have not had to pay their share of fencing nor yet rates.

10. What do they do with the land?—It is going to waste. They run pigs and cattle on it.

11. Are they not disposed to lease it?—Some would be, but they are unable to do so, because as soon as they attempt to lease other Natives who reckon they have a share in the land come in and upset their arrangements. I might mention I leased a very fair paddock from some Natives and paid them the first quarter's rent in advance. I turned my cattle in and after they had been there some time some other Natives got to know of the lease and they demanded a share of the rent, although they had done nothing towards the fencing. The upshot was that my cattle were turned out.

12. I believe the coal-mining is coming to an end?—Practically.

13. Is there any fruit-growing on the part of the settlers?—Not for the market. They grow a great deal of fruit, but they can do nothing with it. There is no jam-factory here. Fruit does very well in this part of the country.

14. Is there any dairy factory?—There is one at Ohaeawai, which is doing very well.

15. Is there any particular point you wish to bring before the Commission?—I think the great detriment to the north is the Native-land trouble. The Natives hold the very best lands, and under the present legislation they cannot deal with it themselves. I think the Natives themselves are very favourably inclined to sell the land if they were allowed to do so.

16. I understand there is a great stretch of very fine land at Kaikohe?—Yes, about seven miles from Ohaeawai. It is all held by the Natives. I was on that block some thirty years ago when the

first race-meeting of the Natives took place. There were no briars and gorse growing on the land then. Now acres and acres are simply covered with these weeds through the neglect of the Natives.

17. Have you thought anything about the question of land-tenure, speaking broadly, in regard to the whole colony?—I have done a great deal of travelling through the Bay of Islands County. I have valued the district on two occasions for the Government, and I have come into contact with all classes of people, and in any conversation I have had with them in regard to land-tenure they have stated their preference to the freehold. But the system they seem to like better than any other one the Government have brought in was the homestead system, under which the Government gave the land for nothing, subject to making certain improvements.

18. Is there much land about here settled under the Homestead Act?—Not just here, but some fifteen or eighteen miles away there is a block called Okaihau, the whole of which was settled under the homestead system. At Ruapekapeka another block was also settled under the homestead system.

19. In your opinion, would it be beneficial to re-enact the Homestead Act?—Yes, in this part of the country.

20. Under the Homestead Act the members of a family could combine and take up a very large area of land?—I believe so.

21. Within your observation, have these people thriven: when they got their foot on the land did they make that a stepping-stone in society?—I think so. Nearly all I know who have taken up land under the Homestead Act are still there.

22. Knowing your roads are such as they are—viz., very good roads in summer—and that you have good steamer communication, and that the railway is coming near you though at a rather slow rate, perhaps the conditions are sufficiently altered that instead of the re-enactment of the Homestead Act the land might be offered at a very low figure, say at 5s. an acre for cash, or on the deferred-payment system?—I think I would make it optional. Those who wanted to take up under the Homestead Act should be allowed to do so. The land is very poor, and, really, the settlers want to be induced to take the land up.

23. I suppose there are lots of young people in the district who are likely to take the land up, and they would be most likely to succeed, being close to their fathers' homes?—There is no doubt whatever that they would know what the land is capable of doing, which a stranger to the district would not know.

24. Do the young fellows who are born here settle in the district or go elsewhere?—I am sorry to say that as soon as they grow up they generally abandon the land. They do not stick like their fathers to the land. The inducement in the way of better wages at bush-felling and gum-digging takes them away.

25. *Mr. Hall.*] Do you know of any Crown Lands within a reasonable distance from here suitable for settlement?—There is one portion at Ruapekapeka, but I am not sure that it is Crown lands.

26. Is the bulk of the suitable land in the hands of the Natives?—All the good lands in this part are in the hands of the Natives.

27. Is there any representative from this locality on the Native Land Council other than Mr. Wilson of Whangarei?—I think some Natives were chosen from this part, but I do not think there was any European. The Council sat steadily in Kawakawa for some three months, and after ascertaining the names and interests of the Natives in the different blocks they awarded the shares to the different Natives. Apparently this award has not given satisfaction, and the Natives have appealed, and the whole of the work that took some three months has, I understand, to be opened up again.

28. Does that apply to the Native lands generally?—Yes.

29. And the titles are not determined yet?—No.

30. Is the Native Land Council blamed for too much "*taihoa*" in dealing with the lands?—Yes.

31. Is that their motto?—I think so, without doubt.

32. Of course, they can do nothing until the Land Court determines the titles?—They cannot deal with the land until the titles are ascertained.

33. Would this land be taken up freely if it was taken over by the Government and put into the market?—Yes, it would be very readily taken up.

34. Would it be good policy on the part of the Government to arrange with the Natives to take possession of the land, and, after leaving them sufficient to live on, to sell the remainder and invest the proceeds as an endowment for the benefit of the Natives?—I think it would be advisable for the Government to take charge of the whole of the Native lands. They should find out what the Natives would require for their settlements, and sell the remainder of the land to the Europeans, and invest the money derived from this land for the benefit of the tribes. But I do not think that Europeans would be favourable to leasing Native lands if they could not eventually get the freehold title.

35. Do you think that could be arranged amicably with the Natives?—I think so. I certainly think the Natives are quite able to take care of themselves as well as Europeans, if not a little better.

36. Does it not come hard on the settlers when they have to do so much roading through Native land from which they get no rates?—It has been the great drawback to this Council. Until recently the Maoris used bullock-drays, and they tore the roads up and paid no rates whatever.

37. *Mr. Johnston.*] How much of this poor land do you think is necessary for a man to make a living out of?—I should say a very great deal. The only way to work a great deal of this land is by having a piece of fair land with it on which you can raise sheep, or cattle, or crops. The poor

land could then be used for grazing at certain times of the year. It is almost impossible to make a living out of poor land alone.

38. How is the land held between here and the end of the railway-line at Hukerenui? Is it freehold?—I think it is chiefly leasehold from the Crown, with right of purchase and under perpetual lease.

39. Is all the land farmed in the same way as the land between here and Hukerenui?—This side is nearly all freehold, and it is farmed differently because the land is better.

40. Will you tell me how many acres of this land between here and Hukerenui it takes for a man to make a living off?—You have asked a question I can hardly answer.

41. *The Chairman.*] Do the settlers rely on the land for a living?—Certainly, they do not. They dig gum.

42. *Mr. Johnston.*] What area would make a suitable farm without the help of gum-digging or anything else?—A man might make a living off 300 or 400 acres.

43. How many sheep to the acre will it carry in its present state?—About 10 acres to a sheep.

44. Suppose it was all in grass, how many sheep would it carry?—One to the acre. I am speaking of Hukerenui land.

45. *Mr. Matheson.*] Have you seen any of this scrub land in the district successfully grassed so that the grass holds?—Yes.

46. Are the homestead settlers you refer to making a living out of the land, or do they work also at gum-digging and timber-felling?—Chiefly on their land.

47. Out of sheep and cattle?—Yes, and butter.

48. You spoke of a successful dairy factory at Ohaeawai. Is there land of a similar quality around Kawakawa that would support a dairy factory?—Not in the hands of Europeans, but in the hands of the Maoris.

49. Are you a member of a local body?—Yes.

50. Have you had grants from the Crown in the last year or two for roading?—Yes.

51. Have you raised any loans under the Loans to Local Bodies Act?—None.

52. *Mr. McCardle.*] Have you had any experience of the working of the Native Land Act?—None.

53. I suppose you are aware that before the Natives can deal with their lands, either through the Maori Council or private individuals, the titles require individualising?—That is so.

54. You are also aware that each Native must show he has 50 acres in addition to the portion he is proposing to let?—I believe that is correct.

55. Has the Maori Council sat here and heard applications for leases in the district?—Not that I am aware of.

56. I suppose you are aware that the Native Council is unable to deal with any land until the title has been individualised, and that that must be done by the Native Land Court?—That is correct.

57. Are you aware if there is a large number of Natives interested in these blocks of land?—A very large number.

58. You think, in the interests of the district, that it is desirable that the Crown should find money to put these blocks of Native land through the Land Court to get the titles individualised?—Yes.

59. And if the titles were individualised, and the Natives had power to deal with the land, do you think persons would lease it for twenty-one years, with payment for improvements at the end of the term?—I do not know about leasing it, but I am certain they would buy it.

60. I suppose you are aware that the Native Council has no power to allow a Native to sell his interest?—I am quite aware of it.

61. You think it is desirable he should be empowered to sell under proper safeguards?—I do.

62. Can you form any idea what it would cost to put the light scrub-manuka country through which we passed into grass? Would not that country want to be ploughed and manured to grow grass?—No. There is a certain grass called danthonia which is beginning to come in.

63. Will you not have to wait a very long time before it takes possession?—No. It is only within the last five years that it has made its appearance there, and some acres are now under it.

64. Would you attempt to sow that manuka ground with danthonia after burning?—You burn first and then sow the danthonia, and any subsequent burn will not hurt the danthonia.

65. How are the settlers doing who are settled under lease with the right of purchase?—They are living on their land, and doing work on the gumfields and in the bush.

66. Do you not think that most of the land is taken up with a view to working the gumfields rather than the surface of the soil?—I do not think so.

67. Is there much evidence of practical improvement being made in the district we have passed through?—I think so.

68. Then, they must be away back from the road?—Yes, a little way from the road—so much so that they are about to start a dairy factory in the country you have come through.

69. Have you had any experience of the Advances to Settlers Office?—Yes.

70. Has it worked satisfactorily here?—I think so.

71. Has it proved of benefit to the settlers in the district?—I think so.

72. Have the Land Board and their administration been satisfactory to the settlers here?—I think they have.

73. Have you any fault to find with the Land Board?—No.

74. *Mr. McCutchan.*] As Government valuer, what did you value the poor manuka country at?—I think something like 5s. per acre.

75. What is your estimate of the cost to make that land carry the sheep to the acre you say it will?—I should say about £2 per acre. You have to experiment to find out what grasses will take on the soils. At the present time a grass called Waipu brown-top and danthonia seem to be taking the places of the other grasses the settlers tried to grow. They used to go in for English grasses, but they proved an utter failure.

76. Would paspalum do on the poor land? I believe it would. I have seen it tried on poor places, and it seemed to grow very well. I have seen it grow 5 ft. high on pipeclay land.

77. You say that at a cost of £2 10s., which includes the cost of the land and fencing, the land will carry a sheep to the acre; but will it go back?—No, not with danthonia. I am only speaking of what I have observed myself. Danthonia apparently kills tea-tree and fern.

78. You are a member of the County Council?—I am.

79. What is your rate revenue?—I should say about £600?

80. Is the capital value of your county £300,000?—I cannot say, speaking from memory.

81. What rate do you strike in the pound?—1d.

82. That on a rateable value of £300,000 would bring in £1,250?—I think our revenue is £600.

83. What subsidy do you get?—I think it is 10s. in the pound.

84. If you doubled your rate will you get any increase of subsidy?—I should presume so.

85. Is it not the case that if you put up your rates the subsidy decreases after a certain amount?—I was not aware of it.

86. Do you think the subsidy from the Government should be proportionate to the amount of rate levied?—I do not see why it should not be so.

87. Would it not be a great assistance if the settlers were prepared to rate themselves highly if the Government helped them in proportion to the way they were trying to help themselves?—Not in this part.

88. Why not?—Because the Natives use our roads quite as much as we do, and do a great deal more harm to them, but contribute nothing. I think it is a great shame to see a few struggling settlers trying to make an existence and rating themselves for roads which their brown brothers use without sharing in the cost.

89. Then, there would be no injustice in an increased subsidy, but there would be an injustice in an increase in the rates?—Certainly. I think the Government should come down very handsomely in these parts where they will not put these lands through the Council and bring revenue to the county.

90. Then, it is idle for the settlers to make roads until the Native-land question is settled?—Until the Government help us. There are many ways the Government could help us. A great deal of gum is exported, and a great deal of timber is sold. The Government reap the benefit of the sales of the timber, and it is to bring this timber from the bushes and from the creeks that our roads are used. They are badly cut up by this traffic, and yet we get no assistance from the Government.

91. *Mr. McLennan.*] Do you know of any settlers in this district who have sowed gorse on their land for stock purposes?—I knew one only.

92. How did it do?—It grew very well.

93. How did the sheep do on it?—Very well; but the unfortunate part is that they could not control it. When the young gorse is springing there is plenty of grass feed, and you need a terrible lot of stock to crush the gorse off. If you are in a position to put plenty of stock on the land during the strong growth of the gorse there is no doubt it will feed sheep well.

94. Do you think it would be better to clear the ground of the scrub and sow grass instead of growing all gorse?—I think so.

95. Is your County Council taking any steps to compel them to grub and clear the gorse?—None whatever.

96. Do you not think it is advisable to do so?—I am afraid if the Act was put into force in this part a great number of the settlers would abandon their properties. They could not attempt to clear many places.

97. Do you not think it would be just as well to abandon the land as to leave it in such a state as that?—But by burning the gorse occasionally a settler can run sheep and cattle on the land. I feel sure it would spell ruination to the settlers if they were compelled to clear the gorse off their places.

98. Is the ground not worth it?—Yes, but in many places the gorse is growing amongst stones, and it would be impossible to plough the land.

99. We saw some very good land yesterday and to-day all covered with gorse: do you not think it would be better to clear the gorse and cultivate the land properly?—That is down at Whangarei. It would pay well to clear the ground there, because there are no stones, and a plough could be put to work.

100. I presume that land is freehold?—I think so. I do not think it is leasehold.

101. *Mr. Paul.*] Is there much freehold land in the same state as the Native land we saw around Kawakawa?—Not a great deal.

102. About how much?—I really cannot tell you.

103. Has freehold land in this district risen in value in the past few years?—Yes.

104. What is that owing to?—Owing to the dairy factories and the increased price of stock, and various things. Of course, when I speak of this district you must remember you have only seen the district the road comes through from Hukerenui. When I speak of the freehold round here I speak of land you have not yet seen. Property has not increased much towards Hukerenui.

105. It appears to us there are large areas of freehold we have come through since leaving Whangarei that are totally unimproved—in fact, they are worse now than when they were in their native state?—Well, between here and Hukerenui there is not much freehold at all.

106. Are there not some farms which have not been improved at all?—No freehold that I know of.

107. Between Hukerenui and Whangarei are there not large areas of freehold land overgrown with gorse and noxious weeds?—I do not think so.

108. Has most of the freehold land been improved in the last ten years?—Yes.

109. Are you acquainted with any lease-in-perpetuity holdings in the vicinity?—I cannot say I am. I think most of the leases have a right of purchase.

110. Do they compare favourably with the freehold in the way they are farmed?—They do not.

111. You think they are worse?—Yes.

112. *Mr. Anstey.*]—There is a large block of Native land adjoining Kawakawa: is that good land or high rough country?—A great deal is good land and a great deal is bad. I think one-third of this block is really good land, and two-thirds is bad and middling.

113. Is all the land between Hukerenui and Kawakawa in the hands of settlers in some form of tenure or another?—A great deal.

114. Do you think there is a demand by the settlers for much of this Native land?—Yes.

115. Supposing the settlers got a lot of this Native land, do you think they would occupy it and clear it a little better than they are doing with the land they already hold?—There is no doubt about it. As I said before, this is really good land.

116. Notwithstanding what you have said, we had acres and acres pointed out to us as we drove along as being freehold land, and there seems to be nothing at all done with it?—So far as I know, I do not think there are more than 300 or 400 acres of freehold land between here and Hukerenui.

117. Does the same apply between Hukerenui and Whangarei?—I think that is pretty well all freehold and Native land. The land where the two sawmills are alongside the railway all belongs to the Natives. A little further on there is a village settlement, but between this and Hukerenui I do not believe there are 400 acres of freehold.

118. Are the village settlers living there?—Yes, you would see the fences and houses and cultivations.

119. Is that under lease in perpetuity?—I do not know how it is held.

120. Do you not think it would be wise, seeing that these are the only people who are making improvements, to extend that system, and let some more land under lease in perpetuity?—I certainly do not.

121. You think it wiser to allow the land to run gorse under freehold?—Will you tell me where the gorse is on the freehold.

122. Really, we have not seen much else since we started from Whangarei?—If you like to go out and compare absolutely freehold property with leasehold, you will see, without doubt, a very big difference. A person who has the freehold will naturally devote all his energy and time to improving what is his own.

123. Are there many freeholds held by absentees in this district?—There are a few.

124. Do these people cultivate their lands well?—They are chiefly leased to others, I think.

125. Are they farmed well?—No; they are pretty rough blocks. They are fenced, and cattle run on them.

126. How are you rated?—On the capital value.

127. That means that any man who improves his land has to pay the most rates, and the man who leaves his land idle pays next to nothing?—That is so.

128. Do you not think it would be a good principle to apply the rating on the unimproved value to this land?—I think if I could do anything in the matter I would exempt from rating the comfortable house, stables, and buildings that a man who wanted to live decently erected on his property, so that he should not pay more than the man with similar land alongside him who only erected shanties.

129. Have you ever had a poll of your ratepayers on the question of adopting the rating on the unimproved value?—Never.

130. Do you not think it would be wise to do so?—I do not think it would do any good.

131. Why?—Because the people would be in favour of the present system.

132. What local bodies have you here?—Only the County Council,

133. What is the area of your county?—I cannot say.

134. Do you get any large sums from the Government by way of grants?—Yes.

135. Do they come regularly?—They do not.

136. Would you be better off if you had a larger subsidy and no grants at all?—That would mean striking heavier rates, and I am not in favour of that.

137. That is to say, you get a grant when you bring a little political pressure to bear?—Yes.

138. Is that a wise system?—No.

139. Then, would it not be better to get a larger subsidy?—No, because we would have to strike heavier rates, and we get no rates from the Native and Government lands.

140. *Mr. Forbes.*] Do the settlers go in for fruit-growing?—Yes, a large number.

141. Has it been a success?—Yes.

142. Where do they send the fruit to?—They have been shipping to Auckland, but the cost of carriage, freight, and commission has left some of the settlers in debt at times.

143. What sort of fruit?—Apples, quinces, and plums. We do not grow lemons.

144. We have had evidence that this part of the North Island is very suitable for fruit-growing, but if that has been your experience it does not seem reasonable?—I think it is the want of communication.

145. How do the settlers send the fruit?—By steamer. We only have a boat once a week, and the fruit is delayed and injured on the journey.

146. Would the railway be better?—Railway-communication between here and Whangarei would make all the difference. It would warrant a canning-factory being established.

147. Has experience shown that this is a good district for fruit?—I think so. I might mention that a friend of mine started growing vines. He put in 13 acres of them, and they have turned out a success. The vines are doing splendidly, and he is making wine.

148. Is it on good land?—On poor land.

149. I suppose the apples and plums are grown on heavy land?—No, on poor land. It would be worth your while to go up and see the fruit-growing on the Pipeclay Hills. Peaches do wonderfully well.

150. You think a canning-factory at Whangarei would assist the district?—Yes, very much if there was railway-communication between here and Whangarei. It would enable the settlers to grow fruit and send it to a central place. They built a canning-factory at Whangarei two or three years ago.

151. *Mr. Hall.*] You mentioned the valuation of the county on which rates are based. Does that include Native lands?—No, they are not rated at all.

152. As regards rating on the unimproved value, what is the maximum rate the law allows?—I think it is 3d. in the pound.

153. Then, you could raise a larger sum on the unimproved value if you levied the maximum rate?—But what about the Native land again.

154. You spoke of danthonia being sown on the burnt-off tea-tree land: is it not a fact that the tea-tree comes up thicker than ever afterwards from the seeds?—Not with danthonia. It kills and crushes out the tea-tree.

155. Is the Waipu brown-top the same as brown-eye?—No, that is an inferior grass.

156. Would it push this district forward if the railway was completed through?—It would be a great benefit to the district.

157. *Mr. Matheson.*] As Government valuer, do you know the country intimately between here and Hukerenui?—Yes, very well.

158. If Mr. Anstey tells you he saw large areas of freehold property between here and there smothered with gorse, do you think he is speaking quite correctly?—I do not know one bit of gorse growing between here and Hukerenui.

159. You do not know of any gorse growing between here and Hukerenui?—I do not.

160. *Mr. Johnston.*] Have you ever seen any grass growing?—I have.

161. Do you see as much gorse as grass?—I said I have not seen any gorse. I would like to know where it is, because I would go out and see it.

162. It is growing every yard along the road?—I have not seen it.

HARRY BLUNDELL examined.

163. *The Chairman.*] What are you?—I am county engineer. I have held that position for about eight years.

164. What is the amount you have to expend per annum on roads?—From all sources, about £2,000 for road-maintenance.

165. How many miles of roads have you to keep up?—I have not gone into that question, but I should think at least a hundred miles, including by-roads.

166. How many miles have you of what might be called main district roads?—About forty miles of what is called the Main North Road.

167. Do you get any assistance from the Government for that Main North Road?—A little.

168. Is that included in the £2,000?—No. I might say that the Government money I have referred to is spent by the Government Department. I have nothing to do with it.

169. Does your work on the Main North Road not clash with that of the Government Department?—To a certain extent it does, because there is no distinct understanding as to what part the Government look after and what the County Council look after. We consult one another.

170. Do the Government specially charge themselves with the bridges?—No.

171. Is there anything you would like to bring before the Commission?—I would like to say that the Native difficulty is the great drawback to the advancement of the district. Another thing is that there are certain areas of ground at present shut up in timber and gum reserves that might be settled.

172. But besides the gum reserves there are areas of land that the gum-diggers are allowed to work as well?—There are areas reserved for gum-digging that are not gum-bearing.

173. Could you state the area of land shut up as gum reserves?—No; there are a good many reserves about the county.

174. Have you some bush reserves?—Yes; there is a considerable area. For instance, there is Puhupuhi.

175. Is there any other particular matter you would like to bring before the Commission?—There are a great number of Austrians scattered about the district. I believe they would make good settlers if they understood our land laws. I think if our land laws were printed in their language and copies were distributed amongst them many of them might be induced to take up land. Of course, that would be subject to their being naturalised. I know of one case in which Austrians have gone in very extensively for vine-growing in this country, and from all accounts the vines are doing very well. The Austrians are generally steady men, and there are rarely any complaints about their conduct. At present nearly all their business with the Europeans is done through an interpreter.

176. Can you say how many Austrians are in the district north of Auckland?—I have not the slightest idea. There might be two or three hundred about here, but they are also scattered about other districts.

177. *Mr. Hall.*] Is the subsidy received from the Government 10s. in the pound on the ordinary rates?—Yes.

178. You say the great drawback to the district is the amount of Native land which is at present unoccupied?—Yes.

179. Should there not be pressure brought to bear on the Government or on the Native Councils to expedite the dealing with Native land?—My idea is that the Native Land Councils have been of very little use. I think that Native land should be made to pay rates the same as European land. The Natives use the roads just as much as Europeans do.

180. As regards the Austrians, would it not be better to give them sections of land for nothing to induce them to settle upon it?—Yes, if it was a condition that they must do a certain amount of vine-planting or tree-planting.

181. They would only require small areas, say, of 50 acres?—Yes, and in the neighbourhood of gumfields, on which they could earn a living while the vines are growing.

182. *Mr. Matheson.*] Do you think 50 acres would be ample to offer them in that way?—Yes; they could only cultivate a certain area.

183. Do you think if they were offered 50 acres on lease with right of purchase they would take up the land at a low rent?—I should think the freehold would be more likely to tempt them than a lease with right of purchase.

184. Do you mean that they should pay cash down for the freehold?—No; to give them land something like under the old homestead system, on condition that they planted a certain area in vines or fruit-trees.

185. *Mr. McCardle.*] Do you not think it would have been very much better to grant the land at a small rental with right of purchase during a number of years, and use the whole of the rent and capital value in making roads to those blocks. Would it not be a very great disadvantage to other settlers to give away the land without some such arrangement?—Yes, it might be.

186. I suppose you are aware that until the Natives hand over their land to the Native Councils the Councils are powerless to deal with the land?—Yes, I believe that is the case. I may mention that there was a small block of Native land that I wanted to lease. The area was about 50 acres, and there were no less than twelve owners. The lawyer told me that the fees and charges would come to about twice the rent I was going to pay for the land. Of course, I took no further steps in the matter.

187. In driving up from Auckland I have seen a great deal of country that, it seemed to me, ought to be cultivated. What means do you think can be taken in order to bring about settlement on that land?—There is a great portion of the land you have seen that is very poor land, and I think that land ought to be sown with danthonia. I have seen large areas put into danthonia by just running a plough through it.

188. I have seen instances of land on the way from Auckland to this place where an attempt has been made to cultivate it and it has gone back into tea-tree scrub again?—Yes, that is so.

189. You have some village homestead settlements in this district?—Only one, and I do not think it has been a great success.

190. *Mr. McCutchan.*] Can you say that the condition of the roads has seriously hampered the progress of this district?—The roads are still occasionally bad in the winter, but our roads compare favourably with those of other districts in the north.

191. A previous witness said that until the Native-land question is settled it would be unwise to increase the rates for the purpose of making the roads better?—I quite agree with that. I think it would be a great mistake to increase the rates until the Native title is ascertained.

192. The Native traffic is considered a great hardship in some districts, seeing that the Native land does not contribute to the local rates?—Yes.

193. Has your County Council taken any steps to regulate that traffic?—On the small roads in the back blocks riding is really rougher on the roads than the traffic of bullock-drays.

194. You said your gross revenue was £2,000 a year: what proportion of that was subsidy on rates?—About £300.

195. What were your rate receipts?—About £600 or £700.

196. What are the expenses of administration?—About £250 a year.

197. How is the remainder of the £2,000 made up?—I include the amount we receive for the deferred-payment "thirds" placed in the hands of the Council to expend.

198. Have you had any experience with respect to co-operative labour?—Yes.

199. Has it been satisfactory?—Decidedly not.

200. Do you think the system of doing the work by co-operative labour could be improved, or would you abolish it?—I would do away with it altogether. I think the contract system is far more satisfactory.

201. Is there not danger of the profits going to large contractors under the old contract system?—I do not think so.

202. *Mr. McLennan.*] Is there much Crown land available for being taken up in this district?—There is a lot of poor land. The good land has been mostly taken up.

203. *Mr. Paul.*] Do you believe the Austrians are anxious to take up land?—I can hardly say that. I think they are ignorant of our land laws, and I also think that a number of them would probably take up land if they knew our land laws.

204. Do you not think that if they were anxious to take up land they would not find out through their interpreter what our land laws are?—There are numbers of them who never come into contact with Europeans at all. They simply stop here a few years, and go away without knowing anything at all about our land laws.

205. Can you say from your own knowledge whether the Government grants are spent to advantage?—Yes, I think so.



206. You spoke of the Native-land difficulty keeping the district back, and of the Crown land being locked up for gum-digging. Do you think those lands would be settled if they were thrown open for selection?—There is one block on which some settlers have been anxious to settle, but they cannot do so owing to the restriction not being taken off.

207. Do you think the demand would come from within the district?—Yes. There are settlers who are anxious to take up the land.

208. Do they want more land or different land?—Most of the good land has been taken up. I am certain that if the land I now refer to—which is good land—were thrown open it would be taken up.

209. Taken up by people who are already landowners?—They have not got much land.

210. Is it because their present areas are too small that there is a further demand for land?—There is a demand for land right through the country owing to the area of Native land which is shut up.

211. Do you think the land in this district is well farmed?—It varies a great deal. There is some good land from here inland that is pretty well farmed. It is nearly all grazing-land. There is very little ploughing or cropping.

212. *Mr. Anstey.*] Where is the kauri-gum reserve that you suggest should be cut up?—It is the Ngapipito Reserve, a few miles from here; but I notice from the plan just submitted to me by a member of the Commission that it is no longer a kauri-gum reserve.

213. Are there any other kauri-gum reserves that are suitable for settlement?—I think there are pieces of the Puhupuhi Forest Reserve that could be settled.

214. You have said that the kauri-gum land is all poor. Does that also apply to the swamp-land?—The swamps are not naturally poor land, but they require draining.

215. Could they be drained while the gum is being taken out of them?—Yes; I have known of cases where the Austrians have drained the swamp land while taking the gum out of it, and have then returned it to the owner.

216. We noticed in coming along the road on Saturday that a piece of swamp land had been drained some time ago, and that it was already overgrown with tea-tree?—Yes.

217. Do you think it would be wise to rate on the unimproved value?—I think so. It has been tried in the adjoining County of Hokianga, and has been found satisfactory.

218. Is there any difficulty in getting the same amount of rates from the land as if rated on the capital value?—No; it seems to work very well and to work equitably.

219. You have only one local body, the County Council?—Yes.

220. Does that work better than if you had a number of Road Boards?—Yes, we have only a small amount of revenue.

221. Further south in this district there are some Road Boards which have only a revenue of £20 a year: do you think that money can be spent more economically than by the County Council?—No.

222. Could the county spend its revenue more economically if the area of the county was smaller?—No; there is a large portion of the county that is practically uninhabited. It is all in the hands of the Natives, and we get no benefit at all from it. If that land was all brought into cultivation the area of the county might be too large.

223. Do the Government grants come regularly every year?—Very irregularly.

224. Who spends those grants?—Some are spent by the Roads Department and some by the local body.

225. Would it not be better for you to get an increased subsidy rather than these spasmodic grants?—Yes, I should think it would.

226. Do you think there should be differential subsidies—that is, the higher the rate struck the higher the subsidy?—I think the out-districts should get a higher subsidy than districts already settled, because they want the money a great deal more, and they are not in a position to pay a high rate. I do not know that you could raise the rates very much.

227. Do you think it would be necessary to give the land you suggest to the Austrians or any one else?—I would give it to them subject to their making certain improvements in the way of planting certain areas in vines or fruit-trees.

228. *Mr. Forbes.*] About what is the price of good dairy land about here?—Near the dairy factory the average price is about £15 an acre.

229. Where is the dairy factory?—At Ohaeawai, about sixteen miles from here. There is a creamery at Okaihau.

230. Is the kauri-gum gradually getting worked out?—I think so.

231. There is not an inexhaustible supply?—No; it must come to an end some time, but as the quantity of gum gets less the price naturally increases. I think that is really what keeps the industry going.

232. Are the men making anything like wages working on the gumfields?—Some of them are doing fairly well, but swamp-gum is now almost unsaleable, and there is something like a slump in the gum market at present.

233. Are the roads very bad in the winter-time?—The roads are fairly good compared with the roads in the other counties.

234. You have good metal in the district?—Yes, through the main portions of the county. It is volcanic country.

235. Speaking generally, would you say the settlers are in a prosperous condition now?—No, you could hardly call them prosperous compared with the settlers in the south. They are making a living. That is all you can say.

236. But they have been doing better during the last four or five years than they did previously?—Yes; there have been fewer complaints lately of hard times.

237. What do they depend on chiefly, sheep or cattle?—There is one portion of the district where sheep and cattle farming is mostly carried on, but the settlers in the part of the district you have come through to-day depend more on gum-digging.

238. *Mr. Anstey.*] How do you do your road formation and repairs—by hand labour chiefly?—Yes, by plough and scoop.

239. Have you used a grader?—No.

240. Have you seen one at work?—Yes.

241. Do you think it would be advisable for the county to get one for this work?—I have often thought it would be advisable for a road-contractor to get one.

242. All your work is let out by contract?—Yes.

243. Do you think it would be a wise thing for the local body to get one and attend to these roads? Do you not think that would be better than spending the money in small sums in letting out contracts?—Yes, I think it would.

WILLIAM HAMLET WARD examined.

244. *The Chairman.*] What are you?—I am a farmer, and hold 108 acres of freehold. My farm is at Taumarere, about two miles from here. I have been in this district about thirty-nine years. My farm is under grass.

245. Is there any particular matter you wish to bring before the Commission?—I represent the local branch of the Farmers' Union. They desired me to give evidence before this Commission. The members of the local branch of the union are unanimous in wishing for the freehold. Our local branch is comprised of twelve members.

246. I do not suppose you have had much experience of the lease in perpetuity in this district?—There are several sections held under the lease in perpetuity. I would like to mention something about one case. I can hardly give you all the particulars. In that case a man died and left a widow and a small family. The Land Board did not seem to be able to allow the widow to succeed her husband. Another objection that a neighbour of mine has to the lease in perpetuity is that his sons will not remain on his section. They say that it is not his, and they are simply working for the Government.

247. But the lease is for 999 years?—Yes; but we read constantly that in the House of Representatives they want to introduce and pass a Fair Rent Bill, and they also want to revalue the land. That is what makes people regard the lease in perpetuity as rather shaky.

248. That implies that the Government would break a contract, which is very unlikely?—They have broken it already by giving a rebate on the rent.

249. *Mr. Hall.*] You represent the Farmers' Union?—Yes, our local branch.

250. As a body, they are in favour of the freehold?—Yes; the members of our branch are.

251. Individually, do you think there is any advantage in the freehold over a tenure of 999 years?—For sentimental reasons there is.

252. But, apart from sentiment?—If you could be assured that you would have the land for 999 years at the present rental it would be as good as the freehold; but we are not sure of that.

253. But the existing leases are for 999 years?—Yes; but Parliament, that brought them into existence, may alter them.

254. If Parliament could alter the lease-in-perpetuity tenure could they not alter the freehold tenure?—They have done so.

255. In what way?—In purchasing large estates.

256. That is not altering the tenure; that is taking the land for public requirements, and full value is paid for the land so taken?—I read that there was a gentleman in Hawke's Bay who offered the Government a considerable sum of money to let him retain his land.

257. Is it not a fact that in England, in almost every civilised country, the freehold land is taken for public requirements, full compensation being paid?—Yes; but the public requirements do not occur so frequently as they do in England.

258. You said the granting of a rebate was interfering with the title?—Decidedly, because the agreement was that the tenants were to pay so-much rental.

259. That is in no way breaking the title; a concession may be made to a tenant, but that in no way affects the lease or title?—Yes; but they might raise the rent for the same reason.

260. They cannot do that, surely?—If they give a man a thing I do not see why they could not also take something from him.

261. As an illustration: If I leased a piece of land from you for seven years, and if I had a bad year and could not pay my rent, would it not be possible for you to give me a full receipt for a year's rent on paying only a six months' rent? That would not affect the legality of the lease, would it, but you could not raise the rent upon me?—We are dealing with the Government, and not with a private individual. The Government can do what it likes, but a private individual is bound by the law.

262. Can you contemplate any legislative body confiscating a title of a contract entered into between the Crown and a private individual? Has such a thing ever taken place?—I know this: that if they want to take a road through a freehold they can do so, and another thing is when they compensate you for taking the road through they will sometimes take it from corner to corner and give you only compensation for the land taken.

263. Would it be possible for the Government to make a railway through the country unless they had that power?—They might be blocked, but I do not think it is very probable they would be.

264. Do you still think that the 999-years lease is not a sound or safe tenure?—I would not like to have it.

265. *Mr. Matheson.*] I do not want to be too inquisitive about your private affairs, but has your 108 acres been sufficient to keep you without outside employment?—No.

266. Is it now sufficient to keep a family?—No.

267. Is it fit for dairying?—There are some flats in it, but the rest consists of tea-tree ranges.

268. Have you had any experience of danthonia on manuka-scrub land?—Yes.

269. How long ago was it sown?—Three years ago.

270. Is it standing well against the scrub?—Yes.

271. *Mr. McCardle.*] Have you had any experience of the working of the Advances to Settlers Act?—No.

272. Do you know whether advantage has been taken of that Act by any of the settlers in this district?—Yes, a great number.

273. Has it been good in their interest?—I think so.

274. I suppose you are of opinion that that Act has been beneficial in assisting small settlers?—Yes.

275. As to the 999-years lease, if the tenure was secure would you still have objections to it?—I have no objection to the tenure provided it is permanent, but I read that every session of Parliament they wish to bring in a revaluation Bill, and I also read that the Dunedin Trades and Labour Council wants to revalue the land every seven years.

276. Supposing they proposed to do that, do you think they would not require to compensate the present holders before they could revalue?—Perhaps so.

277. Would you amend the Act so as to allow those who want the freehold to have it, and those who wish to keep the 999-years lease to keep it?—I would give anybody holding a lease from the Crown the option of the freehold.

278. Do you think the land law as it now stands, and which provided for three systems—viz., lease with right of purchase, lease in perpetuity, or the freehold straight out—do you not think that Act liberal enough in the interests of all?—It gives a man a choice, but in a district like this where the land is so poor the land ought to be given to him in order to induce him to go on it.

279. That practically means the homestead system?—That was a very good way of settling people on the land.

280. You do not think it would be in the interests of the colony, especially in certain districts, to put a small value on the land and let it a low rental, and let the rental be devoted entirely to road-making, and thus to assist the settlers?—You must understand that here it is the man who keeps the land, not the land that keeps the man. I am of opinion that the homestead system should be adopted, and that the State should make the main roads, and that the local bodies or the settlers should make the roads to the main roads.

281. In the case you have mentioned did the settler will the property to his children, and then the Board found they could not grant each member of the family his share of the land until he came of age?—I cannot tell you the exact circumstances of that case.

282. If such conditions existed, would it not be desirable that the Act should be so amended that the holder of a 999-years lease should be placed in the same position as a freeholder regarding the willing of his property?—Yes.

283. *Mr. McLennan.*] Have you lately been at the waterfall near Kamo?—About ten years ago.

284. Did you see gorse growing there?—There was plenty of gorse growing there at that time.

285. Is that freehold land?—It might be, but it is mining-land.

286. *Mr. Paul.*] You said there were twelve members in your branch of the Farmers' Union?—Yes.

287. How many Crown tenants are there?—I do not think there is one. I think they are all freeholders.

288. They carried a resolution that the Crown tenants should have the freehold?—Yes.

289. Could you say why there are no Crown tenants in the local branch of the Farmers' Union?—I suppose most of the men are away at work, and it would not pay them to come into the union.

290. Do you agree with the land-for-settlements policy?—I have no experience of that.

291. Why do you say that a man with a 999-years lease is working for the Government?—For the simple reason that if the Government raises the rental he is working for the Government.

292. But the Government is not raising his rental?—But every year we see that a Fair Rent Bill is brought before Parliament. What is a Fair Rent Bill?

293. Let us talk of something we have, not something we might have?—But we have to look forward. It does not do to sit down quietly until we get it popped on our necks.

294. But are there many people who are successful as prophets?—No; but if you see a thing coming on you it is wisest to try and get out of the way.

295. Do you feel sure that a Fair Rent Bill is coming?—I simply read in the newspaper that it is brought in every year. The Noxious Weeds Bill took eight years to pass, but it came at last.

296. Was that a good measure?—I do not think so. The Government and Maori land is stocking the whole country with noxious weeds.

297. Are you familiar with any other district than this?—No.

298. In making those remarks you only apply them to this district?—Yes.

299. Do you think there is any fear of revaluation of the present leases?—I have given my reason for thinking so. I see that the Trades and Labour Council of Dunedin are always passing resolutions that the leases should be revalued every seven years.

300. Where did you see that?—In the *Weekly News*.

301. Would you believe me if I told you that the Dunedin Trades and Labour Council has never passed a resolution with reference to the period at which revaluation shall take place?—I

should not like to contradict you on the strength of a statement in a newspaper, but that is where I read it.

302. How long ago was this?—I suppose six or nine months ago.

303. I may tell you that I am President of the Dunedin Trades and Labour Council, and I have not missed a meeting for the past few years, and no such resolution has ever even been placed before the Council, much less carried?—It is a strange thing that you did not take notice of it in the newspapers and have it contradicted.

304. If the Trades and Labour Council or a public body of any sort were to take notice of everything they saw in newspapers they would not have much time to devote to their every-day business?—That is so.

305. *Mr. Anstey.*] Is it the *Auckland Weekly News* that circulates chiefly in this district?—Yes.

306. And I suppose you generally believe what you see in that newspaper?—Yes.

307. Do you think it is wise to believe it?—I do.

308. Do you still believe the statement made in the newspaper against the contradiction given by Mr. Paul?—Not when this gentleman assures me to the contrary.

309. Do you not think it would be wise to take statements of that sort in the newspapers with a grain of salt?—Why should I?

310. You have been given one reason why you should. You say that the members of your branch of the Farmers' Union are all freeholders. Is there any other question they have discussed besides this question of the leasehold and freehold which they have desired you to bring before the Commission?—Yes; we generally have a talk about the roads and what is good to sow, &c., but there is no other question that I have been asked to bring before the Commission.

311. Have you had any representation from the tenant farmers asking you to concern yourselves with the freehold on that behalf?—No, nothing more than I have told you with reference to the complaint of one settler, that his sons would not remain on the land, because they said that the land did not remain to their father.

312. Do freeholders' sons always stay at home?—They generally stick to their fathers and mothers—they do not clear right away.

313. Do you not think it would have been wiser to have left this question of the leasehold and freehold to the leaseholders themselves to take up?—The Commission advertise that they want our ideas on the subject, and I have come here to give them my ideas.

314. You mentioned the case of a widow whose husband died and left her the property, but you were not very clear about what happened. Where is she living?—Hukerenui.

315. Then, the farm was not taken from here?—I believe she had to give up the land. It was forfeited, but the neighbours agreed not to go in for it, and she was allowed to take it up again.

316. Are you quite sure of that?—It is hearsay.

317. Are you quite sure that the land was not transferred in the ordinary way under the Land Transfer Act?—It took some months to do, and there was a great deal of excitement about it.

318. Do you not think the Government could just as easily confiscate a bit of freehold as a lease-in-perpetuity section?—They have already done so.

319. Do you think the freehold is any more secure than the leasehold?—I do not think anything is secure in this country.

320. Then, what is the advantage of having the freehold compared with the leasehold?—In the case of the freehold you have no rent to pay, and in the case of leasehold there is a constantly recurring rent, and that is a grievance.

321. But you have to buy the freehold?—Yes.

322. You have not to buy a leasehold, you have only to pay the rent?—Yes; but if you understood this part of the country a man has often to leave his place in order to earn his rent.

323. But supposing a man has not got the money to buy the freehold, what would happen then?—Let him take up a leasehold, but I think he should have the right to acquire the freehold at any time he likes.

324. *Mr. McCutchan.*] You stated that the Crown tenants were uneasy about the tenure on account of an agitation by the Trades and Labour Council at Dunedin for revaluation?—Yes.

325. Are you aware that within the past month the Trades and Labour Conference in Wellington, at which a representative of the Trades and Labour Council of Dunedin was present, laid down as a part of their propaganda that all existing leases were to be revalued upon transfer or death of the holder?—I have not seen that yet.

326. Such is the case. With regard to this Rebate of Rent Bill, you look upon that as a variation of the contract?—Yes.

327. Before a rebate can be brought in it must be done by the will of the people through their representatives in Parliament?—I suppose so.

328. If that is so, is it not therefore possible that an increase of rent might be brought about by the will of the people?—That is what I think.

WILLIAM FRANCIS PARSONS examined.

329. *The Chairman.*] What are you?—I am a settler residing at Ruapekapeka. I was formerly a homestead settler at the same place. I own 250 acres of freehold which was the homestead, and I have 188 acres on lease with the right of purchase as well. I have had the 188 acres for about ten years, and am paying £4 13s. per annum for it by way of rent.

330. I suppose it is your intention to make that a freehold too by-and-by?—Well, a little while ago a friend offered to advance me the money to acquire the freehold, but as I had not been quite ten years in occupation I was not allowed to acquire the freehold. Now I have not the money and my friend is not here.

331. You still have the right to purchase?—Yes, I think so.

332. Do you rely entirely on your farm for getting along?—No, I have to work off it sometimes.

333. Your land is not very good, probably?—It is like all the land about here. The river-flats which are long narrow strips are good land, but the hills which are, comparatively speaking, good to look at are very deceiving. When we put grass upon it it is very hard to get it to grow. I find the English grasses are a failure. We are now trying Waipu brown-top and danthonia.

334. What do you think of this danthonia?—I look upon it as a good grass for burning off the tea-tree, but as a feed I value it very little. However, it is better than nothing.

335. What do you think of the Waipu brown-top?—I have only had it for the last two years, and it is rather pleasing me.

336. In putting the land down in English grass was the land ploughed?—No, I could not get 10 acres of ploughable ground on my place. It is clay land, not gum land. When you fell the bush it gives fair grass for three years, after that the fern and tea-tree take it place. That and the pennyroyal are our worst trouble.

337. Have you any Californian thistle up here?—Not that I know of.

338. Then, you cannot improve your place very much?—No; the whole of our settlers are in much the same position. We cannot advance. We have not the ploughable ground, and surface-sowing, unless it is with danthonia, does not do, for danthonia, according to my opinion, is not much good for feed. Where it can be manured it is equally as good as rye, but we cannot manure the hillsides.

339. Do turnips grow well?—Fairly well when the land is cleared.

340. Do you use any bonedust or other manures?—No, just the ash.

341. *Mr. Matheson.*] How long is it since you sowed the first danthonia?—It has been coming into our ground for about seven years.

342. Do you think with its help you will be able to keep the manuka under?—I think so. That is the only hope we have.

343. Have you done anything in fruit?—Yes, I have a very good orchard—about sixty trees—and large quantities of fruit both in the house and on the trees.

344. Do you send the fruit away to a market?—No; I should have to pack it fifteen miles to the train, and then pay the train-fare to the boat.

345. *Mr. McCardle.*] Have you tried Chewing's fescue?—Yes, I tried it on a piece of stony ground—a sort of rotten rock. For the first two years it was very fair sheep-feed, but this summer it was not looking very bright.

346. Have you had any experience of the Advances to Settlers Department?—Yes.

347. Do you find it works satisfactorily?—Yes.

348. Do you think when you come to buy your freehold, if the friend you spoke of is not there to advance you the money, you would be able to get it from the Government Advances to Settlers Department?—I dare say I could get it through that channel.

349. *Mr. McCutchan.*] In speaking of the grasses, you said danthonia was good for getting rid of tea-tree scrub, but that when the scrub was got rid of the grass was of little value as feed: do you think it would be possible to grow paspalum?—I have tried it on light hill soil. The growth is slow, and I do not think it would do on all soils. I think it is more adapted to heavy clay soils or river-flats. On volcanic soil it gives a fair amount of feed in the summer, but I am doubtful of it in the winter.

350. How do sheep do on danthonia?—They fatten pretty well.

351. Can you get fat lambs off it?—I do not know about that. I have seen four-tooth sheep killed off it going to close on 80 lb.

352. What breed of sheep?—Lincoln, I should say. Danthonia seems to do well on volcanic soil where I saw these sheep killed.

353. Can you give any estimate of its carrying-capacity?—I cannot.

354. *Mr. Paul.*] Has your experience of the Land Board been satisfactory?—Fairly so, I think; but there is a lot of fuss when the rent is not paid up. We are shaken up a good deal, or, at any rate, we were by the former Commissioner. I do not know how this new gentleman will be. Sometimes gum cannot be got, and there is no bush-work, and you cannot sell a few sheep in a hurry. Then, it is hard to get the rent. We always send it as soon as we get it.

355. Do you approve of the present constitution of the Land Boards: do you prefer the nominative system to the elective?—I think the present system is the best.

356. *Mr. Anstey.*] Have you any objection to the leasehold tenure of land?—I have this objection: that if I were to die to-morrow, while my freehold would go to the children my leasehold, although I might make it over to the children, they would not continue to hold it, as the ground is too bad.

357. But, in the case of the freehold, you had to buy that?—I got it under the homestead system, which I think is one of the best systems we ever had. They are all thrifty settlers about here. They have good homes now, but they have had very great hardships to put up with in isolated country.

358. Would you not have preferred to have paid something by way of rent for your land, provided the money was spent on roads?—I do not think so. I would rather get the land for nothing, because we had not the money when we took up the land. We are now fairly comfortable.

359. You do not mind being without roads?—Well, we do; but for the last twenty years we have been battling along and getting roads made as well as we could by putting our hands into our own pockets and by barracking the Government for a little help. I may say I came here because Mr. Houston wished me to assist in giving evidence. One great trouble is that between here and my place, a distance of fifteen miles, there is about 20,000 acres surveyed, and in that area there are only my 188 acres and another block of 727 acres taken up. I have got three different indi-

viduals to take up that second piece of land merely for the sake of getting a road and nothing else. Then, there is a big block of unsurveyed land adjoining the block I have mentioned, and I consider that if the Government were to give that land away to people on condition they grew forest trees it would be a good thing for the country.

360. Is any of the surveyed land open for settlement?—It has been open for sale from 8s. 6d. to 12s. 6d., and there is not a bit of it I would give 3s. for. I think the price is far too high.

361. Would that be taken up under the leasehold system if offered?—If the rent were very small one or two sections might be taken up.

362. What is the value of that land?—It is hard to put a value upon it. It is poor, cold, clay land.

363. Do you think it could be brought into useful cultivation?—It would be very costly. No poor man would ever think of taking it.

364. After you have sown your land in grass in two or three years it goes back again, you say. Is it then expensive to renew?—During the last two months I have been falling a lot of manuka, which has come on very suddenly. I intend to leave that until next November, when I will try and burn it off. That should give me a good ash, and when I sow it in grass it should give me early feed for the winter.

365. You cannot renew the grass with burning?—No. The grass will not grow if it is sown. There is a kind of moss that grows all over the ground.

366. *Mr. Forbes.*] Your 188 acres is better land than the land you are speaking about?—Yes; the 188 acres and the 727 acres is the pick of the whole lot.

367. There have been no applications for this 20,000 acres you have mentioned?—Only for the timber, I think.

368. When you spoke of encouraging the settlers to grow forest trees you meant something in the nature of a State forest?—I meant encouraging the settlers by giving them the land to grow so many acres of forest trees, and, after a certain time, taking them off the settler.

369. Did you hear what the county engineer said about the Austrians? Do you think that sort of land would be suitable for growing fruit-trees, and so on?—It would suit grapes, but I do not think it would do, because there is no gum adjoining it.

370. There would not have been much land settled about there if it had not been for the gum, I suppose?—I do not think so.

371. Is the gum getting very much less?—Yes, it is. A few of the gum-diggers are doing fairly well, but the majority are doing very poorly.

372. As time goes on, then, it will be far more difficult to settle the land?—Yes, I should think it would.

373. You could not have done anything with your land except for the gumfields round about?—Well, we had a better chance then, because it was all dense bush. The settlers who had cattle did well while the bush was there, but then you could get £8 or £9 for a beast—a beast for which you could not get £3 now.

374. *Mr. Hall.*] Has the export of gum from the country fallen off?—I could not say, but it may have kept up on account of the Austrians digging.

375. As regards the question of grants of land to the Austrians, I suppose it would be necessary that those lands should be adjacent to gumfields?—Yes, it would give them something to live on for a time.

376. Do you know the swamp land on which the Austrians are working, the other side of Whangarei?—No.

RICHARD AUGUSTUS HALL examined.

377. *The Chairman.*] What are you?—I am a butcher, living in Kawakawa. I have 670 acres of freehold and something over 400 acres under occupation with right of purchase. My land is about three miles from here. I use it entirely for grazing.

378. Have you surface-sown any of the land?—Yes, it has been fairly successful. It is stony, volcanic land.

379. Can you say what the carrying-capacity is?—It carries fairly well. I have always some stock there.

380. How long have you held this land?—The freehold I have had for the last six or seven years, and the land under option of purchase I took up quite recently.

381. What do you pay for the 400 acres?—£10 a year.

382. Have you any particular point you wish to bring before the Commission?—No.

383. Regarding the constitution of Land Boards, do you think the present system is satisfactory?—I have had very little to do with the Land Board; but I would like to say this: that there is land being frequently sold up in this direction, and there is some to be offered just about here quite shortly. I know it to be the wish of the people that the land should be sold at this place to save the people the expense and trouble of going to Auckland to bid. There are from twenty to thirty of them who have houses on the land. I am not myself one of those wishing to buy.

384. You might mention that to the Board. They have power to send an officer to conduct the sale here?—I believe the people would give a bigger price if that were done.

385. From some of the evidence we have had it appears that it is almost hopeless to attempt to reclaim some of this poor land, and that it seems almost to get worse?—The land is not of good quality, as a rule.

386. You have managed to grass your place?—Mine is better ground. It is volcanic.

387. How long have you been here?—Since 1866.

388. What are your views about this district generally? Do you think it will improve, from an agricultural point of view?—I think the place is improving slowly and gradually.

389. The best land is held by the Natives, no doubt?—Yes, and it is very difficult to acquire it from them on account of the number of owners.

390. *Mr. Hall.*] Have you a knowledge of a considerable extent of the country here?—I know the Bay of Islands district pretty well.

391. What do you consider the best form of land-tenure in the interest of settlement?—Freehold or occupation with right of purchase.

392. Do you consider that is best in the interests of the State as well as of the settler?—I do.

393. *Mr. Matheson.*] When all the kauri timber and gum is used up, do you think the land here will keep its present population?—I think so.

394. Have you had any experience of danthonia on the poorer ground?—No; but I know lots of poor ground which would grow nothing else, but which is coming on with danthonia.

395. How long after the manuka is burnt on the poor land does it take to get grass in the old way?—In about two years.

396. What process do you adopt in burning and sowing?—Just fell the manuka, and let it lie till the seed germinates again and then burn, and the danthonia will carry the fire through it.

397. *Mr. McCardle.*] You are brought into close contact with a large number of the settlers, I suppose?—Yes, I take stock from all parts.

398. Are they, in their occupation as farmers, gaining a lucrative profit from their labour, or merely existing?—The majority of the small settlers could not live on what their holdings would bring them alone.

399. How much land would a settler require to hold in order to make a living and save a little for his family?—I should say fully 500 acres.

400. Do you think a working-man on employment at 8s. a day regularly is better off than the average small farmer?—Yes; the small farmer does not make that, and he is working longer hours for it.

401. Is the land increasing in value?—I think it is somewhat.

402. If a present settler were to sell at present prices would he recoup himself for his labour?—No, nor do I think he would in any part of New Zealand, unless it might be in the neighbourhood of a large town.

403. You think the unearned increment applies only in the vicinity of large centres of population, and not in the outlying districts?—Yes.

404. *Mr. Johnston.*] What experience have you had outside this district?—Not much.

405. You are not in a position to say whether there is unearned increment elsewhere?—No.

406. How many sheep could a man carry on 500 acres about here?—About three hundred. Of course, on good paddocks laid down and ploughed he would carry a sheep and a half to the acre.

407. Would three hundred sheep be enough to keep a man and his family?—It would be an existence for him, because he might be able to run some twenty or thirty head of cattle as well. On the sort of ground you came over to-day it would take about 2,000 acres, I think, to keep a man.

408. How much of this district do you know?—I know the whole of the Bay of Islands.

409. Is the whole of the 400 acres you have under option of purchase in grass?—No.

410. What is your valuation?—10s. an acre.

411. What is the Government improved value of it?—£360.

412. Is there any Californian thistle about here?—I believe so, but I have not seen it yet.

413. *Mr. McCutchan.*] Do you think that the land between here and Hukerenui if sown with danthonia would carry three-fifths of a sheep to the acre?—It might carry about half a sheep to the acre.

414. What would it cost to put the land in danthonia? Would it be a profitable investment to bring that land into danthonia to carry half a sheep to the acre if you got the land for nothing under the homestead system?—If a man got 1,000 acres it might pay him to take it up.

415. How do sheep do on danthonia?—They do very well.

416. We were told of a sheep 80 lb. in weight being killed off danthonia?—An 80 lb. sheep is nothing out of the way, and the best sheep often come off the poorest pastures.

417. You think it is possible to grow 80 lb. sheep on danthonia?—If the land is not too heavily stocked.

418. Do you think it would be a good thing to use these waste lands by sowing wattle on them?—Yes. I think when the gum is done the wattle would take its place.

419. *Mr. Paul.*] Are there any lease-in-perpetuity holdings in this immediate vicinity?—There are some a little way from here.

420. Do you know whether those settlers are prosperous or not?—I think some of them are.

421. Do you think a settler under that tenure is as prosperous as under any other?—I could not say, but they all prefer the freehold. Most of the land is under occupation with right of purchase.

422. *Mr. Anstey.*] Do you think the poor land in this neighbourhood could be reclaimed by danthonia?—There is a certain amount grown now in places.

423. Suppose the Government were to burn off the scrub and sow the land in danthonia before offering it for settlement, would that be a success, do you think?—I could not say, but a very poor man could not afford to pay very much for it, of course.

424. *Mr. Forbes.*] Has any wattle been grown about here?—There is a little of it on a place belonging to the Williamses; and a man has told me that he has sold the bark and done very well out of it.

425. Has it been experimented on this poor ground?—There are a few trees along the road you came to-day, and I think wattle would do very well on all this land.



426. Do you think the best way of turning the land to profitable account would be to use it for wattle-plantations?—Yes; I should say if the best class of gum-diggers were given some of the seed to scatter here and there we should have wattle-plantations presently which would bring in a revenue both to the Crown and county.

427. Would not the cattle and sheep destroy it?—No, stock do not touch it.

428. *Mr. Hall.*] As regards the land between here and the railway station at Hukerenui, would a man require 1,000 acres of that in order to make a living?—Yes.

429. Assuming that a man would pay 10s. an acre for it in its natural state?—I would not give half a crown for it.

430. Half a crown would be a fair price?—Yes.

431. Suppose the land was fenced and the scrub burnt off and the ground sown in danthonia, two years after that it would be ready for the sheep?—Yes.

432. Would the man who gave half a crown an acre for it be then compensated for his outlay and for the work he has put into it?—I think he would if he got it at that price.

433. And he would make a success of it in some degree?—Yes.

434. *Mr. Anstey.*] Do you know what is the cost of sowing Waipu brown-top?—You only want to sow about 1 lb. to the acre. It spreads very rapidly. With danthonia you would require about 4 lb. to the acre, which would mean about five shillings' worth of grass-seed to the acre.

435. Is the danthonia a native grass?—Yes; there are several kinds of it.

OPUA, TUESDAY, 9TH MAY, 1905.

HENRY LANE examined.

1. *The Chairman.*] What are you?—I am a settler. I have been here since 1860. I hold 2,074 acres small grazing-run from the Government. I have had it since December, 1892. I pay £12 19s. 4d. per annum rent. I put 400 sheep on it at first, and I had a lot destroyed by Maori dogs. I restocked up to 600 sheep, and again a large number were destroyed by the Native dogs. The sheep do not increase because the land is very poor. I cleared 300 acres of tea-tree scrub on wages, and surface-sowed it with cocksfoot and ryegrass, with the result that the grass died out in the second year and the scrub continued to grow. I cleared the ground a second time, and tried other grasses, with the same result. I find the only grass that is standing and doing any good at all is danthonia.

2. We have had various accounts of danthonia: is it a good feeding grass?—No; but the advantage is it will kill the tea-tree, because you can burn it. It has a very slow growth, and produces very little feed, but it is the best that will grow on the poor land.

3. Is it possible to turn off fat stock from it?—I do not think so. Sheep seem to grow on it, and they are healthy, but the only fat stock we get is the stock which comes off small pieces of swamp.

4. Have you ever tried turnips or mangolds?—Yes; but they do not do at all. They grow in some patches on selected swamp areas, and we use them for feeding the ostriches which we run.

5. How many ostriches have you?—I bought nine for £200-odd, but there are only five living. The others strayed away and got lost. I keep the five in paddocks now, and they are doing very well, and they pay very well. We get an average for good feathers of £1 an ounce. Of course, there are many inferior feathers, and many get damaged by being knocked about by the scrub. I have had the five ostriches about two years.

6. What is the average per ostrich per annum?—About £5. They require a good deal of attention.

7. Have you any cattle at all?—Yes, about twenty head.

8. Are you quit of trouble with the Maori dogs now?—No; only last week I found fourteen dead sheep.

9. Are you surrounded by Maoris?—Yes, that is my unfortunate position. I am now building houses at two corners of my run in order to put a man at each place to look after my interest. I am greatly troubled with the Maoris. They draw my staples out and tie the wires down, and put their horses in to feed on my place.

10. Do they pay anything for fencing?—No. My 1,000 acres are fenced, and I did not get a penny from them towards the cost. I think that is very unfair.

11. What are the Maoris doing with their land?—Nothing at all.

12. Have they got much?—About 26,000 acres.

13. Have these 26,000 acres been through the Native Land Court?—I do not think the block has been investigated. It is held under tribal rights. The Native Land Court has been fighting it out in blocks, but the land has not been surveyed.

14. Have you had any experience of the Advances to Settlers Office?—Yes. My experience has been satisfactory. I have no fault to find with them.

15. Is there any other point you would like to bring before the Commission?—I have brought along the following statement: "I have a run of 2,000 acres of poor land, carrying about one sheep to 4 acres, and every year the Native dogs destroy a lot, so there is no profit. I am sorry I took up the lease from the Crown. The Land Boards should be formed, and people wanting land in the district could be directed by them and receive advice. That could not be done in Auckland. The Board should not be the County Council, but three members appointed by the Minister of Lands. The Crown tenants should be allowed the freehold at the first valuation, say, after ten years' improvements, as the improvements would be four times that of the land. All rates collected by local bodies from Crown leases should be used in making approaches to the land, not roads only, but boat-landings also. The rent conditions are too stiff. Private people are not so hard as

the Land Board as landlords. I do not understand the old homestead system, but I have heard it is very good. The value of land here is less now than it was formerly, because the industries here have all stopped—viz., the coal-mines, manganese-mines, saw-milling, &c.—and the land is too poor to make a living off alone, and there is no market here for produce. The Advances to Settlers Act is very good, but it should only be used in putting buildings and fences on the land. Freehold is best, as it gives a man more heart to improve. Large estates should not be purchased by the Crown from private people when there are thousands of acres of waste land wanting settlers. The Crown should pay half the cost of dividing-fences, and also the Natives, as their lands are improved thereby. Crown leases are not saleable here. I have tried for several years to sell my improvements, but no one will buy. They fear revaluation."

16. *Mr. Matheson.*] Is the bulk of your land under scrub still?—Yes.

17. If you get it down in danthonia do you think that you could work the scrub out?—Yes, in time.

18. And when you get the scrub away and the land is in danthonia, will the place keep you then?—It would be better, but it means time, because the land is poor and the grass grows slowly.

19. Have you bred any ostriches?—Yes, but not successfully. The chicks died.

20. Then, can you only keep your stock up by buying?—No; the reason mine died is that they came too late. If the chicks come in the spring they will do all right.

21. Are you hopeful that another year you will be able to breed and rear yourself?—Yes, if I keep the ostriches in pairs. Up to this I have had to keep them together, and they fight terribly. I think that is one of the reasons why the chicks were destroyed.

22. Do you find them more profitable than sheep?—Yes.

23. Do they find feed themselves?—We keep a little corn for them, but they find a great deal for themselves. They eat a great deal, even of tea-tree scrub and fern, readily.

24. Do you look to the ostriches in the future to provide you with a better means of livelihood than sheep?—In the way the ground is now I do, but when the tea-tree has been got rid of and the danthonia comes along I think sheep will be better.

25. *Mr. McCardle.*] Have you any neighbouring settlers in the locality?—No, only Maoris.

26. Are you acquainted with the settlers throughout the district?—Yes, well.

27. How are they succeeding in getting the land into grass?—Very slow. The only method is by danthonia.

28. Do the settlers find it a very difficult job to clear the land and get a living for a number of years?—Yes; the cost of labour is the great trouble.

29. It would not do for a settler to pay wages on that land?—No.

30. It requires the settler and his family to devote long hours to the land without expecting very much from their labour?—That is correct, and, as my children say, "What is the use of sticking to this place when it will belong to the Crown after we have improved it?"

31. Do you think, considering the heavy cost that is involved to bring the land into anything like a state of productiveness, that the settler's interests becomes very much greater than that of the Government, and that he ought to have a freehold title?—Yes.

32. Do you think the State would lose anything by granting the right of freehold to the tenants of the Crown?—I do not.

33. So long as settlement is successful, and production from the soil is fairly certain, you think the State will be recompensed?—I do. The land in its natural state is almost valueless.

34. We have seen thousands and thousands of acres of idle land between here and Auckland: do you think the Government ought to offer special privileges to settlers to induce them to settle on that land?—I do. I think they should offer the poor land rent-free for a number of years on condition they made a number of improvements.

35. Are you getting anything like wages and interest on the capital you have expended on your land?—Not yet.

36. *Mr. Paul.*] Is it not a fact that most of the land between here and Auckland is held as freehold?—A great deal is held as freehold, but a great deal is held by the Crown and Natives.

37. Do you know whether more is held as freehold than is held by the Crown?—Very much more is held by the Crown and the Natives.

38. What is the length of your lease?—Twenty-one years.

39. What experience have you had with the Land Board?—It has been very bad.

40. In what way?—They have sent me letters on two or three occasions after my cheques were sent away, telling me that my rent must be paid immediately or else my place would be forfeited.

41. Is that the reason you say the Land Board is worse than a private tenant?—Yes.

42. There seems to be some mismanagement?—I think so. I have written to the Minister, and I have been very well treated by the Minister.

43. Have you had many letters complaining of the non-payment of rent after you had posted the cheques?—Yes, and about paying in cheques. I wrote to the Minister about it, and he told me to go on paying in cheques. But the Board told me to get my cheques marked by the bank, and how could I do that, situated as I am. There is no money-order office here.

44. Do you think when the Crown erects half the fences and landings and other improvements you ask for you should be allowed the freehold as well?—Of course, that makes a difference. Of course, my remarks were to Crown leases.

45. If that were done you would not ask for the freehold?—The Government would be doing something then towards opening up the land.

46. At the present time you do not think the Government are doing enough, so far as roads are concerned?—No. Ever since I have been on my place I have not a scrap of road of any description, and I have paid rates every year. Neither have I received a penny of benefit from my "fourths."

47. You think roads should precede settlement?—Certainly, I do. The main roads, at all events. I do not say branch roads should. At present I have got to go through the scrub ten miles to Kawakawa.

48. Are there any other settlers near you in the same position?—There are a lot on the way towards Kawakawa.

49. *Mr. McLennan.*] You say you cleared 300 acres and grassed, and that the grass died out in the second year?—Yes.

50. Is the fern or scrub growing up in the place of the grass?—Yes, the tea-tree.

51. What means are you taking to keep the tea-tree down?—Cutting and burning.

52. You say you do not believe in the Government acquiring large estates under the Land for Settlements Act while they have plenty of land of their own?—Not up here. It may be all right in the south in good land.

53. You have no experience of the settlement in the south?—Not the slightest.

54. Would you be in favour of giving them the option as well as the ordinary Crown tenants?—I think they should have the option, but they should certainly do improvements first.

55. But if the Crown tenants down south do not want the option themselves, would you be in favour of forcing it on them?—Not at all. If a man is satisfied with what he has got let him keep it.

56. *The Chairman.*] You said you had trouble with the Land Board through sending cheques?—Yes. They never send them back. I wrote to Mr. Houston about it, and he told me to keep on sending cheques. I have taken cheques to the office, and they have told me to take them away and get them cashed. I have had no trouble with the Land Board lately. It was during the previous Commissioner's time.

57. *Mr. McCardie.*] What has become of the "fourths" accruing from the rent of your land?—The County Council has them.

58. Where have they spent them?—They have not spent them at all, but they have lately promised to spend them on my land. They wanted me to consent to them being spent on the Kawakawa-Russell Road, but that would not have benefited me a bit.

59. *Mr. McLennan.*] Perhaps the sums are so small that they want them to accumulate until they make a fair show?—They must amount to over £30 now, and that would go a good way towards cutting a track to the place. I think it would be better if the Lands Department administered the "thirds" themselves.

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ON BOARD S.S. "CLANSMAN," BETWEEN OPUA AND RUSSELL, TUESDAY, 9TH MAY, 1905.

JOHN PRESS examined.

1. *The Chairman.*] What are you?—I am a settler, and hold 850 acres of freehold land. I have held part of it for ten years, and the other part for twelve months. It is situated eight miles from Opuā. It is rough land, and I use it for grazing sheep and cattle. It is a portion of the old missionary property—the mission of the Williams family. I have been in the colony for twenty-five years, and in this district for eighteen years. I may say that I was born in West Somerset, in the manor of the late Earl of Egremont. I was born on freehold land. I do not believe in landlordism as applied to country lands. In my opinion leasehold land cannot produce true, manly, independent people. I have many times challenged tenant farmers to indicate any great measures of reform that have been supported by them as a class. I maintain that, as a class, they have never aided in any great land reform. As I have said, I do not believe in landlordism as applied to country lands. As to city lands, I have nothing to do with them, and I do not know anything about that aspect of the question. In this colony I have found that the existence of the leasehold tenure tends to a feeling of insecurity, and, from my own experience, I can testify to the fact that it tends to break up a family—that the members of a family will not work on the leasehold land when they feel that the land is not their own. The young people do not care to improve leasehold property. I would like to mention the case of the Punakitere settlers. That is an instance—a flagrant instance—where the rights of settlers were taken from them while they slept. I refer to a place in the Hokianga County, beyond Kaikohe. This land is an endowment of the City of Auckland and the Borough of Parnell. I do not know the area of those endowments. The security of the freehold is an inducement to people to invest capital in developing land in other ways, as witness the present coal-prospecting scheme. I may state that I have been actively engaged in connection with the coal-prospecting operations in this neighbourhood, and I am able to testify that under any other tenure than the freehold the scheme would not have been looked at. The recommendation of the freehold is the security of the tenure. In that case I should say that it is the freehold as before 1876—the minerals all belonged to the property. I have every reason to believe that but for the freehold there would have been no prospecting for coal. It is the security of the old freehold tenure that has brought that about. This prospecting for coal is being done within an area commencing seven miles from Opuā and extending over 9,000 acres.

2. Have you discovered anything?—There have been indications, but they are going to spend £3,000 or £4,000 in boring right away.

3. *Mr. Hall.*] You say that you have had experience of leaseholds in Great Britain?—I have had no personal experience. Fortunately, I was born upon what we call freehold land.

4. I understand that you are opposed to the lease in perpetuity?—Yes, because I believe it will lead to the results I have indicated.

5. Is there any analogy between leasing land in the Old Country and a title given here by the Crown for a thousand years?—There is not a feeling of security here with respect to the leasehold.

6. But you do not suppose that the Legislature would break down a title that it has given, and a contract that the Government has entered into?—We cannot be sure what may be done in the future.

7. Do you not think that an attempt has been made to poison the minds of the people in regard to the lease in perpetuity?—No. You cannot get over that feeling—it is universal, I think.

8. *Mr. Matheson.*] Do you suggest that the leasehold title is not sufficiently good to encourage men to prospect for minerals?—As the law stands now the minerals on land alienated from the Crown since 1876 belong to the Crown. Your question does not apply at all.

9. Then, you say that the titles granted by the Crown do not encourage prospecting?—Yes.

10. Can you not get every encouragement to prospecting by taking up a miner's right?—I am referring to prospecting for coal.

11. Have you any proposal to make by which security might be wisely given by the Crown in respect to prospecting?—I am not dealing primarily with minerals now. I am dealing mostly with the land, and, as a member of the Farmers' Union, I go in for the freehold for every one—that is, that leaseholders should have the option of the freehold. In respect to minerals, even although you buy the freehold from the Crown, since 1876 you do not get the minerals.

12. *Mr. McCardle.*] There are restrictions in connection with leases, but still you can work the coal by paying a royalty if you have a miner's right?—I have signed away coal rights for 6d. per ton royalty.

13. But the great difficulty in establishing the coal industry is really the financing of the concern?—Yes.

14. And if it is leasehold land you cannot get any one to touch it?—Yes.

15. And in regard to Native land, that is also a bar unless you get the signatures of the owners?—Yes. I may mention that coal has been struck in one place within the last few weeks—at least, there are indications of coal, but it is on Native land.

16. Are you intimately acquainted with the settlers in the district where you reside?—Yes.

17. How are they succeeding? Are they making a good thing out of the land?—This is a very quiet district. I am only sorry that you have not gone to Okaihau.

18. The settlers are spending some labour and a good deal of means on the land. Are they getting back a profitable return for such labour?—Yes.

19. Are they getting good wages for that expenditure of labour?—Not town wages. Their wages, I take it, go into the up-lift of the property. I may here point out that the kauri-gum industry has perhaps acted against the progress of this district. It has tended more against the settler than in his favour.

20. The settler does not make very much out of his land as he goes on improving it?—Not in actual cash.

21. Have you had any experience of the Advances to Settlers Board?—Yes.

22. Has your experience been favourable?—Yes; I have nothing to say against the Board.

23. Do you think it has been a good thing in the interests of the country, and that the system ought to be encouraged?—Yes.

24. *Mr. McLennan.*] Are you a member of the Farmers' Union?—I am secretary of the Kawakawa Branch.

25. How many members have you got?—We have very few members at present. There are only seven members just now, but there should be about twenty-five.

26. Did the local branch of the union appoint you to give evidence before the Commission?—No. I am here in my individual capacity.

27. Have you any Crown tenants who are members of your branch of the Farmers' Union?—I do not think so. There are very few Crown tenants in this district.

28. Are you acquainted with the working of the Land for Settlements Act in Canterbury and Otago?—No.

29. Would you be in favour of granting lease-in-perpetuity tenants the option of purchase if they did not want it themselves?—I think the option of making the land freehold should be left to themselves. If a man did not take advantage of the option then he should be allowed to remain in his present position.

30. But would not that be breaking the contract?—It would not be breaking the contract as against the settler. It would be breaking the contract in his favour. If he did not choose to accept the new conditions he would be perfectly free to remain as he is at present.

31. Supposing a settler did not think it was in his favour?—Then he should be left alone. He would not have his lease interfered with.

32. Do you not think it would be a very good thing if the farmers north of Auckland sent, say, two representatives to the South Island to see how the Crown tenants are getting on in that part of the country before they advocate an amendment of the law?—That is a new question, and, on the spur of the moment, I do not see that it would be any benefit at all, because the great principle involved would not be touched, even though there may be some settlers in the South who are doing well on their leaseholds.

33. From what I have seen of freehold land since we left Devonport, my impression is that it is immaterial whether much of that land is freehold or leasehold. Most of that land does not seem to be used to the best advantage?—If you come from a southern district I can quite understand how it would strike you. A few of us who come from the outside world are well aware that this is a backward district. The people here have lived very quiet lives, and it takes an almost super-human effort to arouse them. I do not know whether that is owing to the climate or not.

34. We have come through a great deal of freehold land that is covered with nothing but tea-tree or gorse, and, strange to say, the only little bit of leasehold we have seen has been fairly cleared?—I know that much of the land is covered with tea-tree and gorse.

35. *Mr. Paul.*] Where is the insecurity in the leasehold? The insecurity is a sentiment, if you like to put it in that way; but, on the other hand, there is a constant agitation going on for revaluation, and that causes a feeling of insecurity.

36. You do not complain of any insecurity of tenure, provided the alteration made is in favour of the leaseholder?—I propose that the tenure should be made more secure.

37. You said there was insecurity in the case of the leasehold?—I do say so.

38. But you do not mind any alteration so long as it is in favour of the landholder?—So long as it makes the tenure more secure.

39. Do you fear any alteration in the freehold tenure?—I am quite aware that the Legislature has power to pass legislation affecting the freehold, but the proposal to do that and the proposal to alter a lease is a different affair.

40. Do you seriously think that the Parliament of a British colony would repudiate a lease?—I know very well that in political matters the Parliament simply expresses the will of the majority of the people.

41. Then, you have not a great deal of faith in the people?—A certain section of the townspeople are agitating for revaluation.

42. It is very clear that you have not very much faith in the power that may be exercised by a majority of the people?—The majority may act in a way that is contrary to the rights of the minority.

43. From your own observation you are quite sure that the stamp of men born on leasehold land is inferior to those born on freehold land?—I am, and I know it from sad experience.

44. Have you formed any opinion as to the constitution of Land Boards?—I am in favour of Mr. Kirkbride's alteration of the law—that is, that the settlers should have some representation on the Land Board.

45. Do you believe in a system of nomination or election? It would be election if the representation was to be representation of the landholders.

46. Would that be representation involving the whole or part of the Board?—Part of the Board.

47. And those members of the Board would be elected by the Crown tenants?—Yes.

48. How many members do you think should be elected by them?—I am not conversant enough with the question to state the number.

49. Have you any objection to the Land Board as at present constituted?—I have no cause of complaint, but I would like to see the Crown tenants have some influence on the Board.

50. *Mr. Hall.*] Did I understand you to say that the farmers in this part of New Zealand cannot afford to pay the same rate of wages as is paid by the sawmillers?—In my experience, they cannot do that.

51. Is that for the reason that the sawmillers can fix the price of the output from their mills, but the farmers have no voice in fixing the value of the products of their labour?—The price of farming-produce is fixed chiefly by the London market, and we have to compete in the markets of the world.

52. *Mr. Paul.*] Do you think there is any rivalry between the town and country?—Certainly not.

53. You think that their interests are identical?—Certainly. The country supplies our produce for export, and the towns as well as the country get the benefit of the sale of that produce. When good prices rule for our produce that means increased prosperity for the towns as well as for the country districts.

WHANGAROA, TUESDAY, 9TH MAY, 1905.

THOMAS MAJOR LANE examined.

1. *The Chairman.*] What are you?—I am a shipbuilder. I have been here for over forty years. I have 200 or 300 acres of land in the district, which I use chiefly for grazing purposes. As a shipbuilder, I am acquainted with the timber resources.

2. I suppose there is still some more timber to cut out?—Very little. The kauri is almost exhausted.

3. Is sheep-farming or cattle-farming making up for the loss of employment owing to the kauri disappearing?—Not yet, but it will eventually, no doubt.

4. This is a very old-settled place—up the Kaeo Valley, and so on?—Yes.

5. I see around the harbour there are more clearings than there were some years ago?—Yes.

6. Are the settlers in a fairly prosperous condition in the Kaeo Valley?—Fairly. Some of the men are still working back in the bush, although the timber is almost worked out here. The Hokianga district is worked from this side.

7. There is very little in the way of farming?—They run just a few cattle.

8. Have you any views with regard to the district, or with regard to land-administration which you wish to place before the Commission?—I think it is important that every facility for settling upon the land should be given to people willing to settle, and unless a man can get the freehold he is not going to endure the hardships entailed. I do not think there is any chance of getting the land settled on any other tenure.

9. Is there much land still open for selection?—Yes, there is a good deal of fair land.

10. Much Native land?—Yes, a good deal of that too.

11. Have you many Natives here?—A good many.

12. The Native land is, I presume, a stumbling-block to progress. The Natives use the roads, and have a lot of dogs, and all that sort of thing?—Yes; the dogs are a great grievance since the dog-tax has been placed in the hands of the Maori Council. The dogs now simply swarm.

13. If the dog-tax were now in the hands of the County Council, as formerly, it would be better?—Yes, very much so.

14. *Mr. McCordle.*] You spoke in favour of the freehold: on what conditions do you think it advisable for the Government to grant land to the settlers?—I think it would be quite possible to have a restricted freehold, so that no one should be allowed to own more than a certain amount of land.

15. Would you give a man a long and easy term of purchase?—I think a man who would take up a rough piece of country and break it up should be given the land for nothing. I believe the homestead system was the best we ever had in the country.

16. Do you think, in view of the fact that he would not be a contributor to the revenue of the country, it would not be better for him to pay a small price and hand over the interest on the principal to the local bodies to make a road to his land?—That might be well, but it would have to be a very small price.

17. You have land about here better than the other places we have seen?—I dare say.

18. Is there much settlement at the back of here within easy distance?—The only settlement of any importance is Kaeo.

19. Is that freehold?—It is all freehold now.

20. Is there any land still in the hands of the Government in this neighbourhood?—A little.

21. Is there much Native land in the district?—Yes, there is a fair proportion.

22. Suitable for settlement?—Yes, it is fairly good for runs, and I think at some time or another we shall have the fruit-canning industry established here, just as we have butter-factories—a sort of co-operative affair.

23. That would make the land suitable for cutting up into small areas—I mean if the people understood fruit-growing?—Yes.

24. Do you know whether the Native lands have been passed through the Native Land Court?—A good many of them.

25. Are the titles ascertained?—I do not know. The Natives are always appealing.

26. Have you any experience of the Advances to Settlers Department?—I know there are some people who have obtained advances.

27. Is it working fairly satisfactorily?—I have heard no complaints.

28. *Mr. Paul.*] You are quite convinced the freehold is necessary for settlement in this district?—I am quite convinced you will not get settlers to go on this land on any other terms.

29. You have not had experience in any other part of the colony?—No.

30. So that in making those remarks they apply solely to this part of the colony?—Yes.

31. Is the land increasing in value at all?—In some places it is. That is to say, what little good land there is has increased in value; but I do not know that the rough country has increased in value; in fact, I feel sure it has not.

32. *Mr. Anstey.*] Is there any land in this neighbourhood held under lease?—There are some Government leases with right of purchase, but I do not think there are any other leases. The land is not good enough.

33. Is this Maori land you speak of suitable for small settlement?—No; chiefly for runs. There is some of pretty good value in the occupation of the Maoris which would settle a number of people, but the rest of it is mostly hilly country.

34. It is not materially better than the rest of the land about here?—Oh, no. Of course, the Natives have their own settlements, which are the pick of the land.

35. What does it require to settle this land?—I do not know that there is much of this Native land that could be settled. It is chiefly rough country and not fit for close settlement, except that in the occupation of the Natives themselves.

36. Would white settlers farm the land better than the Maoris?—Yes, because the Natives have no system of farming at all.

37. Do the Natives run sheep on the land at all and export wool?—Yes.

38. Any mutton?—Sheep are sent away from here to Auckland. In some seasons the “Clansman” is filled with sheep.

39. Would there be several thousands during the season?—I hardly know. There are others who could give you better information on that subject.

40. Do you export cattle?—They are mostly used in this district.

41. As to the sheep, do you send away fat sheep?—Both fat and stores, just to meet the market.

42. Do you go in for dairying or fruit-growing?—No; but fruit will grow readily. Some day, when we have canning-factories, I have no doubt there will be a fruit-growing industry here.

43. *Mr. Hall.*] When you speak of good land in this locality does that mean as compared with the rest of the land of the district, or is it really good?—There is some that is really good, but the area is very limited. I have been over a good deal of the colony. The good land is in the hands of private individuals.

44. *Mr. Matheson.*] Have you any experience of grassing this scrub land here?—I think it can be done, though I have not succeeded in doing it. I am a shipbuilder.

JOHN BEGG examined.

45. *The Chairman.*] What are you?—I am Clerk of the County Council, and have occupied that position since 1886. I have been in the district for forty years. I have no land of my own, but my wife has a good deal of land—about 1,000 acres. The land is used for grazing sheep and

cattle. That land, by road, is about seven miles from here. We have also some freehold land in the Kaeo Valley.

46. What is your view as regards tenure?—I think the freehold is the best.

47. You heard what Mr. Lane, the Chairman of the county, said about the land in the district: do you agree with him in that?—Yes, decidedly. The only land held from the Crown is under occupation with the right of purchase. I do not think there is any leasehold pure and simple.

48. *Mr. McCardle.*] Do many of your roads pass through the Native lands in this district?—No.

49. Then, do you not find the Native lands a great drawback to the country?—We have no means of making roads—that is the trouble.

50. Is there any better means of raising revenue that you know of?—We can do pretty well if we get liberal grants; but some years we have none, and other years we have very little. The trouble is that we have no fixed revenue.

51. What sort of roads are there through this country?—Except between here and Kaeo, we have not a road worth calling a road.

52. Are the roads suitable for taking sheep and cattle along?—Yes, except for the bogholes here and there.

53. *Mr. McCutchan.*] Have you had any annoyance from the Native dogs?—We have had as many as twenty sheep killed at a time. The Natives do not feed their dogs, and they must find something to eat.

54. When the dog-tax was under the County Council did that state of things exist?—No.

55. Would you advocate returning to the old method?—Yes; it would be much better under the County Council.

56. What is the carrying-capacity of the land, and especially of the land you have?—It is very difficult to give that. The flat land would probably carry five sheep to the acre, and some of the hill country, I think, would carry three sheep to the acre if it was sown down with ryegrass, cocksfoot, and clover.

57. Does that kind of grass stand well?—Not very well, but we have a lot of danthonia.

58. Do you think danthonia will carry three sheep to the acre alone on the land?—It has been a great help, more especially as it comes up again after a burn.

59. What is your rate revenue?—I can hardly say. When the rate is  $\frac{3}{4}$ d. we get a subsidy of 10s. in the pound; but if the rate is increased they will reduce the subsidy.

60. That is fixed by the Local Bodies' Powers Act, is it not?—Yes.

61. Do you think the subsidies should be in proportion to the rate revenue?—I think so.

62. Would you advocate that in poor districts the subsidy should be in excess of the rate revenue?—I think the rich districts should have no subsidies, and that all the money should be given to the poor districts. We at one time levied  $1\frac{1}{2}$ d., and our subsidy was reduced by half.

63. What amount did you get in grants last year?—£500; but £100 of that was for a bridge. We had nothing the year before.

64. Do you think that liberal treatment?—No, because that is not the average at all. Exclusive of the bridge, we had £400 last year, and nothing the year before, so that the average for the two years was only £200.

65. Do you think that system of doing work should be abolished?—What we want is assured finance—something that we can depend upon. Grants are all very well, but we do not know when they are coming, and can make no provision. It seems to me that the amount of the grants to County Councils are in proportion to the strength of the member representing the district.

66. Would you be in favour of this question of grants being fixed by statute instead of by the will of the Cabinet?—Yes, I think it would be better.

67. Have you raised any money under the Loans to Local Bodies Act?—No.

68. Why?—This is not a rich county, and we should have to get the consent of the ratepayers. We have not tried that; we have just done the best we could with the little we had.

69. *Mr. Paul.*] Have you any opinion as to the proper constitution of Land Boards?—No, I have thought nothing about it.

70. Have you had any experience outside this district?—Not much.

71. Do you know that there is some successful settlement under leasehold tenure further south?—No, I have not been south.

72. *Mr. Anstey.*] Is there any Road Board in this district?—No; it was abolished when the county was constituted. The three road districts were merged into the county.

73. About what would be the revenue of each of those road districts?—I could not tell you.

74. Do you think the ratepayers' money is more economically spent now?—Yes.

75. Do you think your road district is large enough now to economically spend the money?—I think it would be better not to have the counties too large, as members at one end might know nothing about the other end of the county.

76. Do you think a revenue of £350 a year is enough to employ men, and so on?—I think so.

77. *Mr. Forbes.*] Are you fairly well satisfied with the roads?—We are very dissatisfied.

78. Do the settlers have to bring their produce here to ship it?—There is not much produce raised in the district, otherwise there would be a good deal of difficulty. It has been a timber district, largely. There would be a certain quantity of wool, but that would be mostly from Kaeo, and there is a pretty decent road from there, and there is also a tidal creek to Kaeo.

79. Is there much kauri-gum passing through this county?—A good deal, but, of course, less than formerly. Some of the settlers go in for digging, but they are mostly diggers pure and simple.

80. What size holdings are there about there?—Most of the holdings are a few hundred acres; but some of the people who work mostly in the bush just have little garden-plots.



81. Has settlement progressed here in the last ten years?—Not very much. Of course, the population at one time was larger; but there were a good many people connected with the saw-mills.

82. You have not felt the effects of any boom in land here?—No.

83. Is there any Crown land suitable for settlement?—Yes.

84. Has there been any request that it should be opened up?—Yes; but there has been no response. The land I refer to is in the Kaeo district. It has common bush upon it, but no kauri timber. The land if cut up, I think, would be taken up.

85. Do you think there is a demand among the settlers for expansion of settlement?—Yes. Farmers' sons, who are now working in the bush, would be willing to make homes of their own.

86. *Mr. Hall.*] What is the extent of the land you refer to?—From 8,000 to 10,000 acres.

87. Do you get anything in the way of subsidy for your roads that pass through Crown and Native lands?—No.

88. *Mr. Johnston.*] What is the area of Crown lands in the county?—About 3,000 acres; but some portions of that may have been leased, which would reduce the area.

89. With regard to your 1,000 acres, how many blocks is it in?—It is in two blocks. One of them 401 acres, and the other from 500 to 600 acres. The latter is in the Kaeo district, some miles away from here. It was at one time kauri-timber land. My wife has owned it for probably thirty years. The part where we live—viz., the 600 acres—was not kauri land.

90. How much of that is cultivated?—I could hardly tell you; but, roughly speaking, about 200 acres.

91. How much stock do you carry?—Probably five hundred sheep and forty head of cattle; also some horses.

92. Has it taken thirty years to bring into cultivation this 200 acres?—No; the bulk of the work has been done within the last fifteen years.

93. What were you doing with the land before?—It formed part of a run, and there were sheep upon it.

94. You say that that land would carry three sheep to the acre?—Yes, the cultivated portion.

95. What is that portion worth per acre, roughly?—I could hardly say; but I would not like to sell it at less than £3 or £4 an acre.

96. How many ratepayers are there in the district?—I suppose there would be perhaps two hundred.

97. Are they freeholders?—Mostly.

98. Are they working on the land?—Some of them are, and some of them are not. Some of those on little bits of land are working in the bush, as I said before.

99. How many ratepayers reside on their land and make their living from it?—Very few of them make their living from it?—They could make a living out of it if they had, say, 500 acres.

100. Is there any dairying done?—Not a bit. The idea was entertained a little while ago; but I do not think there is enough grass land for that kind of thing.

101. Within the last twenty years, have the settlers improved their land?—Yes; those who have lived on it have.

102. I suppose you cannot tell us what are the sheep returns of the county, as compared with ten or fifteen years ago?—No.

103. *Mr. Matheson.*] Would a good system of roads enable the settlers to make better use of their land?—Yes, all the land would be taken up then.

104. Are you aware that other countries have borrowed under the Loans to Local Bodies Act, in some cases as much as £50,000, in order to give them good roads?—I know they have borrowed, but I do not know to what extent.

105. Does it not seem that it might be profitable to borrow money at 3½ per cent. and get your roads in good order?—Well, there would be the interest to pay, of course.

106. If the settlers did rate themselves in this way would the Crown be wiser to pay half the interest where people were trying to help themselves, than helping them by giving grants?—Perhaps it would, because we should then have a fixed sum to depend upon.

107. Have you had any experience of sowing danthonia?—No. Danthonia came to my place by itself after burning the fern, and so forth.

108. Does the fern and manuka give you much trouble once the danthonia gets a good hold?—Well, the grass is not enough to destroy the fern; but as regards the tea-tree, if you fire that after it has seeded again, it does not destroy the grass, which keeps on coming up again, and in time overcomes the tea-tree.

109. *Mr. Hall.*] When you spoke of the land carrying so-many sheep to the acre, did that apply to the best land?—That refers to the land we have made use of.

110. *Mr. McCutchan.*] You spoke of destroying the tea-tree by means of fire: is there fern through the tea-tree?—No; once the tea-tree has grown to a certain size it has killed the fern.

111. Will the fern come back to any extent at all after the burn?—Nothing to speak of. There is more trouble with the young tea-tree.

112. Is it not the case that fern will make headway even with danthonia?—We have not had danthonia long enough yet for me to be able to say that. In any place where it has taken hold with us it keeps the ground clean.

113. Did you say your rate revenue was a little over £200?—Perhaps £230.

114. What is the cost of administration?—About £100, on an average.

115. What is the rateable valuation of the whole county?—I forget now.

116. Have you thought out any scheme under which you could get a fixed revenue?—No; but what we want is revenue that we can depend upon.

117. Do you expect to get money from consolidated revenue for the support of your roads?—We do.

118. Can you point to any other county which gets so large a percentage in the way of grants on their local rates?—I do not know much of the working of other counties.

119. *Mr. Anstey.*] What rate did you strike last year?—1d.; we used to levy 1½d.

120. Do you always sow grass on the tea-tree land after burning?—Yes.

121. After you have burned the fern what do you do?—We just leave it. It would be of no use sowing grass upon it.

122. *The Chairman.*] Rat-tail grass was supposed to be doing away with the fern many years ago?—It never did with us.

JOSEPH HARE examined.

123. *The Chairman.*] What are you?—I am a storekeeper of forty years' residence here. I hold 800 acres of freehold close to the town, in Kaeo district. I am farming a small portion of it. I run a few sheep and cattle.

124. You have heard what the County Chairman and Clerk said: do you generally indorse what they said?—Yes.

125. I suppose you have been in public office?—Yes; I am an ex-Chairman of the County Council.

126. Is there any particular point you would like to bring before the Commission?—I would like to say, in regard to Crown lands, that when I was Chairman of the Council we got up a petition to the House of Representatives to recommend the Government to open up the Omana lands, consisting of 1,500 acres, which I was instrumental in purchasing for the Government at 15s. per acre. The Committee of the House recommended that the land should be opened up. That was about ten years ago.

127. Is that land lying vacant now?—Yes, and it would be all taken up to-morrow if thrown open for selection.

128. Has it ever been surveyed?—Yes, into 100-acre blocks, and there is a road cut to the boundary. It is all bush land, but not kauri forest. It consists of undulating slopes and is well watered. I personally approached Mr. Mueller to have the land opened. Of course, it was understood there was copper on it. That was the barrier then, but when it was found there was no copper on it I would like to know why it was not opened up. There is copper on the adjoining Native lands. It has never been worked; all that has been done has been to put a drive into the hill. If that land was settled it would be an advantage to this district. What we are suffering from is the want of settlement. The land that is taken up is only in small areas, and a large quantity of Native and Government lands, constituting the bush land in the country, have not yet been opened up.

129. *Mr. McCardle.*] You have had the same trouble in getting money for roads during your time as County Chairman?—Just the same.

130. Do you think it would be advisable to do away with subsidies, except for such works as new formation and metalling of roads?—I do not know how we could replace them unless we borrowed.

131. If you had to borrow, do you think the money would be better spent in a large sum than is the case now, when it comes in dribs and drabs from the ratepayers?—I think it would. When the Gum Commission sat here I recommended that a tax should be placed on all kauri-gum exported, for the benefit of the local bodies.

132. Have you had any experience of the Advances to Settlers Department?—Yes, a little.

133. Has the administration been satisfactory and the policy useful to the settlers?—Yes; I know a good many have been benefited by it.

134. Do you know anything about the carrying-capacity of the land about here?—It all depends on the quality and position of the land. I think there is some land that will carry what Mr. Begg says—viz., three sheep to the acre, and there is some that will not carry half a sheep.

135. What would you say in regard to some of the nice hills we saw coming in?—I think those hills will carry one sheep to the acre on danthonia.

136. *Mr. McLennan.*] To your mind, would it be a very good thing if the gum and timber industries were done?—I think it would.

137. Do you not think the district would be settled quicker than it is at the present time?—Yes. I think the gum and timber have been the great enemies to settlement, because so long as money is to be made at timber or gum the people will not touch the land.

138. You think the young people would take more interest in settling on the land if the gum were done away with?—Yes, but you cannot do away with it. All your lands in the county are spoilt by the gum-diggers. They set fire to the whole country every year, and it is never sown, and, in addition, the county is left in holes.

139. If the ground was taken up would it not be hard to grass it now?—Yes.

140. If you burn the tea-tree and grass the land, how long will it be before the young tea-tree comes up again?—It would be up two crops in the year.

141. Did you ever try to sow fern ground after burning off?—No, but I have seen it done.

142. If the land was fenced off into 20-acre paddocks, and stock was put on to eat the fern down, and that was repeated three or four times, could you not kill off the fern?—Yes, I suppose you could in the end.

143. *Mr. Paul.*] Is this district progressing from a farming point of view?—From the point of view of running cattle, to a certain extent, it is. That is the main industry.

144. Is land increasing in value?—Yes.

145. Is the land that you said you purchased from the Maoris at 15s. per acre of better quality than the majority of the land?—It is very much better. It is a fine tract of country.

146. What would it sell for now?—£1 10s. per acre.

147. Do you think it would be taken up if it was offered under any system of lease?—Every acre would be taken up under any system. I have always recommended the perpetual-lease system, because I think that is the best system.

148. Do you think it would be suitable for that land?—I think it would. I know the land would be taken up. That system gives a man his capital to expend on the land in felling and clearing and sowing.

149. Would there be anything to prevent a leaseholder from properly developing that sort of land, suppose he had a secure tenure, such as a 999-years lease?—Nothing at all.

150. Do you find that the revenue from your County Council is large enough to enable you to go in for an economical system of road-making?—No. We have never kept an engineer. The riding members attend to the road-making themselves. The county apportions and spends the money under the guidance and supervision of the riding members.

151. Do you not think if you had a larger county and a larger revenue, and employed a proper plant, that you would be able to do the work more economically?—No. Our experience proved the contrary. When we were part of the Mongonui County we could not do anything at all, because our representatives were outvoted. Since we were separated we have done fairly well, and we have improved our roads.

152. How do you compare now with the time when you had three Road Boards?—It is very much better now. All we want is money.

153. Would you be in favour of getting an increased subsidy from the Government, and doing away with spasmodic grants altogether?—I think that would be a better system, but I do not think it should be worked on a uniform population basis, because our population is so small. We would get very little.

154. Do you think it would be wise to have a differential system of subsidies, so that the higher rating would receive a greater subsidy?—Yes, but I think there should be a greater subsidy where you have a sparsely scattered population.

155. *Mr. Forbes.*] Any dairying?—No. Fattening our cattle for butchering, at least, has killed the dairying.

156. You have land suitable for dairying?—Yes.

157. Are these dairy factories in the other counties doing fairly well?—I think so. If they have done nothing else they have increased the value of the land.

158. The population has not increased in these parts?—No. It used to be larger on account of the mills and different industries created by the timber traffic.

159. Has the number of farmers increased?—Yes; there is more farming-work done now. That is going on steadily, but only by a limited number of settlers.

160. Have any outsiders come into this district to take up land?—Not in this county.

161. *Mr. McCutchan.*] With reference to the block purchased at 15s. per acre, you say it would be taken up under any form of tenure, and I believe you said it would be satisfactorily worked under lease: what variety of lease do you advocate?—I consider the perpetual lease is a good tenure, but other people believe in the freehold. I suppose you will find nineteen out of twenty believe in the freehold.

162. There is the right of purchase under the perpetual lease?—Yes.

163. Do you believe in that right of purchase?—It is a good tenure.

164. You said that when this part of the district belonged to the Mongonui County you suffered through your representatives being outvoted?—Yes.

165. Do you levy only a general rate?—That is all.

166. And was the general rate taken out of the riding and spent elsewhere?—Our riding revenue was not much, but we had no power to control votes, and we could not get out rightful share of grants.

167. *Mr. Paul.*] When you speak of perpetual lease, do you mean the lease in perpetuity, and not the old perpetual lease?—Yes, for 999 years.

THOMAS MAJOR LANE re-examined.

168. *The Chairman.*] What is it you wish to further bring before the Commission?—I would like to say there is a considerable area of mangrove swamps and flats which I think could be reclaimed. I should think there would probably be 400 or 500 acres capable of reclamation in this district.

169. In what way would you reclaim it?—A great deal of it has been partially reclaimed already by the roads, and it would not be such a very heavy affair to complete the work entirely. I think arrangements could be made whereby these swamps could either be put up to auction, or else the adjoining landowners could be given the preference, because these reclaimed swamps would probably be more useful to them than to anybody else. If they had hilly and broken country they could make a profitable use of it. I think it would be a great advantage to the county if this mangrove land could be made available for occupation. Another advantage would be that the roads would not suffer as much as they do now. At spring tides a large area is covered with water, which makes a heavy scour through the bridges, and plays havoc with the abutments.

170. Did the county ever think of attempting this work when putting up the bridges?—No. At present there is no authority at all to reclaim the land, and under the late Land Board régime there was no chance of getting anything done. We several times applied for land to be opened up for settlement, but there always seemed to be some bar in the road, and it could never be done.

171. *Mr. Anstey.*] How do you propose to reclaim the mangrove swamps: would you cart surface soil, or simply drain them and keep the tide out?—That is all.

172. And how would you get the rain-water out?—By putting in flood-gates and letting it out at low tide.

173. How much could you reclaim? A very large area. What would be dealt with immediately are the swamps that have been practically reclaimed by the roads. They would only take one-third the work to fully reclaim than would otherwise be the case.

174. What would the swamps grow after they were reclaimed?—I think they would grow anything.

175. Would not the salt spoil the land?—No, that soon goes out.

176. Have you seen any of it done?—Yes.

177. And has it been a success?—Yes.

178. What would you suggest is the value of land like that?—I cannot tell you anything about land-values.

179. What would you offer the Government for a piece of it?—I do not think the Government should ask anything for it. I think a man who reclaims it should get it for nothing, because the country would be greatly benefited by the reclamation. Of course, legislation would be required to enable this to be done. These swamps are in the hands of the Marine Department. I would suggest that legislation should be introduced to enable these swamps to be reclaimed.

180. *Mr. Forbes.*] You would not advocate the Government reclaiming these swamps?—No; I would not expect it. If a man had not sufficient interest in the matter to reclaim the land I would say leave it alone.

RALPH WILLIAM WEBBER examined.

181. *The Chairman.*] What are you?—I am a carpenter and settler. I have been here twelve years. I hold 17 acres of freehold towards Kaeo. I applied for a larger section from the Government, but they cut these 17 acres out of the middle of the section I applied for and reckoned the rest as gum land. There has never been much gum on it. There is about 250 acres in the block, and it is still vacant. I have been applying periodically for the remainder, but I have been put off in one way and another. There is about 100 acres of swamp in it, partly mangrove, and it is my intention to drain this area if I get the land.

182. *Mr. Anstey.*] On what terms do you want to take it up—leasehold or freehold?—I should take it up on lease with a purchasing clause.

183. Would you require a purchasing clause?—I should certainly prefer it.

184. Would you object to take it up under lease in perpetuity?—I would not object if I could not get it under any other form of tenure.

185. *Mr. Matheson.*] Have you applied for the land since the present Commissioner took office?—Yes. They have made a move towards giving it to me, but they are very slow.

VERNON HERBERT REED examined.

186. *The Chairman.*] What are you?—I am a solicitor, and County Clerk of the Bay of Islands County.

187. What do you wish to bring before the Commission?—I wish to refer to the fact that settlers cannot take up land on kauri-gum reserves. Since the Kauri-gum Industry Act of 1898 most of the Crown lands in the Bay of Islands County have been reserved, and that is an embargo on settlement in the county.

188. Do you think there is an objection to the Act?—No; but there is an objection to the fact that settlers cannot take up any land on these reserves. I think that part of the Act should be altered, so as to prevent these reserves interfering with settlement.

189. Would you leave it to the discretion of the Land Board to say whether these reserves should be open for settlement?—Yes.

190. Is there any other point?—Another thing has come under my notice in the north. On several occasions I have seen great hardship occur in the case of settlers who have not been able to purchase their occupation-with-right-of-purchase license under ten years. I think that period should be reduced to enable settlers to acquire the freehold earlier. My reason for saying so is that I have seen a great number of persons scrape together the amount of money required to buy the freehold, and then they have not been able to buy it. They have put the money into the savings-bank at 3 per cent. or so, and in the meantime they have to pay interest on their property.

191. *Mr. McCardle.*] What is your idea of the best tenure for the settler?—The freehold, I consider.

192. Lease with the right of purchase, and optional at that?—Yes.

193. In proposing to pay off under the ten years you do not propose to do away with the improvements that have to be completed in the ten years?—Certainly not. They should be completed before the purchase is allowed.

194. As a solicitor, I suppose you have had something to do with the Advances to Settlers Office?—I am solicitor to the office.

195. How is it working here?—Very satisfactorily indeed.

196. A proposal has been made to amend the Act to enable advances to be made to settlers up to three-fifths of the value of their improvements: do you think that is a wise thing?—I think three-fifths is rather a big margin for a sound investment.

197. If the Government hold the title to the land, and the improvements are permanent, and the amount of the loan is reduced annually throughout the 36½ years, would that not be a sufficient sinking fund to make the Government security good?—Yes; but looking at it from the point of view of an investment, in advancing up to three-fifths you are entirely dependent on your valuer's valuation. I think it is too high.

198. *Mr. McCutchan.*] You stated that the settlers labour under a hardship, inasmuch as they are not allowed to acquire the freehold of their leases under the ten-years period, and you substantiated your case by saying that they put their money into the savings-bank, where they get a less rate of interest than they pay to the Government: is that the hardship?—No, not only that.

I know widows who have accumulated money for the purpose of purchasing, and they have put that money into the savings-bank, and eventually circumstances have made them use that money, and when the time for purchasing came they had not the money to buy the freehold.

199. You advocate the change in the interests of the small percentage of leaseholders who are widows?—No. I say if a person is going to have a freehold at all, why should you not let him have it after he has made his improvements and proved himself a *bonâ fide* settler.

200. Seeing that the land is crying out for the expenditure of money, instead of putting the money into the savings-bank, would it not be much wiser to put that money into the land to make it more productive than it is? Can you state any number of farms that are clear of scrub?—Of course, a good deal would depend on the class of land. In some cases portions of a farm bear scrub, and if that farm happens to be isolated it would not pay to clear the land and put it in grass.

201. If it will not pay to clear the land and put it into grass, surely it will not pay to put these savings into the freehold?—Yes, because there is bound to be a certain amount of good land attached to it.

202. *Mr. Paul.*] Do you mean to suggest that the widows wasted this money in the interim?—No; but it became more or less of a necessity to use it.

203. Do you not think it was rather a blessing that they had this money available when the need came?—No. I think they could have got along without using it.

204. You spoke of the settlers being hindered by the gum-digging: do you think gum-digging and farming can go on at the same time with advantage?—No, they cannot. If the land was rich in gum, then the gum-diggers would interfere with the settler who tried to farm the land. I am not saying that settlers should go and take up any of the best gum land; but I do not think the whole of these areas should be brought under the Act, because there are large areas that are not gum-bearing at all.

205. Do you think it would be practicable to cut out these pieces and settle them, and allow gum-digging to go on on the remainder?—Yes, quite. I think that power should be left in the discretion of the Land Board.

206. When speaking of freehold as being the best tenure, do you apply that remark to counties outside this—in other words, have you had any experience of settlement in the South?—I am only speaking of the four northern counties, which I know very well. My experience has been that people very much prefer having a chance to get the freehold some day.

207. On the bush and rough land?—Yes, more especially.

208. You think some equivalent could be given?—I do not think so.

209. If the State gave a long lease at a nominal rental, and thus allowed a tenant to put his capital into the land, would it not be better than giving the freehold?—I do not think so.

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PERIA, WEDNESDAY, 10TH MAY, 1905.

GEORGE THOMAS examined.

1. *The Chairman.*] What are you?—I am a settler at Peria, and live on about 1,937 acres, and I have 1,200 acres besides. My tenure is freehold. I came to this place in 1859. I use my land principally for grazing and dairying. I have only about three hundred sheep on the land now. I keep cattle principally. The hills take grass very well. The hills are bush land, and they have been surface-sown.

2. What grasses did you cultivate on the bush land?—Cocksfoot, rye, clover, and red-top.

3. Have you any danthonia?—I have a few hundred acres. I sowed other grasses, and danthonia has taken their place. It is very good for the hills, but does not seem to take so well on the flat land. It takes very well on poor land. In my opinion, danthonia is a good “fill belly”; but I am not quite sure as to its nutritious qualities. I can fatten sheep on my land, but I go in more for dairying.

4. *Mr. McCutchan.*] What are your views on the land-tenure question?—I am in favour of the freehold. When you have a freehold you can be more independent. If you want to sell it you can do so, but in the case of a leasehold you sell something that does not belong to you. I think that a man looks after the freehold better than he does the leasehold. I do not want to interfere with any one who wishes to take up land under the leasehold system.

5. How are poor men to get on the land if there is nothing but freehold land?—I hear that you can take up, say, 400 or 500 acres, and for four or five years you have not to pay rent. I think that every man ought to have the option of taking up freehold land; but if he prefers leasehold land he should be allowed to take up land under that tenure.

6. Has there been any increase in the selling-value of land in this district?—Yes, in the case of land that has been cultivated.

7. Has there been any increase in the value of land outside the improvements the settlers have made?—I think there has been an increase in value.

8. Have you done anything in the way of keeping down noxious weeds?—Yes. There are some noxious weeds in this district, but to very little extent.

9. Is the Noxious Weeds Act in force?—Yes, I think so.

10. Is very much of the land in this district held by absentees?—A good deal.

11. Would you advocate rating on the unimproved value, so as to catch these people?—I should think that would be a good way to do it.

12. Do you find that your hills now under danthonia, and which were formerly under cocksfoot and clover, have the same carrying-capacity to-day as they formerly had?—I do not think so.

13. Do you think the sheep are doing as well?—I do not think so. There is more feed in the danthonia than in other grasses, but I do not think the danthonia is so nourishing.

14. Did you give up keeping so many sheep because the scrub was “making” upon the hills?—No, because the dairy factory started. I may say that you can burn off everything and kill the fern, but that does not destroy the danthonia. In the spring it will grow so strong again that you cannot keep it down. Just before the rain comes is a good time to burn off, and then three or four weeks afterwards the danthonia comes up as fresh as if it had just been sown, and it covers the land and is good feed.

15. Will it get rid of the fern?—Yes, because you can burn it off every year. The danthonia will kill anything, I believe.

16. *Mr. Paul.*] Are there any leaseholders in this district?—A few.

17. Are they prosperous?—They seem to be getting a living.

18. Have you had any experience of the Land for Settlements Act—the buying of improved estates and settling them under the leasehold tenure?—No.

19. You could not express an opinion upon that Act?—No.

20. When you say the freehold is best you mean that, in your opinion, it is best as it applies to this district and to this class of land?—Yes.

21. Do you think that the Land Boards are properly constituted at present?—Yes; but they do not get enough money to expend. I have been here forty-six years, and we have not got thirty miles of gravelling done.

22. Are the farmers in this district well supplied with roads?—I think they have got more than they can keep in repair.

23. Are the roads as good as they should be?—I think they ought to be better; but we cannot get the money to expend on them.

24. *Mr. Anstey.*] Do you sow danthonia on the good flat land?—No, I have not sown it there.

25. What grass have you got on the flat land?—Rye, trefoils, and different mixtures.

26. But not danthonia?—No; it seems to stick more to the hills.

27. Will danthonia do well on any of these hills?—Yes, I believe it will.

28. You think it will get rid of both fern and tea-tree?—Yes, with cattle running on the land.

29. What rates do you pay?—1½d. in the pound—1¼d. county rates and ¼d. hospital rate.

30. Do you do any cropping?—Only oats and potatoes and corn for our own use.

31. Would they not pay to grow for market?—The market is too distant. You can only sell a few sacks locally.

32. *Mr. Forbes.*] It seems a good road between here and Mangonui?—Yes.

33. Did the County Council make that road?—The Government helped.

34. Would you say that the district around here was fairly prosperous?—The people living about here seem to be getting a living and to enjoy themselves.

35. They are not going back?—I do not think so.

36. Has the dairy factory improved the condition of the settlers?—I think it has.

37. What do they give you for milk here?—6½d. now. It was 7½d.; but there is a desire to pay off some of the money borrowed before the erection of the factory.

38. Is the factory well supported?—Yes.

39. Are there any Crown lands here that could be cut up and further settled?—There is one block of 5,000 acres that is being cut up now, and there are several other areas that could be cut up.

40. Is there any demand for land in this district?—I believe there are a good few people who have sent in applications for portions of the 5,000 acres.

41. What kind of land is it?—Nearly all hills; it is grazing land.

42. Would it do for dairying? It may be a bit rough, but I believe it will grow grass right enough. It is, however, too far away from the factory.

43. What do you think should be the size of the sections in order that a settler may make a decent living off that land?—Not under 1,000 acres.

44. Is it bush?—Bush, with patches of fern.

45. *Mr. Johnston.*] What is the value of your land?—I think about £3 an acre; but there is 1,200 acres I am offering at 10s. an acre, but I cannot sell it.

46. What did this land cost you?—Roughly speaking, I think it must have cost me £3 an acre.

47. Would you be satisfied to go out if you got simply what the land cost?—I am old, and perhaps others could do better with the land.

48. Have you ever had more than three hundred sheep on the land?—I had fourteen hundred at one time and a hundred cattle. That number of stock ran on the 1,900 acres. There is about 500 acres of danthonia. The balance has not yet got into danthonia, but it will do so.

49. If the place was fully stocked how many sheep to the acre would it carry?—I should think two sheep to the acre under danthonia.

50. Have you kept anything like two sheep to the acre on it?—Yes, I think so.

51. Would it pay you to put the 1,400 acres into danthonia or into English grasses?—I believe there is a lot of the land that would not want sowing. If it were simply burnt the danthonia would spread itself. It spreads very quickly.

52. What would it cost to burn the land and sow it?—It would not cost much.

53. Do you not think it would have paid you to have done that some time ago?—It is not many years since danthonia was known much about here. As to the two sheep to the acre, I was referring to my place right through.

54. How much level land have you got?—About 100 acres.

55. Do you grow turnips?—Only for household purposes.

56. *Mr. McCardle.*] How many cattle do you carry?—From one hundred and fifty to two hundred.

57. What is your average return per cow from the factory?—I should say about 12s. or 13s. a month.
58. Would it amount to £5 a cow for the season?—I should think it would do that.
59. If you were burning off these hills and sowing them with English grasses would they take a hold?—They would for a certain time, but ultimately the danthonia would take possession and smother them out.
60. Would it not pay you to buy danthonia-seed and sow it?—I have got plenty of the seed without buying it.
61. Does it spread without sowing?—I think it comes by itself and spreads without sowing.

GEORGE WILKINSON examined.

62. *The Chairman.*] What are you?—I am Chairman of the Mongonui County Council. I am a farmer, and hold about 1,100 acres, partly freehold and partly leasehold. About 700 acres is freehold, and the balance leasehold from the Government. The leasehold land is held under the lease-in-perpetuity tenure. I have held the lease-in-perpetuity land for about seven years. My leasehold land is valued at 7s. 6d. an acre, and I pay 4 per cent. on that. I was born in this county. I devote my land to grazing, and I also engage in dairying.
63. Do you find your relations with the Land Board satisfactory?—Yes, as a general thing.
64. Do you approve of the present nominated system?—I would prefer to see it partly elective.
65. On what franchise?—Somewhat the same as that of the members of the County Council.
66. Which tenure do you prefer—the freehold or the leasehold?—I prefer the freehold. If I had the privilege I would convert my lease in perpetuity into a lease with the right of purchase.
67. The last witness stated that the county is often short of money?—Yes, that is so. The total revenue from all sources is £1,500 a year.
68. Do you get any grants from the Government for roads?—Yes; but they are somewhat irregular.
69. *Mr. McCutchan.*] If you prefer the freehold, what was the inducement that you had to take up land under the lease-in-perpetuity tenure?—I took up that land soon after the system came into operation. I took it up as a “spec.” It was a bush section, and I thought I could make it a success; but if I had known then what I know now I would have taken it up under lease with the right of purchase.
70. Have you any reason for your preference?—In the first place, I consider that any settler would do better on land if he knew that he could make the land his own at some future time. I took up that land with the view of putting one of my boys on it in the future.
71. Do you think it would be a fair thing to allow you the opportunity of changing the tenure by paying the 1 per cent. difference?—Yes; I have always advocated that—that is, the 1 per cent. with compound interest added.
72. Do you think a revaluation clause should be added in the case of future leases?—That is rather a knotty question to answer. It may apply in the south, but there are other considerations that apply in this district. I may mention that every bit of our goods has to be packed in to the sections, because there is no road.
73. Speaking of the back country, do you think that if such a clause were introduced into the leases it would be detrimental to settlement?—I have not had sufficient experience to answer that question.
74. But, speaking with reference to your own district, what would you say?—I think it would deter settlement. We have enough difficulty now to make both ends meet without revaluation.
75. Has your County Council brought the Noxious Weeds Act into operation?—No.
76. Why?—The noxious weeds here consist principally of gorse and blackberry.
77. Would it not be as well to deal with those noxious weeds at once?—If we had no Crown or Native land, perhaps it would.
78. Are the Government taking no steps to clear their own land of these weeds?—Not that I know of in this county.
79. You said the total county revenue is £1,400 or £1,500?—Yes.
80. What proportion of that is Government subsidy?—That does not include the Government subsidy.
81. Does the County Council expend some Government grants?—Yes; the Government grants are expended either by the Roads Department or by the County Council.
82. Have you any accumulation of “thirds”?—No.
83. The “thirds” are spent as they accrue?—Yes, if we can get them.
84. Have you any trouble in getting them?—On the last occasion a portion of them was “stuck up.”
85. For what reason?—The Chairman of the Land Board was changed some time ago. We had been accustomed to make out the form for “thirds” in a certain way, and a new system was adopted.
86. Was the reason assigned that the proposal of the County Council to spend the “thirds” would not allow of the money being spent on roads which would serve the land from which the “thirds” accrue?—That was the excuse given.
87. Was not that a valid excuse?—Probably if you knew the run of the county as well as I do you would not think so.
88. That is a matter that is fixed by statute?—Yes, but there is no limit. The money is simply to be expended in giving access to a section.
89. Can you say if, in the particular case you have in mind, the money was expended in giving the settler access to his section?—I cannot say. I am not in a position to speak definitely with respect to every section in the county.



90. But, as Chairman of the County Council, you are responsible?—I admit I am responsible.

91. You said that you think the Land Boards should be partly elected under the County Council franchise?—Yes.

92. To what extent should they be elective?—If half the number were elected by the ratepayers I would be perfectly satisfied.

93. Would not there be a danger in certain counties, where there are large towns, that those towns would outvote the country districts?—I do not think it would apply to towns. It should not apply to them. The towns have nothing to do with the land in the country. At any rate, it should apply I think to the counties north of Auckland.

94. But might it not happen that some back-country districts would get no representation under such a franchise?—It might happen, but, at the same time, it might not. I think if it were left in the hands of the people the result would be satisfactory.

95. The Trades and Labour Councils are advocating that the parliamentary franchise should be extended to local bodies?—Yes.

96. For what reason?—In this county, for instance, I suppose half of our population consists of gum-diggers—a floating population—and if the franchise were extended to that section they might outvote the rest of the county. Supposing these gum-diggers took it into their heads that a loan should be raised and voted accordingly, and a loan was raised, these men might clear out at any time and leave the whole responsibility to be borne by the ratepayers.

97. You believe in the principle that there should be no representation without taxation?—Yes.

98. As these people contribute no rates you think they should have no voice in the management of the county affairs?—Yes.

99. *Mr. Paul.*] Do these people contribute to the consolidated revenue?—Yes, the gum license only.

100. But do they not contribute to the Customs?—Yes.

101. Does not the County Council get grants from the consolidated revenue?—Yes.

102. And subsidies too?—Yes, but only on the rates.

103. Do you not think these people contribute to the public expenditure in some degree?—Yes, to a certain extent; but, at the same time, they have the privilege of taking up a piece of land if they wish to take a part in local affairs, but they are simply a floating population. The majority of gum-diggers in the north are hard-working men. They make a big cheque, and as soon as they make it they take a holiday.

104. Have a large number of the Austrians been naturalised?—I think a few of them are taking out naturalisation papers.

105. Do you say that people in the towns should have nothing to do with the land in the country?—I do not consider they should have anything to do with the election of members of the Land Board.

106. Do you think they should have a voice in the way the land of the country should be disposed of and settled?—I consider that they should not have anything to do with the election of members of the Land Board.

107. Do you not think they should have a voice in the administration of the Land Board?—No, they do not go into the back blocks.

108. You mean to say that the townspeople have no interest in the settlement of the land?—They have a certain amount of interest.

109. Do you not think there is an interdependence between the two?—There is to a certain extent.

110. You would give these people no voice in local affairs?—Not through the Land Board. I do not say that they want much, but the majority of them are here to-day and away to-morrow.

111. Do you think that is the case in respect to large numbers in the towns?—I do not know anything about the people in the towns. I am alluding to the people in this county. In the towns a man has the privilege of getting a little cottage if he wishes to.

112. But you would not give him a voice in the administration of the Land Board?—That is so. I may say that I would prefer the land-tenure to remain as it is. I think it is a very good system—viz., to give every man the right of option of the freehold if he chooses to take it up.

113. Do you think that an ordinary settler can clear his land and improve the country and be in a position to buy the freehold?—Yes, many of them.

114. *Mr. Anstey.*] The Auckland Land District is a very large one. Do you think it would be practicable to elect two members of the Land Board?—I am quite aware that the Auckland Land District is a large one.

115. Do you think there would be any community of interest between the people living in various parts of such a large district?—I should be in favour of cutting up the district into sections, and allowing the members of the Land Board to represent a certain district. For instance, I would be in favour of dividing the present land district into two land districts—one for the north of Auckland and the other for the districts south of Auckland.

116. Do you think it would be wise to have two land districts—one for the north and one for the south of Auckland?—I should not answer that question at once, because it is rather a knotty problem; but the Auckland Land District is rather large.

117. Are there any Road Boards in your county?—No.

118. *Mr. Forbes.*] In reference to the representation of towns on the Land Board, probably you know that the Government is going largely into the question of establishing workmen's homes: do you not think the workmen in the towns take an interest in that portion of the land law?—Yes, possibly.

119. Is this district progressing—is the farming progressing?—Yes; during the past few years there has probably been more progress than during the previous eleven years.

120. Is that because there are some outsiders coming into the district?—Yes.
121. Do you think more attention has been paid to this district during the past four or five years than during many years before that?—Considerably more.
122. Is there a better class of farming coming about owing to that?—It is principally grazing in this district. There is not much agriculture.
123. Is better attention now being given to the class of stock carried?—Yes. The stock is improving, principally on account of the dairy industry.
124. Is there any demand for more land in this district to be opened up?—Up to the present I think there has been sufficient land open, but lately there have been a good many people waiting for an opportunity of taking up land.
125. Are the young men who are growing up taking up land in the district?—They either take up land or go gum-digging.
126. Is there much gum-digging done in the county?—Yes, a lot.
127. Are there many Austrians here?—A good few.
128. Do you think they would make desirable settlers?—Yes; a few of them have taken up land and have gone in for vine-culture, and they are making a very great success of it.
129. Do you think it would be a desirable thing to offer them facilities for taking up land, and thus get them to remain in the country?—Undoubtedly. I think they have been rather harshly treated so far. They are a steady, hard-working, industrious class of people, and I think if numbers of them could be induced to take up land for fruit-growing or vine-culture it would be a good thing.
130. *Mr. Matheson.*] In what way have they been harshly treated?—I do not altogether agree with the Kauri-gum Industry Act. They are charged a fee of £1, and they are not allowed to dig on Crown land, whereas Britishers only pay a fee of 5s., and they are allowed to go anywhere they like.
131. You think that is not just or wise from a colonial point of view?—I should not like to see too many of them come into the country.
132. But if they are honest and hard-working, why do you object to too many of them coming here?—As far as gum-digging is concerned I have no objection to them, but I look on gum as a curse rather than a blessing.
133. Then, the sooner the gum is all taken out the better it will be for the district?—From my point of view it would be so. There is a very good living to be made out of the gum-digging by any one who chooses to work hard.
134. *Mr. McCardle.*] Do you know anything about the Advances to Settlers Department?—Yes.
135. Has it worked satisfactorily here?—Yes, to a certain extent; but there are complaints that the Department is rather dilatory in dealing with requests for advances.
136. You think the system is a good one if it were only well administered?—Yes, undoubtedly.
137. Is it not a fact that the settlers are making a bare living on the land, and that all their savings are really invested in the land itself?—Yes, as a rule, that is so.
138. And if the freehold were taken from the settler he would have very little left?—There would practically be nothing in the land itself.
139. *Mr. McCutchan.*] You are against the extension of the parliamentary franchise in this case?—I simply look on the question as it affects this county.
140. You have not had any experience as to how it would work in other districts?—No, but I think a man should have a little interest in the land before he takes part in county affairs.
141. Would not that argument also apply to national affairs?—I do not think so.
142. You think it is right that there should be the representation you have indicated?—I have very great objection to the general franchise being extended to the election of members of local bodies.
143. *Mr. Johnston.*] You said that the kauri-gum was a curse to the district: in what way?—In the first place, many a young man in the district, instead of taking up the land and becoming an industrious settler, drifts away to the gumfields, and, after a few years, as a general rule, he can make an independent living out of the gum industry; but if he works on for, say, ten years, it often occurs that he has spent all his money and has got nothing left, whereas if he had taken up land he would to-day be in a better position. The county would be in a better position, and so would the colony as a whole.

JOHN GARTON examined.

144. *The Chairman.*] What are you?—I am a farmer, and farm a little over 600 acres. I have about 900 acres altogether. It is all freehold except 200 acres. The 200 acres is under occupation with right of purchase. My rent is about £1 8s. 10d. half-yearly for the 200 acres. The land is principally gum land. I engage chiefly in grazing. My place is about three miles from Peria. I have been in this place twenty-seven years. I also engage in dairying, and supply the factory with milk.
145. What is your opinion with respect to the freehold and leasehold tenures? Which do you think is best for advancing the interests of the country and of the settler?—I should say the freehold, without a doubt.
146. What is your opinion with respect to the constitution of the Land Boards?—I think it would be more advantageous to the colony as a whole if the counties were represented on the Land Board, and that the work of the Board should be done under the supervision of the Commissioner of Crown Lands. In that way we would probably get a Land Board composed of members with experience of different kinds of land.
147. Do you mean that every county should be a sort of advisory Board?—Yes, something of that kind.
148. Do you not think that would be rather an expensive system?—I think they should be under the supervision of some other Board.

149. Do you mean that the present land district might be cut up into two or three districts?—Probably so. I think the present Land Board have more to do than they ought to have.

150. What is your opinion in regard to nominated or elective Boards?—I think they should be elected.

151. Do you think all the members should be elected?—I do not know that the whole of them should, but if my suggestion were adopted they would have to be elected.

152. *Mr. McCutchan.*] Have you had any experience of the Advances to Settlers Department?—Yes.

153. Has it been satisfactory?—Yes, fairly so.

154. For what reason has it not been entirely satisfactory?—When you make an application there is a certain amount of delay, and that probably causes inconvenience to the applicant. Then, if you wish to pay some of the loan back at intervals no reduction is made in the amount of interest payable.

155. But you can pay the whole amount back?—Yes; but if a man has borrowed £500 and he wants to repay £100, he naturally expects that his interest will be reduced.

156. Are you quite sure that is not the case?—I understand that is not so. I understand that you have seventy-two half-yearly payments to make to complete the amount of capital and interest, and that there is no reduction in the amount of interest.

157. Have you had your "thirds" expended by the County Council?—Not to my knowledge.

158. Has any work been done by the County Council on your by-road?—Not by the County Council. There was a road district a few years ago, and they used to attend to the old road to the section.

159. Are there any other settlers holding land under similar tenure?—No.

160. The "thirds" are really a very small amount?—Yes.

161. *Mr. Paul.*] How would you propose to elect the Land Board?—I think the landowners—those most directly interested in the land—should elect them.

162. You mean the present landholders should deal with the remaining Crown lands of the colony. Would you understand such election to be the voice of the people?—Well, the voice of the people, I suppose, applies to everybody; but in the country districts the landholders are in the great majority.

163. Do you not think that if there was a change in the law by which Land Boards were made elective, every citizen in the country should have a voice in the disposal and the administration of the national estate?—Well, the people elect members of Parliament, and the Boards are subject to the dictation of Parliament or the Minister.

164. You think so?—Indirectly, they are, of course.

165. Have you any experience of the land-for-settlements policy in the South?—No.

166. Could you say whether it would be wise or not to give those settlers who acquire land on improved estates the option of the freehold?—That is a thing I have not gone into very much.

167. As regards this bush land up here, do you think it would be practicable to give very long leases at a nominal rent, in order to make the terms as easy as possible for the settler?—I do not see what could be easier than the present system.

168. Is it easy for the settlers to fell the bush and clear the land and buy the freehold at the same time?—It is not altogether easy, but they work with a better heart, and they put more time and better material into their improvements.

169. If they put the same time and energy into leasehold land, would they not get the same results?—Yes, barring their interest. My experience is that the leaseholder does not do so well on his farm as regards good substantial improvements as the freeholder does.

170. Are there many Government leaseholders in this district?—I think there are some village-settlement settlers still on the land.

171. Have they been there long enough for you to be in a position to say that the leaseholder does not farm as well as the freeholder?—The greater number of these village-settlement-lease holders have cleared out and left the land, but in the case of the homestead settlers, where the freehold was given, every one stuck and prospered.

172. Is it fair to compare the homestead settlers, who got the land for nothing, with the village-settlement selectors?—Well, under the homestead system the settlers have to work for the land. They have to make substantial improvements, and the village-settlement people were spoon-fed, and when they got all they could they left.

173. As to the ordinary lease-in-perpetuity system, has your experience extended to that?—No, but I prefer the lease with the right of purchase.

174. Then, you cannot express an opinion as to whether that tenure has been satisfactory or otherwise?—Only from what I have heard.

175. *Mr. Anstey.*] Have you sown danthonia on this poor land of yours?—Yes, a little, but it has not done so well as on Mr. Thomas's land.

176. Have you cleared your bush yet?—Yes.

177. Does the danthonia not do well on cleared bush land?—Yes, it is supposed to, but it has not been very successful with me.

178. Do you know that land in the 5,000-acre block which the Government are taking and throwing open?—I have been through some of it.

179. What sort of land is it?—Average bush land principally.

180. Do you think danthonia would do on it?—It ought to.

181. You are not a member of the County Council?—No.

182. How do you get on with the roads here? Do you think the rates have been spent satisfactorily?—Sometimes we think so, but not always.

183. *Mr. Johnston.*] Do you belong to the Farmers' Union?—I am president of this branch of the Farmers' Union.

184. Are you representing the Farmers' Union now?—No, I am not selected to give evidence here.

185. *Mr. McCardle.*] There has been a very generally expressed wish in some parts of the north for the reintroduction of the homestead system: do you think it desirable that something of the sort should be done, in order to get some of the poorest outlying lands settled?—I do.

186. Would you advocate giving the land for nothing, or putting on a light rent, or charging a small price for the freehold, the whole of the money to be spent on roads?—Of course, it would be a good thing if they could see something coming in from their land towards road-making.

187. With regard to the appointment of members of Land Boards, do you think it would be a good idea to increase the number of members of a Board, and allow the settlers in the different districts to select their representatives from amongst themselves?—That was something after the idea I had; but if you make the Land Boards too large it might probably be too expensive sending those members from the outlying districts.

188. The members of the Land Boards now only receive 10s. a day for their personal expenses, outside their railway, steamer, and coach fares, so that the expense of, say, three more members would be very small?—Yes, that is so; but I do not think the settlers would take it on. Take the Auckland Board, for instance; a member would have to come from the extreme end of the province, and the loss of time this would mean to him would be too great.

JOHN PEARSON examined.

189. *The Chairman.*] What are you?—I am a settler holding 340 acres, which is all freehold, except forty acres. This 40 acres is leased from the Government under occupation with right of purchase.

190. What are you paying in the way of rent?—It is valued at 7s. 6d. capital value, and I pay 5 per cent. on that. I have been farming here about seven years, and my place is about four miles from here. I go in entirely for grazing sheep and a few cattle.

191. What is your view in the matter of tenure in the interests of land-settlement?—I am a strong believer in the freehold.

192. *Mr. Johnston.*] How much stock do you carry?—About one hundred and twenty sheep and twenty-five to thirty cattle.

193. Do you make your entire living out of this?—Not by any means. I have to work in the bush, and occasionally I go gum-digging.

194. *Mr. Matheson.*] Are you sowing danthonia?—Yes, a little.

195. When you have got the whole of your place cleared and sown down in grass do you think you will be able to stay at home and get a fair living?—Yes.

196. *Mr. McCardle.*] Do you believe in the present optional system?—Yes.

WILLIAM FREDERICK THOMPSON examined.

197. *The Chairman.*] What are you?—I am county engineer, but my principal occupation is Government District Valuer. I am also a settler. I have been only for six months county engineer, and am only doing a little for the Council.

198. You will not have had much experience about the roads?—I have had a good deal of experience, as I was a member of the Council previous to this, and, in addition, I have lived in the district practically all my life and know the roads well.

199. Are you well off for metal for the roads?—In this particular district we are, but further north we are in need of metal; and in the winter-time those portions in need of metal get into a terrible state.

200. As Government District Valuer, do you say that the values of land in this district have been going up in the last ten years?—Yes, the values have gone up appreciably both in this county and in the Hokianga County. We have just had a revision of the values. I was not aware I had to give evidence here until to-day, otherwise I should have come more prepared with information. I should say the values have increased possibly 20 per cent.

201. Have there been many appeals from these values?—Scarcely one in the Mongonui County, though there have been several in the Hokianga County.

202. What is the area of your own land?—50 acres.

203. *Mr. McCutchan.*] Have you been long Government valuer?—Just entering the second year.

204. You value for the Advances to Settlers Department?—Yes.

205. In making out the Government valuations you have to give the unimproved values?—Yes.

206. How do you get at that?—The quality of the land is the first thing to be considered; then there is its accessibility and various other conditions as to the situation of the land.

207. Suppose a man takes up a piece of land at £1 an acre, and he puts £2 an acre improvements upon it, and the selling-value is £5, what is the unimproved value in that case?—Unless there has been what may be termed an "unearned increment," it would remain the same.

208. Your instructions are to value the land on the selling-value?—Yes.

209. There is the upset value, the improvements, and the interim value: how do you get at that?—The improved value is what has been done by way of increasing its value since the man took it up in the first place. The unimproved value, unless there has been something in the way of unearned increment, will remain the same. The capital value comprises the whole.

210. Is there not some difficulty in accurately assessing the value of the tenant's interest in his improvements?—There should not be.

211. Are you instructed to value improvements which are not visible to the eye?—No.

212. Might not large interests belonging to the tenant be ignored under such a system?—I do not think so. He gets full credit for all improvements he has put on.

213. Would not a lot of the labour that a man has put on his land in, say, fifteen years be invisible to you?—No; in fact, the improvements would not exist. They would have deteriorated.

214. Suppose a man has done a large amount of clearing, how would you know the character of the bush that has been felled and what it has cost to fall?—The bush about here is very much alike, and one can pretty well tell, because on the low lands the bush is generally heavier, and you can take the standing bush as a fair average.

215. Are you assisted by the owner to any extent?—Yes.

216. Is not that a flaw in the system? Suppose the owner is untruthful?—I would have to use my own discretion, and if a man is not giving a correct report I would have to give my own experience.

217. Have you had any experience of co-operative work in connection with roads?—Yes.

218. Has it been satisfactory?—It has been fairly popular, but in all cases it is not satisfactory.

219. Why?—Under the old system of tender for the work the best men are employed, but under this co-operative system there are a good many employed who are not good workmen. The co-operative system is not therefore popular with the good worker, though it is popular with the inferior worker. I believe work by tender costs more.

220. You say that the co-operative system is more economical?—I believe it is.

221. Do you think the system of day-labour would be an improvement on the co-operative system?—I think so.

222. You are sure the co-operative system is better than the tender system and the contract system?—I believe you get the work done cheaper and better. Of course, there is a tendency to slum the work unless under competent supervision.

223. The whole of its success depends upon supervision?—Yes. Where you want good and faithful work done the day-labour system is the best, and it requires the least supervision.

224. Is there any land in this district taken up fifteen years ago that has not been revalued since then?—Yes.

225. Are you guided somewhat by the previous valuation?—Yes, to some extent. I go on my own knowledge of the value of the properties as well.

226. *Mr. Anstey.*] Are the rates struck upon the capital value in this county?—Yes.

227. And in Hokianga County?—That is under the unimproved value.

228. How do the two systems compare?—In the Hokianga County they would not go back to the old system. There is a lot of kauri timber owned by the Kauri Timber Company which was practically exempted before, and now they are getting a big revenue from that timber. They are getting a large revenue from land that is owned and unoccupied in the county which has practically escaped rates in the past.

229. And you think that is fairer than rating upon capital value?—In that county it is.

230. *Mr. Forbes.*] Does the land cleared of bush and sown down last well?—It depends a great deal on the way it is looked after and the season it is sown in. As a rule, it holds for a good number of years.

231. Has the bush land which is sown in the first five years a better grazing-capacity than when it is renewed or sown afterwards?—Generally that is so.

232. In connection with these bush lands, is there any difficulty in valuing the improvements on a section?—No great difficulty.

233. What would you allow for felling heavy bush and grassing?—If it has not been too long done, about £2 5s. to £2 10s.

234. If it has been done for some time?—If it has been allowed to deteriorate you cannot allow so much, because as the grass runs out the improvements will become less in value.

235. You think, as a valuer, that the tenant's interest in his improvements can be ascertained fairly and correctly?—I think so.

236. You do not think there is any chance of any great injustice being done to them?—No.

237. *Mr. Matheson.*] Have you any farms in the district of a capital value of, say, £8 an acre?—I do not know that there is any quite so high. They run about £6.

238. Suppose you are valuing a farm, the capital value of which is about £6 and the original unimproved value is 10s. an acre, and the visible improvements are worth £3, would you then put the unimproved value down at £3?—Not always.

239. Suppose the owner is one of a number of farmers who had put up a dairy factory in the district, and had thus increased the value of the land by £1 an acre?—Well, that would really be earned increment, and I would take that into consideration if they had put up their own dairy factory.

240. *Mr. McCardle.*] Have you had wide experience of bush-clearings outside this district?—Yes; in the Hokianga district, or the Bay of Islands.

241. Suppose I say I know of bush land which is worth twice as much after being thirty years in grass?—I would say it is not so in this part of the country.

242. Then, your experience of bush land going back is confined to this district?—All my remarks are confined to this district.

243. You are engineer for this county, and you say you do no work under the co-operative system; still, you think the co-operative labour is cheaper and better?—I think I could get better work done.

244. You have, as engineer, advised your Council to that effect?—No; I have only just started as engineer.

245. *Mr. McCutchan.*] Did I understand you to say that if a dairy factory puts £1 an acre upon the value of land in the vicinity you include that in your valuation of the tenants' improvements within his ring fences?—I could not say that. That is scarcely included in his valuation, but it is not added to the unimproved value.

ARTHUR DUNCAN LAMBLY examined.

246. *The Chairman.*] What are you?—I am a settler owning close on 500 acres of land about three miles away from here; but I am not wholly dependent upon the land. My land is mixed fern and tea-tree. Only a little of it is in grass. I just run a few cattle on it. I was born in the district.

247. You are engaged in other work occasionally?—Yes.

248. Do you dairy at all?—No.

249. Under what tenure do you hold your land?—I have 390 acres with the option of purchase, and the balance is freehold.

250. Which tenure do you prefer—freehold or leasehold—for the advancement of the country?—I am against the lease in perpetuity, speaking for myself; I prefer the freehold, most decidedly.

251. Do you think the present constitution of Land Boards is satisfactory?—I have not had much experience of the working of Land Boards.

252. *Mr. McCutchan.*] Are you on the County Council?—No.

253. Have you had any experience of the Advances to Settlers Department?—Yes. I think it has been fairly satisfactory; though the legal expenses might be reduced a little, I think.

254. I thought the legal expenses were very moderate indeed?—I had a loan of £50, and the legal expenses were, I think, about £2 10s.

255. That is your only objection to the system?—Yes.

256. You heard what the county engineer said—that the roadwork could be more economically done under the co-operative system?—I am against the co-operative system. I believe in work done by tender.

257. Do you consider the co-operative system too expensive?—Yes, I have always thought so.

258. You make that statement after close personal observation?—As a settler, I take an interest in it.

259. *Mr. Paul.*] Is there more supervision required for the co-operative system than over contract labour?—I should think not.

260. Is there stricter supervision over contract work than over co-operative work?—No; I think they both require a considerable amount of supervision.

261. Some of the work of the County Council is done by day-labour: is that satisfactory?—I should think not.

262. Why?—Well, there is no call for a man to do his best.

263. Is not a fair wage enough to induce every man to do his best?—I do not think a man does his best under those conditions.

264. You think a man only does his best when he is driven?—No; but I think there should be some incentive to a man.

265. Will you say from your knowledge that the man who takes a contract does all the work?—No; but with roadwork in this district in many instances men would do more work, and do it better, under the contract system. I think they have more incentive to work.

266. Do you think an ordinary labourer who works for a contractor will do more and better work than if he were working and receiving wages paid by the Council itself?—I think so.

267. Why?—Because he is in more danger of getting dismissed if he does not do fair work.

268. Do you believe in any system of leasehold, apart from the lease with the right of purchase?—None that I know of at present. I believe in a man getting the freehold.

269. Have you had any experience of land-tenures outside this district?—No.

270. Then, when you express that opinion you apply it to this district and this class of country?—I think it should apply to all this country.

271. Are you acquainted with settlement under the land-for-settlements policy?—I cannot say I am.

272. Then, you cannot express an opinion as to the best tenure under that system?—Not beyond saying I believe in the freehold where it is possible to give it.

273. *Mr. Austey.*] Can you give any instances where work under the co-operative system has been wasteful?—I could, certainly; though I could not perhaps prove my statement, and I should not care to individualise cases.

274. Could you say what any particular work cost under the co-operative system, and what it ought to have cost?—I know of a bridge which cost £70, and which I have heard it asserted should have been built for £40 under contract. I think £40 would have been a fair price for it. I have done bridge-work myself.

[Subsequently the witness said he wished to make the following further remarks on certain points which he had overlooked: I would suggest that Land Boards be given discretionary power to issue Crown grants to *bonâ fide* settlers, as soon as the required improvements have been completed, without waiting for the specified periods—this in the case of both cash purchase and occupation-with-right-of-purchase leases. That Boards have not this power is, in my opinion, inimical to the settlement of the country and a hardship to many. To cite my own case, in 1894 I took up some 390-odd acres of land under the occupation-with-right-of-purchase system. Some seven years later, having completed my required improvements and the purchase-money being available, I applied to the Board for permission to purchase. In reply, the Board stated that such permission could not be granted until the ten years had elapsed. This necessitated my paying several years' more rent, besides the possibility, owing to the ups and downs of a farmer's life, of the purchase-money not being available at the later date.]

PERCY FREDERICK JOHNSTONE JAMES examined.

275. *The Chairman.*] What are you?—I am a prospective settler in this neighbourhood. I own 500 acres of freehold property in Queensland, and I have come to the colony recently to look for land. I have been in New Zealand for the past three years and a half. I was a victim of the late drought in Queensland.

276. Is there any particular point you would like to bring before the Commission?—I am decidedly in favour of the freehold tenure.

277. Are you acquainted with the terms of the lease in perpetuity?—I am, but I prefer the freehold. I am in quest of a freehold now, and unless I get an opportunity of securing land with the right of ultimately getting the freehold, I shall not settle in New Zealand at all.

278. *Mr. Anstey.*] Have you examined any of the lands further south—land held under lease in perpetuity?—I have been in Hawke's Bay, and I have been in Canterbury. ...

279. Would you not care to have one of those lease-in-perpetuity holdings?—No, because I could not call it my own personal property ultimately.

280. Do you know that some of those tenants have sold out their goodwill at a considerable profit?—That does not alter my opinion.

281. *Mr. Matheson.*] Are you prepared to take land so long as you are given the right to purchase?—Yes.

THOMAS WALLACE examined.

282. *The Chairman.*] What are you?—I am a carpenter. My wife holds 100 acres of land, and my son 165 acres. The two places are not adjoining. I was deputed by a meeting of Fairburn settlers to appear before the Commission. We did not know you were coming so far, otherwise a number more might have come down.

283. Under what tenure do the settlers you represent hold their land?—They were homestead settlers in the first instance.

284. How many do you represent?—Something like forty.

284A. Have most of them been here long?—From eighteen to twenty-four years.

285. And have they been fairly successful?—Yes.

286. Have they all stuck to their land?—With one or two exceptions.

287. What points do they wish you to represent?—The meeting instructed me to represent that they believed in each settler being given the opportunity of securing the freehold of his land.

288. Of course, the gentlemen you represent have the freehold already?—Yes, but that is their view as regards the general settlement of the country, and they desire the right to secure the freehold in the interests of their own children.

289. How much land do they hold generally?—They began with something like 100 to 150 acres each, but now they have increased their holdings to an average area of something like 300 acres.

290. Do they engage in dairying?—Yes, there is a creamery on the road about eight or ten miles from here.

291. How are they off for access to their places?—Well, the road which was bad at one time is gradually improving.

292. *Mr. McCutchan.*] Do you advocate the re-enactment of the homestead system?—Yes, with an increased area.

293. With stringent improvement conditions?—With the same improvement conditions.

294. Have you had any experience of the Advances to Settlers Department?—I have had no personal experience, but I have heard a good number of the settlers grumbling about the length of time it takes to receive their money.

295. *Mr. Paul.*] At this meeting did you discuss the general question of land-tenure?—Yes.

296. Do they think the most of this country should be settled under the homestead system?—Yes, they advocated the homestead system or lease with right of purchase. A good number think that any system which would give them power to ultimately acquire the freehold easily would be of advantage to the country.

297. Do you think the yearning for the freehold is a matter of sentiment or business?—A matter of business.

298. You think the freehold pays the best?—Yes, it pays the settler and the country best.

299. Do you think it would pay the State to give an equivalent, in the shape of a long lease at a small rent, which would enable the settlers to devote their cash to clearing and improving this rough land?—It would not benefit the country. The rents would scarcely pay the Inspector. If the country could get a good settler who would stick to the land the revenue of the State would be increased by his occupation.

300. You think a settler can improve his land and buy the freehold at the same time?—Yes.

301. *Mr. Anstey.*] Is this land of yours poor or of fair quality?—It is not poor grass land, but it is not arable land, and while the stumps are in the ground it cannot be ploughed. It is bush land. It is therefore liable to get very dirty, and the grass goes back. It is poor land until it can be brought under the plough, and then it would be fairly good land on the limestone. We have very good roads to it.

302. How were the roads constructed?—By the County Council and by Government grants.

303. You are fairly well off for roads?—Yes.

304. Do you pay any rates?—Yes, on the capital value. My rateable value is £175 for 100 acres, and £125 of that sum is represented by improvements.

PERCY FREDERICK JOHNSTONE JAMES further examined.

305. *The Chairman.*] What do you wish to further bring before the Commission?—I omitted to state that I am here as the accredited delegate of the Oruru Farmers' Club to lay before the Commission the following resolutions on the questions set for the Commission: The constitution of Land Boards: The Land Boards should be partially elective. The tenures upon which lands may be obtained and occupied, and whether in the interests of the colony any alteration of the law is desirable: That the homestead and the right to acquire the freehold should be added to

the existing conditions. Whether Crown tenants labour under restrictions inimical to their well-being and unnecessary in the interests of the State: The Crown tenants do labour under various restrictions which are inimical to their well-being, and also that of the State. Whether the residential conditions now existing are too exacting and require relaxing, and, if so, in what direction: That the residential clause should be optional, providing that the improvements be doubled. Whether it is expedient that the homestead privileges, as indicated in the Appendix to "The Land Act, 1885," should be reintroduced: That the homestead privileges should be reintroduced, subject to alterations, as in the foregoing. As to the working of the present ballot system, and the dealing with applications for land. That until a system which is an improvement on the present ballot system is unearthed, it is advisable that the present system remain. Whether lessees of the Crown are placed at a disadvantage in borrowing privately or from the Advances to Settlers Office: The operations of the loans to settlers office is far too dilatory in its transactions to be of any material benefit to those seeking its aid. The maximum area which should be held under the several classes, and if in certain districts variations are advisable: The areas available under the several classes requires no alteration.

306. Your resolution on the question as to whether Crown tenants labour under restrictions inimical to their well-being is very general: can you particularise?—I consider the residential clause a restriction. I think it is very hard on a man having a certain amount of freehold who takes up 300 or 400 acres of Crown leasehold that he should be required to reside on it, while at the same time he has a residence on his freehold property.

307. *Mr. Anstey.*] Is that the only restriction?—That is all I can think of at present.

308. How many members are there in the club?—I am not sure, but we have between twenty-five and thirty paying members. There will probably be more. The association has only been started about six months.

309. *Mr. McCutchan.*] You advocate doubling the improvements instead of residence?—Yes.

310. Would that not open the door to two evils—speculation and dummyism?—I think not.

311. Why not?—For the very reason that a man who takes up a piece of leasehold property would naturally look after it himself.

312. I do not think that follows?—I do.

313. Suppose he takes it up for another man, and gets paid for doing so, could not the other man make the improvements through him?—That is a question we did not consider. But I think it is very hard that a man who takes up a leasehold property should have to reside on it when he has a residence on a piece of freehold. I think doubling the improvements is quite equivalent to residence in that case.

314. But it does not always follow that because a man has a piece of freehold that he wants a lease. May not a man go into a district and want a piece of leasehold, and may not a speculator go in and get a dummy to take it up for him? Is not residence the only true check?—Yes.

315. Do you think your organization is wise in advocating this change in the residence conditions?—I am afraid that is a matter we overlooked.

316. Are they all settlers in this association?—Mainly so—all *bonâ fide* settlers.

317. Do you not think that doubling improvements in place of residence is in favour of the man with money?—I do not think so.

318. *Mr. Anstey.*] Are you engaged in farming?—Not now; but I intend to settle in the neighbourhood shortly.

319. What is your experience as a farmer in this colony?—None in this colony, but I had five years in the neighbouring State.

320. What is your occupation at present?—Nothing at all.

321. Are you secretary of the Farmers' Club?—Yes.

322. You said your club is in favour of elective Land Boards: upon what franchise?—Similar to County Council franchise. I think they should be partially elected.

323. Do you think you should elect two members, say, for the whole of the Auckland Land District? Do you think the ratepayers at one end of the province would have the least idea of who they were voting for?—As electors, they should have.

324. Do you think the settlers on the borders of Taranaki would know anything of the qualifications of a candidate at Mangonui for the Land Board?—They should make it their duty to do so.

325. How could they?—When the various candidates put up they should make it their duty to study their qualifications, the same as they do with members of the County Council.

326. *Mr. Forbes.*] Suppose you go into a district and settle on a piece of land, and you hope that when other settlers come around you a school will be erected and you will get the other benefits of settlement, if the residential conditions are relaxed in the manner you suggest might not the land be taken up by people owning freehold and you be left isolated? Would you not consider that a hardship?—Yes; but I would not anticipate that.

327. If you relax the residential clauses is that not likely to occur?—It is possible.

328. *Mr. McCardle.*] Did you not qualify your position in this respect by stating that you only meant this relaxation to apply to persons who already owned a small holding and who wished to enlarge them in the interests of their families: was it not really to meet such cases as these that your association proposed this resolution?—Yes.

329. Because they already have a home?—Yes.

330. Then, you wish it only to apply to those persons, and not to people who have no land at present?—Decidedly.

GEORGE WILKINSON further examined.

331. *The Chairman.*] What is it you wish to further bring before the Commission?—I want to say, in regard to the residence clauses, that I know of cases of people who are residing on 12 or 20 acres of land within easy reach of civilisation, school, &c., whose area is insufficient for them



to live on. These people have taken up land in the back blocks, away from civilisation, where there was no possible chance for their children to be educated, and no chance of roads for a long time. I consider that the enforcement of the residence clauses in these cases is very harsh. I consider they should be relaxed in genuine cases of this kind, but genuine cases only. I fall in with the idea that a man should have freehold adjacent to his leasehold, otherwise the residence clauses should be enforced.

332. You think the Land Board should have discretionary power in such cases?—Quite so. That is one reason why I ask that the Land Board should be elective. You would then get back-country settlers who had gone through this experience, and who had a very good knowledge of what is required.

333. *Mr. Forbes.*] Under the present law is not a person whose freehold adjoins his leasehold exempt from residence?—Yes, if it is adjoining.

334. Is not the holder of any lease from the Crown also exempt in such cases?—I think so, but I am not sure.

335. Can they not also get exemption from the Land Board?—Not in all cases. I know a case where the Land Board insisted on residence, and it has undoubtedly been a hardship.

WILLIAM HENRY BLYTH examined.

336. *The Chairman.*] What are you?—I am a settler. I hold about 1,300 acres of freehold about five miles from this place. I have held the land for forty years; but I have been a school-teacher for twenty years.

337. What is it that you want to specially bring before the Commission?—That on principle I am a freeholder. I approve of the lease with the right of purchase, but I disapprove entirely of the lease in perpetuity. I favour the partial election of Land Boards. I have had no experience of the Land Board.

338. *Mr. Paul.*] Can you say whether the Land Board administration has been good?—I have no experience on that point. I think the interests of the people and the country would be better met if the people had some sort of controlling voice in the election of Land Boards.

339. On what franchise would you elect this portion of the Land Board?—Much the same as the parliamentary franchise.

340. *Mr. Anstey.*] You say you disapprove altogether of the lease in perpetuity: what are the grounds for your disapproval?—I think it is a sham. There is no security of tenure at all in it. The settler can get no guarantee that the conditions of the lease will ever be fulfilled. Revaluation is liable to be brought in at any time. Moreover, if a settler is a freeholder the land is attached to him, whereas under the lease in perpetuity he gets attached to the land and loses his freedom. He has to pay interest for ever, and he cannot get out of the lease except at a sacrifice probably. He becomes, to all intents and purposes, a serf. That is my opinion.

341. You disapprove of all forms of lease other than providing the right of purchase?—Yes, except a person wishes the other kind. I think it militates against a man's freedom to be bound by such a tenure as that.

342. You say there is no security of tenure under the 999-years lease?—I do not think so. What is to prevent its being repudiated.

343. Do you think the Government that would revalue that lease would stick at confiscating the freehold?—I do not know what they would stick at.

344. Do you think the Government that stole the leasehold would not steal the freehold?—They have stolen the freehold, because they passed a law to take a settler's land, whether he likes it or not.

345. They do not pay for the land?—They pay for it, of course.

346. Then, they do not steal it?—It is paid for at their own valuation, whether the settler likes it or not.

347. If the Government have taken the freehold unfairly, as you say, how do you make out that the freehold is any more secure than the leasehold?—If they do it in one case what is to prevent them passing a law in the other.

348. Then, the one is no more secure than the other?—Except this: that if the freehold tenure is general the people will put in Governments who will not favour any other kind of tenure.

349. Do you think if there were more freeholders there would probably be a more Conservative Government?—I do not know about names. I think the names "Conservative" and "Liberal" are misapplied in a country like this.

350. Suppose the people were mostly freeholders, do you think you would get a Government who would not steal your land?—I would not answer for any Government in the future. Our ideas change so that I do not know where we may stop.

GEORGE THOMPSON examined.

351. *The Chairman.*] What are you?—I am a farmer. I hold 228 acres of freehold about a mile and a half from here. I have been here thirty years. I am a dairy-farmer.

352. Is there any particular point you would like to bring before the Commission?—No particular point.

353. *Mr. McCardle.*] What tenure do you believe in?—Freehold.

WILLIAM WILKINSON examined.

354. *The Chairman.*] What are you?—I am a farmer. I hold 566 acres of freehold. I have held this land ten years. It is a mixed farm.

355. Is there any particular point you would like to mention?—I would like to say that I have a very poor opinion of the lease in perpetuity. I have had a little experience of it, and it has not been satisfactory.

356. You might state your objections?—First, I hold a leasehold is never the same as a freehold. You do not put the same interest and heart into your work on a piece of ground that you know at no time you can make your home or your childrens' home as you would on a piece of freehold. I have had a little experience. I took up a piece of ground adjoining my farm, and the Board wished me to reside on it. They first quarrelled about the tenure. I wished to take up a lease with the right of purchase in ten years, and I made out my application accordingly. The Board said the land could not be leased with a right of purchase, but only under lease in perpetuity, and after some demur I amended my application accordingly. I paid several years' rent, and spent some £40 on improvements, and then I asked if there was no way of converting it into a freehold. They told me right through that I could not do so, and then I determined to throw the section up. I sent the deeds and all the papers back to the Board, and they were returned, and I was told I could not give the section up in that way. Of course, during the correspondence a certain amount of arrears of rent had accumulated, because I would not pay pending a decision, and when this communication came back I chucked it on one side. I saw the Ranger, and told him I would have no more to do with the section unless I could convert it into a freehold. The Ranger suggested that if I threw up the section it might be offered on one of the other tenures. I was prepared to pay cash or take it up on a lease with the right of purchase, and I would still do so. At present it is lying idle.

357. Did the Land Board allow you to surrender?—They asked me to surrender. I have still got the deeds, and the matter is hung up. I am willing to pay up the arrears if I can get the right to purchase. Under lease in perpetuity this would cost me and my heirs several thousand pounds in rent, and the whole place could be bought for £50.

357A. Is there any other point?—No; I agree with the opinions of the other witnesses.

358. *Mr. Paul.*] Was there anything in the leasehold tenure that prevented you farming that land to advantage?—Nothing, so far as the lease was concerned. I simply objected to be continually paying rent, on the ground that the sections could be purchased in the first place for a trifle. The land is not rich. I wanted to acquire it to fill a gap in my freehold property, and I wanted the whole area freehold.

359. *Mr. Anstey.*] What is your particular objection to the lease in perpetuity?—It means continually paying rent year in and year out.

360. What rent do you pay on the lease in perpetuity?—£2-odd a year on 180 acres. The land is valued at 6s. per acre.

361. Suppose you invested the 6s. per acre at compound interest for 999 years, do you not think it would amount to the same amount that you pay in rent?—Quite so.

362. Then, what is the difference?—At the end of the term you would have principal and interest, and at the end of the lease you would only have the interest.

363. If you invested the money you would have both principal and interest?—Yes, in an investment, but not in a lease.

WILLIAM EDMUND MCKAY examined.

364. *The Chairman.*] What are you?—I am a farmer and storekeeper. I hold 238 acres of freehold. I have been two years at Oruru, and twenty-three years in the district.

365. What do you wish to say?—I was one of the first of the Fairburn settlers under the Homestead Act, mentioned by Mr. Wallace. I am greatly in favour of that system; but I think the previous areas were not large enough. I hold that 50 acres per man is not nearly sufficient. Each settler on that road had a little capital, and that is why I believe in strictly enforcing the residence clauses. I consider the Land Board has used common-sense in its administration.

366. I presume you have no wish to see the present constitution of the Land Board altered?—I do not go into that kind of question. I think the counties round us should be represented. I believe the Homestead Act is a good Act for the country.

367. *Mr. McCutchan.*] What area of this poor country do you advocate?—I do not think this country is poor. It is good grass land in the hands of an industrious settler. I would not have a blade of danthonia on it. I consider 100 acres for a single man is small enough, and if he has a family the area should be 200 or 300 acres.

368. *Mr. Paul.*] Did the Homestead Act promote settlement?—Yes.

369. Did you sell your holding to advantage?—I did. I had a loan from the Advances to Settlers Department, and the only fault I have with them is that the loans are long in coming and the legal expenses are rather high.

370. *Mr. Anstey.*] Do you think it is wise for the Government to give away land?—I think it encourages good settlers.

371. Do you think it is wise to give away larger blocks?—Yes, in the back settlements. But our land was not given away; we had to pay survey fees.

KAITIATA, THURSDAY, 11TH MAY, 1905.

LEO LECOUSTRE examined.

1. *The Chairman.*] You have come to represent the settlers at Herekino?—Yes.

2. How many settlers are there on the land?—Roughly speaking, I should say close on a hundred. It is a very large and scattered district.

3. I suppose they had a meeting before you came here?—There was a meeting of the settlers some few weeks ago, and it was decided that I should represent them before the Land Commission.

4. How many settlers attended that meeting?—I suppose from fifteen to twenty, but that is a very good muster for so scattered a district.

5. Have you the resolutions come to by the meeting?—Yes. This is the document I was asked to present to the Land Commission:—

“ Herekino, 17th April, 1905.

“ To the Chairman and Commissioners, Royal Land Commission, Mangonui.

“ GENTLEMEN,—We, the undersigned residents of Herekino, do hereby authorise Mr. L. Lecoustre to appear for us before you and express the views of the settlers on the land question, and we wish to state that we are all unanimous in our desire to acquire the freehold of our sections.—We are, &c.” [Here follow forty-one signatures.]

6. Under what tenures do those settlers hold their land now?—Some of those settlers have been there for the last twenty years, and hold their land under the village-settlement conditions. Others are under the lease in perpetuity, and others the lease with the right of purchase, and there are also a few freeholders.

7. I presume most of these settlers signing the petition are leaseholders, because they ask for the freehold?—Yes.

8. Was the land originally forest land?—Yes, with a few patches of fern land.

9. Has much bushfelling been done?—Yes, a considerable amount.

10. Has the land taken grass successfully?—Yes, it takes grass very well. There are patches of very poor land as there are in other parts of the colony, but the difficulty has been that the settlers originally were poor men, and they were not in a position to fence their places properly, and they have not been able to give the land fair treatment.

11. I suppose stock roam over the place?—During the last two or three years more fencing has been done, but still there are numbers of cattle roaming all over the place. There are very few settlers who have even a ring fence.

12. But they are making a little progress?—Yes.

13. Do the settlers there depend entirely on the produce of their land, or do they do other work sometimes?—Many of them get work on the roads or from their neighbours in the way of bushfelling, and some of them are employed at the local timber mill.

14. I believe the Herekino settlers had a great struggle for many years?—Yes, until the last four or five years they had a terrible struggle to make both ends meet, because they have been so isolated that in winter-time it has been almost impossible to get goods in or out of the settlement.

15. It is a dangerous harbour there?—Yes. I may say that until the last twelve or eighteen months all the provisions for the settlers have had to be carted in from Awanui, and you can only take 2 cwt. or 3 cwt. in a load in winter-time, and sometimes it has been impossible to get provisions there at all. Now, however, the harbour is open to a certain extent, but still it is not a great deal of benefit to us.

16. Is it a bad bar?—There is very little water at Herekino. At Whangape the bar is better. That place is about seven miles away. There is a boat of 300 tons there now, but the boats running there are of very little benefit to the settlers, because they are all connected with the Timber Company, and the company charges what freight they choose.

17. There is no regular trade there?—That is so.

18. Is Herekino connected by road with Whangape?—No, it is connected by a track, and it is only recently that boats have come into Whangape.

19. What do the settlers most desire at the present time?—One of the chief things is that the Government should throw open all the Crown lands of the district as quickly as possible.

20. Is that in order to bring more people into the district?—Yes. The settlers would like the Government to throw open a block between the Awaroa River and Rotokakahi Stream, called the Rotokakahi Block. There are some 7,000 acres in that block. There is also a large extent of land on the bank of the Awaroa River and back from the stream, which has recently been forfeited. That land has been held by absentee landlords, and some of it in connection with the Timber Company solely, because of the timber on the land. These sections have been recently forfeited, and a number of the settlers in the district wish to know what the Government intend doing with that land. There is now a Government official measuring all the timber on the land, and we think if that land is weighted with the timber it will never be taken up, because the Government official is measuring much timber which is unsaleable.

21. Is the timber of good quality?—The kauri is, I suppose; but the Government officer has measured other trees, such as miro and rimu, which the local mill will not buy. Trees have been measured which are only 3 ft. in girth, and the local mill will not take anything under 5 ft. in girth.

22. Do I understand that there are several blocks of land in this district which are quite suitable for settlement, but that they are withheld from settlement because the timber on the land is considered too valuable to be cut down and burnt?—Why not give the selectors the benefit of that timber.

23. But if he could not dispose of it?—He could dispose of the kauri, but the other timber would cost more to get out than it would be worth.

24. But the time will come when the other timber will be worth taking out?—Do you not think it would be better even to waste that timber in order to have the place settled. There is a considerable area of country that ought to be settled.

25. But rimu is a very valuable timber?—It is difficult to work it. We contend that this timber is not valuable enough to reserve. There are a great number of forest reserves in the district of Hokianga. There are thousands and thousands of acres locked up as forest reserves.

26. It is a question of opinion on the part of the authorities whether it would be better to have the timber burnt off and the land settled, or whether the land should be reserved for timber purposes?—There is a great part of this land which is open fern land, and not forest land.

27. Have you made any representations to the Land Board about this land?—Yes, we have written about it several times. As to some sections held by men connected with the Timber Company, some of those sections have already been forfeited. We want those sections thrown open again.

28. In the matter of roads, I suppose that is always an important question with you?—Yes. We have a lot of “paper” roads, but there are very few of our roads that are any good at all. I was riding out the other day to Mangonui, thinking the Land Commission would be there, when I came across what was a bridge at one time, but it had been drawn aside as being useless, and there is no bridge across the stream now at all. In case of bad weather a settler would have had to swim across the stream.

29. We heard yesterday that the County Council has a very small amount of revenue, and the area of the county being very large the local authorities cannot do very much with the means at their disposal?—That is so. Besides that there is a large extent of Crown lands and also of Native land. There are thousands of acres of Native land, and Native land does not contribute one penny to the local rates.

30. Have you any Native land at Herekino?—There is a great deal around Whangape, and some round Herekino also. The Natives will not do anything with the land.

31. Has the title of that Native land been ascertained?—I think the title of a little of it has been ascertained, but the title of the greater portion of it has not been ascertained.

32. Are there many Natives resident in the district?—There are ninety-three children attending the Native school at Whangape.

33. Do the Native children and the settlers’ children go to the same school?—There are only a few white people at Whangape. Some of the Native children at Herekino attend the Native school at Whangape.

34. Have your dealings with the Land Board been satisfactory?—Personally, I have found the Land Board to be very just and fair.

35. Is the general opinion in your district that the Land Board is a live body, or do the people think it might be improved in any way?—The settlers seem to think that they ought to have a representative on the Land Board, but they really have no objection to the present constitution of the Land Board. In respect to the petition I have presented to the Commission, I may say that I think the settlers are freeholders to a man.

36. Have they had any dealings with the Advances to Settlers Department?—I believe one or two have, but they have had no satisfaction. That is one of their grievances—viz., that they think the same benefit is not given to the leaseholder as is given to the freeholder. They say that if two men go to the Advances to Settlers Office, and one has occupation with right of purchase and the other is a leaseholder without right of purchase, the leaseholder will probably go away without any advance being given to him at all.

37. In other words, the Department select the freehold for giving advances, and they reject the leaseholds?—Yes.

38. *Mr. Paul.*] Has any instance of a freeholder being given a loan and a leaseholder being refused come under your notice?—No.

39. Then, that is just something you have heard?—These are merely cases that have cropped up in other districts. There is no instance that I know of that has occurred in our district, but we are told that we have the same privileges in respect to loans as men holding a lease with right of purchase, but it appears to us that that is not the case.

40. But it does not appear so from your own experience?—It appears to us that the Advances to Settlers Office is not much better than a farce.

41. But you have had no practical experience of that?—I know of one man who applied for a loan, and they took his fee, but he got nothing out of it.

42. Do you know the whole of the circumstances of that case?—No, except that he applied for a loan and sent in his fee, but he got no loan.

43. How long has Herekino been settled?—I think over twenty years.

44. And most of the land there is settled on freehold?—No, mostly under lease in perpetuity.

45. How was the land settled in the first instance?—At the beginning I think it was a special settlement in a time of depression, and that some seventy families were dumped down in Herekino on 50-acre sections, and that that form of settlement proved a failure. You might give a man 50 acres of land in the back blocks for nothing, and he would not make a living out of it.

46. The area is too small?—Yes. If the settlement were close to a market a man might get a living from the land, but it is at present so isolated that he might as well be a thousand miles away from the market.

47. Have some of the settlers changed their tenure during recent years?—I believe one or two have. Some of the settlers held their land under the deferred-payment system, and I know that one man has taken up a freehold.

48. Was the lease-in-perpetuity system in force twenty years ago?—No.

49. Have the settlers converted their tenure into other tenures?—Most of the old settlers cleared out. They could not make a living, and they went to the gumfields.

50. Do these petitioners all belong to Herekino?—I believe there is one man residing at Ahipara, but he also holds land at Herekino.

51. What are these men who have signed the petition and who have given no address?—They are Austrians, and hold land at Herekino.

52. Are they good settlers?—They seem to be a thrifty lot, but I would rather see Britishers there than Austrians.

53. Is there anything against Austrians settling on this land?—The only thing I can see is that the Austrian comes along and works where a Britisher will not work, because the Austrian

works for less money and he spends practically nothing, and the little he does spend he haggles over. These men save their money and send it home. They do not do the country any good.

54. Does he come up to the British standard of civilisation as to living?—I believe he does. I believe, as a rule, he lives in a respectable manner.

55. Can you say how many absentees hold land in this district?—I cannot give you the number, but there are a good many.

56. Do you recognise that to be an evil, and to be one that keeps the district back?—I may say that there are thousands of acres of land around my holding that have been taken up, and that land still remains idle.

57. Is that freehold land?—No, it is leasehold; but I think these men ought to be kept up to the "scratch."

58. Are they paying rent for the land?—I could not say, but I know some of them are in arrears with their land.

59. Did the Herekino settlers come to any conclusion as to the terms on which they should get the option of purchase?—They are all willing to pay for it. Many of them think that if they were allowed to buy the freehold in instalments it would be a great boon.

60. At what capital value?—At the original value.

61. At 4 per cent. on the original value?—Yes.

62. Do you think a lease with the option of the freehold is more valuable than an ordinary leasehold?—Yes.

63. Do you not think that you might pay something more for what you consider a more valuable tenure?—We would be willing to pay the difference between the two leases. The lease with right of purchase is, I think, 5 per cent. on the capital value, and the other is 4 per cent.

64. The settler would be willing to pay the 1 per cent. difference?—Yes.

65. If they got the option could they take advantage of it?—Many of them could not.

66. I understood you to say that the majority of them could not fence their land properly?—That is true.

67. Then they cannot buy the freehold and improve their holding at the same time?—Certainly not, but they want to feel freer than they do at the present time.

68. In what way?—They wish to know that at any time they can take up the freehold if they are in a position to do so.

69. Do the conditions of the lease in perpetuity in any way prevent settlers using the land to the best advantage?—No, it is not a case of using the land to the best advantage. They can do absolutely what they like with the land, but they think they are not secure enough—that a man who has spent his whole life-time in improving his section may at any time have his rent raised. And we think the labour party have too strong a hold of the political wires, and that the screw may be put on to the back-block settlers.

70. If your statement is correct do you not think the screw can just as easily be put on the freeholders?—No; I fail to see that.

71. Would not the graduated land-tax be increased? We will suppose that what you say is correct, and that the labour party want to harass the back-block settlers, or any particular class of settler, is it not just as reasonable to think that they would increase the land-tax to a prohibitive degree, rather than interfere with the leasehold, or increase the tax just as readily as they would interfere with the leasehold?—No, I do not think so. We are not strong enough to resist them. We have to knuckle down to them, and the freeholder would not knuckle down to them.

72. If the labour party were in a majority and they wished to do as you say, the freeholder would be compelled to knuckle down to them?—Why are the labour unions interfering with us in any way. We do not interfere with them. Why should they debar us from having the option of purchasing the freehold.

73. That is their affair. I do not think they are interfering with you at the present time. What I want to know is this: why do you think the leasehold tenure is insecure? Can you conceive of the people of this colony repudiating a bargain, or stultifying themselves by going back on the leasehold tenure. Even if they have made a bad bargain, do you not think the people of the colony will stick to that bad bargain?—They do not seem to have confidence in the Government that they will stick to that bargain. Why is the Fair Rent Bill brought in every year? We are all afraid the time will come when our rent will be raised.

74. Are any of these men paying too high a rent under the lease in perpetuity?—No, not one. They all think it is a fair valuation at present.

75. If there were holders of lease-in-perpetuity sections in other parts of the colony who are paying too high rents, do you not think they should have it reduced?—Certainly.

76. In the case of a man who is paying too small a rent, do you not think it would be fair to the State that his rent should be increased?—Of course, I am speaking of future leases and the principle of revaluation?—If you reduce the rents it would be only fair that you should raise them also, but we argue that we earn every penny by improving the land in the back blocks, and in doing so we are improving the value of the Crown land in that neighbourhood.

77. Would you be satisfied with the lease in perpetuity if it were not interfered with in any way?—We would be satisfied if we had the same privileges as is possessed under the lease with right of purchase.

78. But you want the freehold? We want the option of acquiring the freehold at any time after the Land Board is satisfied that the occupier is a *bonâ fide* settler and is improving his land.

79. Then, even if the labour party were not proposing to interfere with the lease in perpetuity you would still want the freehold?—Yes.

80. You spoke of the roads in this district: do you think that in an old-settled district the Government should give as large grants to keep the roads in repair as they should give to newly-

settled districts with no roads?—Why, the Herekino Settlement has been neglected for years and years. We are also of opinion that the money derived from timber royalties should be expended in the district where the timber is obtained.

81. But in an old-settled district, where the settlers have been established for thirty years, do you think they are still entitled to Government grants while there are new settlements being opened up which in many cases only have bridle tracks?—No. I think those old settlements ought to be able to help themselves.

82. *Mr. Anstey.*] How many acres are you farming?—600 acres under lease in perpetuity, and my rent is 4 per cent. on the capital value, and the land is valued at 10s. per acre.

83. Will that be about the same rent as is charged on the whole of the Herekino Settlement?—There are perhaps two or three of the sections valued at from 12s. to 15s., but the bulk of them are valued at about 10s. an acre. It is practically all second-class land.

84. Among the settlers signing this petition are they nearly all lease-in-perpetuity holders?—Practically all. I think there is one man who has a freehold section, but he also has a lease-in-perpetuity section.

85. The land was originally taken up in 50-acre sections?—Yes.

86. Have they built houses on those sections?—The Government allowed them £10 for the erection of a house, but many of these houses are now “bushed” in the tea-tree and abandoned.

87. The sections are not fenced?—No.

88. What in the world do you want the freehold for if you have not enough money to build a house on your section?—I am not referring to those men now.

89. What is the good of 50 acres of land if it is no good to anybody?—I was talking about these small sections and the absurdity of cutting up land in the back blocks into 50-acre sections.

90. You say these men are holders of lease-in-perpetuity sections, and that nearly all of them now have more than that area?—I said that when the settlement was originally opened the land was cut up into 50-acre sections. There are one or two of the settlers who have signed this petition who have 50-acre sections, but most of them have from 200 to 600 acres.

91. Are these people living on their sections?—Yes.

92. Have they built houses on them?—Yes.

93. I suppose the land is fenced?—They are not all ring-fenced, but they have all got some fencing done.

94. Are the farms of 200 acres large enough to make a fair living from them?—Personally, I do not think 200 acres is sufficient of that class of land to get a fair living from it.

95. What size do you think the sections ought to be in order that the settlers may make a fair living from that class of land?—I think they should be 500 or 600 acres.

96. Do you not think these people had better take up a lease of 500 or 600 acres rather than buy the freehold of sections which are too small?—They do not wish to buy the sections, but many of them want the option of acquiring the freehold.

97. If they got the right to buy the freehold would they buy the land for themselves, or with a view of selling to somebody else?—They want to be able to buy the land by instalments of sums, say, from £10 to £20.

98. Would most of them be prepared to fence the land or build houses on it before exercising the right of purchase?—I think so.

99. Do you think there ought to be residential conditions applying to freehold land as well as to leasehold?—Certainly, I do. Adjoining my two sections there is 1,500 acres of land that has been bought simply for the timber that is on it. That land is standing idle, and it is just as great a drawback to the progress of the district as the Native land. Unoccupied freehold land retards settlement.

100. Is your rating based on the improved or unimproved value?—On the unimproved value.

101. Then the absentee holder has to pay the same amount of rates as the man who improves his land?—Yes.

102. How many of these 50-acre sections are unoccupied?—Many of these 50-acre sections have been taken up by the holders of adjoining sections.

103. Do you know what grants the Government have made to the local body?—No, but there is very little money expended in roading, and what money we do get is wasted, because we get the money the wrong time of the year.

104. Who spends it?—The County Council.

105. And does the County Council waste it?—I suppose it is not their own fault. It is the wrong season when the money is available, and if it is not expended the vote is struck off, and they do not get it at all.

106. Do you think it would be wise to do away with the system of grants, and increase the subsidy instead?—I think so.

107. Have you a representative on the County Council from your district?—Yes, there is a County Councillor in the settlement.

108. And does he not see that the money is spent within the proper time and in the proper way?—The money is voted from year to year, but sometimes we cannot get the money.

109. What is your representative doing that he does not get the money?—He does his best, but sometimes there is no money. It is voted but not expended.

110. *Mr. Forbes.*] What class of farming do the farmers go in for in your settlement?—Grazing. There is very little agriculture. There are a few flats but not a large enough area, and it would be no good if there were, because we often cannot get our goods in or get our produce away.

111. Do you do any dairying?—No. The Rotokakahi Block would be an ideal place for dairying, but it is all locked up. There is one man who came with the intention of taking up some of that land, and he is now getting bald-headed waiting for the land to be opened up.

112. Would you say that the average area of the holdings at Herekino is about 200 acres?—Yes.

113. Is it not all cleared?—No.

114. Do most of the settlers earn a living on their sections by grazing sheep and cattle?—The majority of them are dependent on getting some outside work during the year.

115. The majority of the men who signed this petition?—I do not think there is one man who lives entirely on the produce of his section.

116. Then you cannot say yet with any certainty whether this is going to be a successful settlement, because the land is not yet keeping the population. You say that the settlement, in the first place, was not successful?—I think there were about seventy families put there; but I may say that now there is more work being done on the sections every year. During the last two or three years the settlers have been more energetic, and there are greater clearings being made every year.

117. If you had a dairy factory would it be a great improvement?—If we had roads it would be a good dairying district.

118. What sized sections do you say the Rotokakahi Block should be cut up into?—From 200 to 500 acres. A man could get a living on 200 acres by dairying. The Rotokakahi land is a great deal better than the land at Herekino.

119. You say that that particular block could be cut up into smaller areas for dairying purposes?—Yes.

120. *Mr. Matheson.*] If you and your neighbours had the right of purchase do you think you would probably put your farms into working-order before you exercised that right?—Yes. I think it would be giving the settlers more encouragement to work on their sections.

121. *Mr. McCardle.*] You have got some land suitable for agriculture, have you not?—I think there is very little of it.

122. How much?—There are only a few acres here and there.

123. In your own settlement, is there any land level enough for ploughing and agriculture?—In the Rotokakahi Block there is a great deal, but it would require to be stumped.

124. What would it cost you to stump that land before it could be so used?—£7 or £8 an acre before you could plough it.

125. What does it cost to put bush land in grass?—Sometimes up to £3 an acre, the big timber included, and at least £1 an acre for seed.

126. And what would it cost for logging and clearing it fit for stock?—I do not think the land justifies logging.

127. Still, you would require to make it clear enough for stock to get through it. How much would that cost?—I consider that the land would cost you about £5 an acre, with felling, seed, fencing, and a certain amount of logging, but I do not mean stumping and clearing it entirely.

128. It is a very difficult matter to strike the average cost of putting the land in grass; there may be bad burns?—Yes, it will sometimes cost you twice the amount for logging that the original felling did.

129. Do you think the system adopted by the Rangers in fixing the average price to put land into grass is a fair one?—I think the Rangers are very fair in making their valuations, but in some instances they have very little idea of the best rule to act upon.

130. Is it not a fact that when you apply for a loan from the Government under the Advances to Settlers Department, the value put on the land by the Ranger is taken by the Department before any advance is made?—I could not say.

131. I suppose you are aware that if there are any arrears of rent no advance will be made?—Yes.

132. You say there have been drawbacks to leaseholders obtaining advances under the Advances to Settlers Act?—Yes.

133. Do you think the Act should be amended in the direction of giving more liberal support to the tenant farmer in the way of advances?—We think that a man with a lease-in-perpetuity section should have the same right of borrowing on his improvements as the man with the right of purchase.

134. Is it not a fact that a number of settlers are asking for the option of the freehold, partly owing to the fact that they can get no assured assistance from the Advances to Settlers Office without having a freehold?—Yes, that is a point.

135. In a case where a settler has improved his land up to £3 or £4 an acre, his interest then is five or six times the interest of the Government?—Yes.

136. In that case, if he wanted assistance from an outside source, having the right of purchase he could obtain it from an outside company?—He could if he had the right of purchase, but he would have very great difficulty in getting money under the lease in perpetuity.

137. The settlers in your district are of a steady, persevering character; but their only sin seems to be that they are poor, like most bush settlers?—Yes; that is through no fault of their own.

138. You are of opinion that what you suggest is in the best interests of the settlers and of the country generally?—Yes; I think every encouragement should be given to men who take up land in the back country.

139. Do you not think it would be well for the Government to encourage such settlers by means of special votes—say, by advancing £1 to every £2 raised by the settlers in the back blocks—that is, for road-making and metalling?—I think so. At present it is the strong or powerful districts that are favoured. It is those districts which already have means that get the cream, and we get very little. We cannot get even skimmed milk sometimes.

140. *Mr. McCutchan.*] In reference to the Advances to Settlers Department, you said the holders of lease-in-perpetuity sections suffered?—Yes.

141. The occupation-with-right-of-purchase-lease holder has this security to offer the Government: his improvements and goodwill?—Yes.

142. What distinction is made between him and the lease-in-perpetuity holder?—There is supposed to be no distinction, I am informed; but when it comes to valuing for a loan the man with the occupation with right of purchase may get it if there is any money to advance, whilst the other man is always refused, unless he has some influence behind him.

143. Is it not the case that valuers valuing for the Advances to Settlers Department have instructions to include goodwill in the security of lease-in-perpetuity holders?—I do not know.

144. If you do not know, why do you make the statement that the lease-in-perpetuity holder is unfairly treated?—I say he cannot get a loan where an occupation-with-right-of-purchase man can.

145. Do you know of any cases?—No; but I would not apply, because I expect that I would be refused, and that is the general feeling of every settler.

146. Do you think you are justified on oath in making a statement based on hearsay?—I am telling the Commission the personal feeling of the settlers in the district.

147. You say that there is a great deal of speculation going on in respect to absentee land: what is the cause of absenteeism here?—Lands were taken up without having been seen by the purchasers. Many of the men taking up such land do not seem to have any intention of doing anything with it. Some of the land in my neighbourhood has been taken up simply for the timber on the land, and not in order to work the land or settle on it.

148. But there has been some check on that, I understand?—Yes, to a certain extent.

149. You said the resolutions passed by the labour unions are causing a feeling of uneasiness in regard to the security of the leasehold tenure. You were asked, was it not as likely that there should be an attack by labour organizations upon the freehold as on the leasehold?—We cannot see why the labour unions should interfere with us. They say that the Government must not grant the freehold because the land is the people's. If that is so, why should we who live on the land have to pay rent at all.

150. Does it occur to you that the labour organizations are attacking a weaker section of the community first, and if they are successful they will attack the freeholder ultimately?—I do not know what their tactics are, but they are attacking the farmer and leaseholder now, and that is what we are protesting against.

151. Do you think that the intention expressed at the conference of labour unions at Wellington to revalue the land on the transfer of a section or on the death of a holder is an honest and justifiable proceeding?—I do not.

152. You spoke of the pioneer settler improving the value of his own land, and that in doing so he also improved the value of the Crown land in the neighbourhood?—Yes.

153. Does that improvement also extend to the cities?—Yes; by improving the country we are improving the towns.

154. You spoke of the absentee freeholder as being as great a drawback as the Native owner: is that correct?—If a man is surrounded by absentee land it is a tremendous drawback to him.

155. Is there not this distinction: that the freeholder pays taxes, whereas the Native owner does not?—The absentee holder is always on the defaulters' list.

156. Then, the fault rests with the local body: they have the power to sell the land for the rates?—Yes, that may be so.

157. You are aware that a new Act has been passed, called the Crown Bush and Swamp Act?—Yes.

158. Under that Act, after half a year's rent is paid no further rent is paid for four years, and no rates are payable?—Yes.

159. Do you think that Act should be amended with a view of making this land subject to rates?—I think it is only fair.

160. You think it is a hindrance to settlement that this land should not be subject to rates for four years?—It is only fair that they should pay towards the maintenance of the roads.

161. Under the Bush and Swamp Land Act there are no rents for four years, and therefore there are no "thirds" accruing. Do you think the State would be justified in paying the amount over to the local bodies, although the tenants are paying no rent?—I think the State ought to form the roads before they throw the land open.

162. Has any money been expended on the roads of the Herekino Block by the Government, independent of the County Council?—Yes.

163. Has that work been done by co-operative labour?—It has been mostly done by day-work. I believe there has been a little contract work, but I do not think we get the value for our money.

164. *Mr. Paul.*] Who did that work under the co-operative system: was it done by the settlers?—It has been done under the supervision of the Government Engineer: but I think he generally leaves it in the hands of the local County Councillor.

165. Is the money which is at present spent expended in doing work by co-operative labour?—No; it is by day-labour.

166. You do not think that is satisfactory?—No; I think there ought to be more contract work done.

167. I suppose you find serious fault with the labour party agitating for any interference with the present leases?—Yes.

168. Do you also find fault with the Crown tenants for attempting to interfere with the present leases?—No. It is of vital interest to the Crown tenants, but I do not see what that question has to do with the labour unions.

169. It affects the settlement of the land—the national estate—and do you not think that every citizen in the country has a right to express an opinion as to the best way in which the land should be settled?—He may have a voice in it, but he has not one-hundredth part of the interest of the man working on the land.

170. You do not think the agitation for the freehold on the part of the tenants is so bad as any other agitation for a breach of the lease?—Certainly not. The labour unions have agitated



for their rights, and they have got all the plums, and they are trying to keep everything from us.

171. Do you know they have got all the plums from your own personal experience?—They have got a great many of the plums.

172. You are on your oath, and we want you to speak of what you know?—The town-dwellers have a great deal easier life than settlers in the back blocks.

173. With regard to the labour unions attacking the freehold, have they agitated for an increase in the graduated land-tax or for the putting into force the graduated land-tax?—I am personally of opinion that they are at the back of it. I may be wrong; I would not swear it.

174. Do you think the graduated land-tax is a good tax?—I do not think it is, personally.

175. You think that large areas of land should be held, and that there should be no system of taxation applying to them?—I am against large areas of land being held by one person.

176. Do you not think the graduated land-tax has been a factor in settling some of these large areas, and do you not think that tax is equitable?—Up here we have no large areas of land held by one man.

177. Can you express an intelligent opinion on the graduated land-tax?—I am of opinion that everything should be done to prevent large areas of land being held by one individual.

178. Can you say whether the labour party helped to bring in the land-for-settlements policy?—I cannot say.

179. Do you think that is a good policy?—Yes, I do.

180. I think if you will inquire into the matter you will find that the labour party is just as anxious to have a prosperous tenantry as the tenants themselves desire to be prosperous?—Yes; but I think they are going the wrong way about it.

181. It is just a question of different opinions, and you admit there is no evil intent?—I do not imply there is any evil intent; but we argue that we, the settlers, know more about the land than they do.

ISAAC WILLIAMSON examined.

182. *The Chairman.*] What are you?—I am a farmer, and hold a little over 1,000 acres on freehold tenure. It is situated at Awanui, about seven miles from Kaotaia. I have been on the section for about forty-four years. I engage mostly in grazing sheep and cattle, and I do a little dairying.

183. How is this district getting along?—It is not making the progress it ought to.

184. What is the drawback?—Want of roads has been the main drawback.

185. What is your port?—Awanui. A steamer calls once a week, and an auxiliary steamer once a fortnight.

186. Do you export any produce in the way of potatoes?—No; there is a local market for all we can grow. It would not pay to grow produce to ship away.

187. What is the cost per ton of goods between your place and Auckland?—£1 is what it ought to be; but, as a matter of fact, it often costs more than twice that.

188. How much a bale do they charge for carrying your wool?—I think, about 6s.

189. Do you send any live-stock away?—We generally sell it locally. Buyers come round sometimes and buy the stock. There are two sales held in the year.

190. How many sheep do you carry on your 1,000 acres?—I cannot say how many sheep it would carry.

191. Do you find that grass takes fairly well on your land with surface-sowing?—Yes, on some of the land.

192. What do you generally sow?—*Paspalum dilatatum* I have favoured lately.

193. We have heard a good deal about danthonia: is that a good grass?—Yes, for high pipe-clay hills.

194. It seems to be very hardy?—Yes; it gets into the ground and it stands burning.

195. And does even eradicate the scrub?—You can burn off the scrub periodically, and it is not likely to come again, but the grass does.

196. What is your view in regard to land-tenure? Which do you think is best for the advancement of the colony generally—the leasehold or freehold?—The freehold, undoubtedly.

197. *Mr. Paul.*] There is a good deal of absentee-held land in this district?—Yes.

198. Does that keep the district back?—Yes.

199. Has the rating on the unimproved value altered the position in any way?—The rating is on the capital value.

200. Is there rating on the unimproved value here?—No.

201. Is land increasing in value in the district?—Undoubtedly; the land is of more value now than it was twenty or thirty years ago.

202. And the district is prosperous?—Yes.

203. *Mr. Anstey.*] Do you get much money here in the way of Government grants?—We get plenty promised, but the votes are allowed to lapse, and we do not always get it.

204. Do you know why you do not get it?—I suppose for want of funds. They promise so much, and they have not the money to meet it.

205. Do you think the system of Government grants is a good system?—I think it would be better for the Government to form the main roads of the colony throughout. It would be better than having it done by the County Council or Road Boards.

206. Do you think the Government could do it cheaper and better?—Undoubtedly, they could.

207. Why?—Because they could put a traction-engine on to draw the metal, and so on, which the Council would not be able to do. Another thing is, that the Government would have their own engineers to go and follow on wherever they were required.

208. Do you think it would be wise to introduce the system of rating on unimproved values?—I do not know. I am not well accustomed with the different methods of valuation.

209. Do the local bodies expend their money economically?—I think there is a good deal wasted; but, of course, there may be differences of opinion.

211. What is the reason of that?—They do the work in patches. They will metal, perhaps, 10 chains of road and miss out 20 or 40 chains. I prefer to commence at one end of the road, or at each end, and meet in the middle—do the work gradually. Then, again, the Council allow the ruts to go on getting worse, instead of filling them up when it can be easily done.

212. Do you think it would be wise for the settlers to increase their rate, if the Government would increase the subsidy in proportion?—They could do so now if they wished, as they are not rated to the full.

213. Is it not a fact that when you increase the rates the Government subsidy is decreased in proportion?—It is so, I believe. Until recently I was under the impression that the Government gave pound for pound, but I saw it stated in a local paper lately that the Government gave only 10s. for the pound.

214. Do you think it would be wise for the Government to increase the subsidy, and do away with grants altogether?—No. I should still prefer the Government should do the main roads.

215. *Mr. Forbes.*] Have you had anything to do with the Advances to Settlers Office?—Yes, I have had some dealings with it.

216. Have you found those dealings satisfactory? Have you anything to say in respect to the work of that office?—Well, you can only deal with that office if you have a freehold.

217. Will they not advance money on leasehold property?—I understand not; but I cannot speak from experience.

218. Has this district progressed of late years?—Yes, it has made more progress during the past ten years than it did during the previous thirty years.

219. Is there any Crown land about here which could be opened up so as to further advance the settlement of the district?—Yes; there is a good deal of Government land, and there are a large number of sections lying idle which were taken up forty years ago under the old 40-acre system. Many of them appear to have no owners now. Neither the Government nor any one else deals with them.

220. You think that land ought to be reoffered to the public?—I think it ought to be utilised in some way.

221. Why have the sections been left? Was it because the land was cut up into areas too small to be profitably used?—Well, in those days there were no roads, and with the swamps and rivers and so forth it was difficult to get into the land, and the settlers gradually left. There is not a settler in that district—the Maungatata district. The land is lying waste.

222. Was it good land?—It was forest land, which we always reckoned to be good land.

223. Was any of it cleared?—Portions of it were cleared. The bulk of it is still in its native state.

224. You think if those sections were reoffered to the public they would be taken up?—I feel sure of it. I know several who would buy if it was opened up.

225. Would the demand for it come from the sons of settlers or from outsiders?—Chiefly outsiders, I think; but no doubt some of it would be taken up by sons of settlers.

226. I suppose a settler here with 400 or 500 acres of land has plenty on his hands for some years to bring it into use?—He would have employment for his lifetime, I think.

227. *Mr. Matheson.*] Are those deserted sections paying rates?—Very few of them.

228. Do you think your local body would be wise to exercise their right to sell the sections if the rates are not obtainable, in order that use might be made of the land?—I think some such steps should be taken.

229. Does it not seem strange that nothing should be done year after year to get rates out of this land?—Yes.

230. Do you remember when more of this country in sight of us here was in grass than at present?—Yes.

231. Was that done by Native labour mostly?—Yes.

232. Is the reason it has gone back largely that wages have increased?—I really think that would account for it in a large measure.

233. Now that roads have come in and dairying is going on, do you think this district is distinctly regaining its productiveness?—Yes.

234. *Mr. McCardle.*] You say the price of land has gone up in this district?—Yes.

235. Has it gone up to such an extent that a settler, if he sold now, would be more than paid for the work he has put into his land?—No. There is no land in the district that would pay a man for his outlay and the labour he has put into it.

236. *The Chairman.*] Do you know anything about the homestead system?—The only homestead settlement I am acquainted with is along the Fairburn Road, and it has been very successful.

237. Do you think it would be wise to introduce it again?—Yes.

238. *Mr. McCutchan.*] You advocate the State taking control of the main roads of the colony and maintaining them?—Yes.

239. Do you think that a feasible scheme?—I think so.

240. Of course, the money would have to come out of the consolidated revenue?—Yes.

241. Would not the citizens of Auckland have an equally good right to demand that the Government should maintain Queen Street out of the consolidated revenue?—No; that is different. That is in a city.

242. But there are ratepayers there?—I do not suppose the city would exist if it were not for the country.

243. Does not the city cater to the wants of the country settlers?—Yes; but I consider the main roads of the colony could be more economically made by the Government.

244. Would it not be better that the people should rate themselves to a certain amount, and that the Government should subsidise on a fixed ratio?—We would prefer to get it that way; but, still, I think it would be better for the Government to make the main roads.

245. Would you advocate some special tax to meet this enormous expenditure all over the country?—We would leave that to our members.

246. But, surely, the wish of the constituencies would have some effect on the acts of the members?—If the change were made there would undoubtedly be some means of meeting it.

THOMAS WILLIAM PORTLAND SMITH examined.

247. *The Chairman.*] What are you?—I am a farmer. I farm 250 acres of freehold about one mile from here. I have been farming here about twenty-seven years. I go in for dairying, and supply milk to the factory.

248. I suppose that dairy factory has added very much to the prosperity of this valley?—Yes, undoubtedly.

249. Has it been the means of raising the value of land to some extent?—In the course of time it will, but people have not yet gone in for it to the extent they ought. There should be double the quantity of milk to make it really a success.

250. How many cows are milked?—About three hundred.

251. Has it been long in existence?—This is the third year, I think. It is a co-operative factory.

252. It will be increasing, I suppose?—I suppose it will as the young heifers come in, but such a bad lot of cattle was brought into the district originally that the farmers think it is better to depend on their own.

253. Is the factory working all the year round?—No. When the roads are bad we cannot take milk to it. It will probably stop working about the end of the month, and may not resume until after September or October.

254. What do you do with your milk then?—We make butter ourselves and send it to Auckland. We ship it from Awanui.

255. *Mr. Anstey.*] Do you represent any body in this district?—I represent the Farmers' Union.

256. Are you the president?—I was until my health broke down, and I had to give it up. I was the first president.

257. What are the chief planks of your platform? What is your chief business as a union?—It was originally started with the object of getting special grants expended in the district, and for urging that all leaseholders should have the right to acquire the freehold. When money was voted for roads and other works in the district it was never expended, and it appeared to us it was not intended that it should be expended.

258. Have you ever considered the question of doing away with grants altogether, increasing the subsidies instead?—No, not here.

259. Do you think that would be a good thing?—I think either system is bad. I think special grants are the worse, because they amount to a system of bribery.

260. What do you think would be a better system?—I think it would be best for the Government to take over the main roads and maintain them, and let the settlers attend to their own by-roads. The Government could maintain the main roads as they do the railways.

261. Out of what fund do you suggest that should be done?—I suppose the same funds out of which such things are done now. Mr. Duncan, I think, estimated it would take two millions, and I think Mr. Seddon is going to put £500,000 on the estimates next year for it.

262. Has your union ever discussed other questions?—Yes; for instance, this dairy factory was established by the Farmers' Union, and we have formed an agricultural club, and have got a doctor here. We do other things as well. We have kept our County Council up to the mark until lately.

263. Your union has been very successful in improving the state of affairs generally with regard to local matters?—Yes.

264. Have you been successful in the chief planks of your platform—the expenditure of grants, for instance?—Partly, but this year the members have not attended meetings as they ought to have done. This year there was £200 voted for this road, and not a single penny of that has been expended yet.

265. Have you any other instance of Government grants being voted and not spent?—Year after year the same thing occurs.

266. So far as your success as a union goes, it has been more pronounced as regards local matters, but outside that it has not been successful?—I think it has been fairly successful. Perhaps if we had confined ourselves to fewer subjects we might have succeeded better. We have gone off on to side-tracks a bit.

267. Have you considered the question of rating on unimproved values?—I have given it very little thought, but I do not think it would work in this district at all.

268. There are a large number of absentees in this district: would it not be an advantage to make them pay a fair share of taxation?—The machinery is not there to do it.

269. Why do you think rating on unimproved values would not be suitable here?—I do not think you would get anything like the rates for making the roads that you do now.

270. Would not the rates be exactly the same?—They would be made so according to law, I suppose, but it would raise a howl all over the place.

271. Do you not think it would be fair that the absentees should be made to pay the same rates as those residing on the land?—Yes, if the machinery is provided.

272. *Mr. Matheson.*] Does not the law provide that a local body may offer for sale a section from which they can get no rates?—The law provides that you must apply to the Public Trustee, and the Public Trustee blocks it straight away. After the application the whole thing ends, and you hear no more about it.

273. *Mr. McCurdle.*] Is it not a fact that the reason why all these properties are not sold is that the cost of advertising would amount to more than they could get for the sections?—That may be so in some cases.

274. Would the sections you refer to recover the expense of advertising in your district?—Some of them would I think, others would not. I was on the County Council some time ago and we summoned several people for their rates.

275. You did not go and distrain on the property?—We simply got a judgment.

276. And the person never received the summons, really?—No.

277. What was the use of summoning those persons if you did not intend to go further and forfeit their land and sell it?—We were blocked at once. If you look into the machinery for that I think you will find it is unworkable.

278. *Mr. Matheson.*] If the option of purchase is granted to the Crown leaseholders, do you think it would be a good thing for the colony at large?—Certainly, there is no question about it.

279. Why do you say so?—Because a man having a freehold will do a lot more to his land than a man having a leasehold. The man with the leasehold is something like a tradesman. He makes what he can out of the business, and does not care what becomes of it afterwards. The freeholder works for his family and people coming after him.

280. *Mr. McCutchan.*] Speaking of these unexpended Government grants, it is the case that if those grants are not spent by the 31st March they lapse?—Yes.

281. Is it not always the case that the votes are put on the estimates the succeeding year?—Yes, sometimes they go on for six or seven years. Three years ago there was £5,500 on the estimates for this county, and out of that only £780 was expended.

282. Does the local body or the Government expend the money?—The County Council has the expenditure of the money.

283. Does the Council submit proposals to the Government Engineer for his approval?—I do not know. I am not on the County Council.

284. Is it not probable that no such proposal went from the Council to the Government?—I think it is very probable with the present Council we have.

285. Why do you think it would cause a howl all over the county when it would reduce the rates paid by those living upon and occupying their lands?—I think it would increase the rates to a marked extent upon poor lands, which are hardly worth having. Where the land is good it might do, but there is a large quantity of very poor land in this district.

286. There would be no increase in the aggregate amount of rates levied?—I think there would be. A man naturally puts a high value on his improvements.

287. Is it the valuer that does that?—The valuer must consult the owner to some extent.

288. But the valuer is supposed to be an expert, and able to form his own opinion?—I have valued for the Government for some years, and I do not consider I am an expert.

289. Were your values protested against?—Very seldom.

290. Was not that a tribute to you as an expert valuer?—I do not know that it was.

291. Are there not a large number of people who are not going in extensively for improvements?—Yes.

292. Would not rating on unimproved values force those people to go in for improvements?—Yes, it might do that.

293. Do you not think, with regard to the absentee lands, it would compel the owners to reside or improve?—If I thought so I would vote for it to-morrow. If the machinery was available I think rating on the unimproved value would be all right.

294. With reference to the doctor, do you get a subsidy from the Government in connection with the doctor?—Yes, there was an annual subsidy, and there was a guarantee that it would continue so long as the settlers raised a certain amount.

295. What was the amount raised by the settlers themselves?—£100. The Government gave 10s. from the Lands Department and 10s. from the Native Department.

296. Were you successful in getting a doctor?—Yes.

297. Did you fix a scale of fees over and above the bonus?—We fixed a scale for members of the club. If they paid in advance they got the benefit of that scale.

298. *Mr. Forbes.*] Has your union had anything to do with the Advances to Settlers Department. Yes. We have no fault to find with it, except that the Department is rather long-winded about giving advances when they are applied for. If a man here applies for one the money goes to Whangarei, and there is a delay of about a fortnight before he gets it.

299. With regard to the residential conditions on these Crown leases, do you think there is anything out of the way in those conditions?—I think they are far too strict, because men in this district have often to go out and work away from their holdings, and when the Ranger comes along, if he finds a man away he can recommend forfeiture of his land at once, when that man is just trying to earn a living.

300. Would you give the Land Board power to waive those conditions in such cases?—I think a man should not be compelled to reside continuously on his land if he is engaged outside on a contract or anything like that. That kind of thing should be taken into consideration.

301. It has been suggested that if double improvements were placed on the sections the residential conditions should be waived: do you think that would be a good thing?—I do not think it would be as good as my suggestion. I think it might give rise to dummyism.

302. Would you leave it more to the discretion of the Land Board to enforce the conditions?—I would wipe out the Land Board altogether and appoint a good man to take its place.

303. Do you think the Commissioner could do that?—No; I think that would be putting too much on his shoulders. I think there should be a good Government land agent, free from political influence, and I believe any question of forfeiture should go before a Magistrate.

304. *Mr. Paul.*] Has any instance come under your notice where a Ranger has visited a section and, finding the man absent, has recommended forfeiture?—Yes. Some two years ago, when I was in the Waikato, I was staying with a settler, and his son came in in an awful state, saying that his section had been forfeited. The father wanted to know why. The son replied, on account of non-residence; but he said he was living on his land. I told him he ought to go up and interview the Land Board at once. He explained to me that he was living on his land, but as it was harvest-time he had been away for three or four days working elsewhere.

305. Was that simply a mistake or was it the general thing?—I do not know much about the general run of it, but that is one case that came to my mind.

306. Was the forfeiture actually carried out?—I came away that day, and have not seen the man since, so that I do not know.

WILLIAM GEORGE PUCKEY examined.

307. *The Chairman.*] What are you?—I am a settler. I have been here all my life. I had over 800 acres of land, which I have made over to my sons under an agreement that they shall keep me as long as I live. I still own about 74 acres. The land is about two miles from here.

308. Do you supply milk to the factory?—Yes.

309. Do you think settlement has improved of late years?—Yes, a good deal of late.

310. I suppose the factory is a good thing for the district?—Yes; that has, of course, helped the improvement; but, still, it was improving a good deal before that.

311. And any little that is done to the roads is a means of pushing the district on?—We are getting very little of that.

312. *Mr. Forbes.*] Do you think the leasehold or the freehold tenure is the best for the settlement of the country?—The freehold. The leaseholder is a slave to the owner of the land. The leaseholder ought not to sing "Rule Britannia," because he cannot say "Britons never shall be slaves."

313. *Mr. Matheson.*] Do you think a lease with the right of purchase gives a poor man a chance of getting on the land?—Yes, if there is no better way.

314. What do you think would be better?—I think the Government might give them the land. By paying duty on trousers and coats and waistcoats they would pay for it in about three years.

315. *Mr. Paul.*] Why are leaseholders slaves?—Because they have to pay something to the Government every year, and if they have nothing to pay they are in hot water at once.

316. Is that the only reason?—There may be others, but that is the only reason I can think of at present. The leaseholder has got a master, and if at any time an election comes round he is bound to vote with the man who let him have his land.

317. Do the tenants in Ireland vote for their landlords?—I think they would prefer to own the land altogether. That is the trouble with them.

318. Do you think that the thousands of residents in town who get a small wage and are compelled to lease the cottage and land they live on are slaves too?—I think they are, only they are slaves to a private individual, which is worse. I think it is a hard case for a person to feel that the land he is living on is not his own. When he has a lease he is really the servant of the owner, and he has got to mind his Ps and Qs.

319. If he carries out the conditions of his lease, can any Government official interfere with him?—I think it is very likely they can. The Government is always forward in looking after the "hawbees."

320. Would it not be better to learn more about the leasing business before you come to the conclusion that the Crown tenants are slaves?—I think they are, for all that. I know if I borrow money from a man I am under his thumb until I pay him back.

321. *Mr. McCardle.*] You think the people in the country should be granted land free. Are you in favour of the Government granting to the working-men in the towns sections of land to build upon free?—I think the people would like it, but is not the land in towns generally held by private individuals.

322. The Government has the means of getting it. The Government has acquired other lands?—Yes, that is so.

WILLIAM COLINSON BUNKALL examined.

323. *The Chairman.*] What are you?—I am a settler at Herekino on a village-settlement section obtained under the Ballance Government. I held 40 acres. We were not allowed to take up more than 50 acres. I have an additional 100 acres under lease with right of purchase. I would like to have the right of purchase on the village-settlement section too. I was one of the original settlers. I have also 200 acres of education reserve on a twenty-one-years lease, with the right of renewal, and, in the event of non-renewal, with full valuation for the then improvements.

324. You have come through all the vicissitudes of that settlement, which, we were told, were very hard to begin with?—They were very hard, but I have not made my living off the land. I worked away from it; the land would never have kept me.

325. You are probably now in a better position in regard to your land?—I am storekeeping at the present time.

326. Have you done anything in the way of improving your education-reserve lease?—Yes. I pay £1 14s. per year for it. I have grassed about 100 acres, and I have fenced the lot. The grass takes very well. Some portion of it was fern land, and by keeping it well stocked I found the cattle tramped out the fern and the grass has taken.

327. *Mr. Paul.*] What were the terms under which you took up your 40-acre village section?—Perpetual lease.

328. Did you get any monetary assistance?—Yes, to the extent of £32—£20 for a house and £12 towards clearing. I pay the Government 5 per cent. on that, and I am not allowed to pay that back.

329. Is your education lease satisfactory?—Yes.

330. What tenure do you favour?—I would like the freehold, and I should like to see every one get the freehold. I think all men who took up land under lease in perpetuity, when they might have had a chance of taking the land up for cash, should still be given the right to acquire the freehold when they are in a position to pay the cash for it.

331. Is the lease in perpetuity a better lease than your education lease?—Yes; but I took up the educational lease because it was right alongside me.

332. Still, the education lease is satisfactory?—Yes, to me.

333. And you have improved it?—Yes, with the expectation of getting my money back.

334. Is it not possible to get your money back on your lease in perpetuity, seeing it is a more valuable and longer lease?—It is a longer lease; but I would like you to show me where I can get the value of my improvements on it out of the Government. If you can show me that, I can answer your question, but not otherwise. The 999-years lease as a tenure is all right; but I think every man who has a stake in the country would prefer the freehold. But there are many who have no stake in the country, and who merely come into the country to work for wages, say, at 8s. a day, and as soon as they see a chance of getting 9s. a day somewhere else they slip out, after having enjoyed the benefits and advantages of this colony. That is why I think the Commission should take a different view of the evidence that is brought before them, and not attach as much weight to the evidence of workers in the large centres as to that of country settlers.

335. If a freeholder could sell to advantage here and buy to advantage in another country, would he not do so?—I dare say he would. We see a great deal of that at the present day. Men have sold land in Taranaki at £25 per acre, and have gone to England and bought 3 acres for the same price.

336. Then, you do not exactly blame the wage-earner if he tries to better himself?—No; but I do not think he should have the power to sway opinion by fighting the farmer, who is trying to make a livelihood on his farm and a home for himself and his family.

337. *Mr. Anstey.*] Have you the right of purchase with your perpetual lease?—No, and I cannot even pay the money back.

338. Are you sure of that?—I have applied to do it, and I could not do so. More than that, some of the settlers in the same neighbourhood who took up land on the same conditions and were backward in their rent were allowed to capitalise and take the land up under lease in perpetuity. They are charged 4 per cent. on the capitalised back rent, and they get a rebate of 10 per cent. I still hold my land under perpetual lease, and I cannot get a rebate either on the rent or interest.

339. Do you think there ought to be any restriction on a freeholder as regards residence?—No further than that he should pay rates on the unimproved value. That is the only thing I can see.

340. Should he be allowed to buy the land and leave it as he likes?—My opinion is that he should be compelled to improve it.

341. Would you put the same restrictions on him as you put on leaseholders?—Yes.

342. Are you in favour of rating on the unimproved value?—Yes; I think that is preferable to the improved value for local rating.

343. *Mr. Forbes.*] Did this special settlement number other settlers besides yourself?—Yes; I think we mustered from ninety to a hundred settlers when we settled there.

344. How many are left now?—I think thirty of the original settlers are still on the block, but they are not holding under the same tenure.

345. Have the other sections been grouped?—Yes; almost the whole of the block is occupied only in larger sections.

346. Is it all cleared?—Not by a long way; but in the last year or two more has been cleared than was previously. It is broken land, and we go in for dairying and grazing.

347. Do you think, looking back now, it was a great mistake to put people on the land in small blocks?—I do. It is perpetuating poverty to put men on poor, small sections in a neighbourhood where they cannot get work. I think there should be nothing less than 300 acres of good bush land, and a good man ought to be able to make a living on that.

348. Is this district progressing much now?—Yes; I think this neighbourhood is fast getting out of the mud.

349. Is there much Crown land round here which could be thrown open?—Yes, to the left here. It is good pastoral country, and it will take grass well when the bush is cleared off.

350. Have you done anything in the way of trying to get the land thrown open?—I believe the Government have surveyed it; but the roads are not good enough to get the people back to it. There are only bridle-tracks into it now.

351. *Mr. Matheson.*] Would the expenditure of £2,000 in roads tend to make your settlement much more productive and give you fairly good access to your port or outlet?—It would enhance the value of the district if £2,000 was spent on the main roads.

352. Are you being hampered much for want of better roads?—We would be a great deal better off if we had better roads.

353. I understand from your answer that you are very doubtful whether an expenditure of £2,000 would make your district more productive?—It would make the district more productive, because people could come into it.

354. Would it be worth £60 a year to your district as a good investment?—I think the settlers in the district would not object to pay rates to the extent of £60 if the money was spent.

355. Then, why do you not raise a loan and do it: all the machinery is provided for you?—We settlers cannot do that. How are we to do it?

356. Are you not aware that you can through the Loans to Local Bodies Act raise that loan by paying 4 per cent. on it?—I am not aware the settlers themselves can do it.

357. *Mr. McCutchan.*] You said that some of the tenants who did not keep up their payments were allowed to convert to the 999-years lease?—That is correct.

358. What were the terms of this particular perpetual lease that was brought into operation in regard to the Herekino Settlement?—It is a lease for a certain time, and then revaluation takes place.

359. Were the tenants who allowed their rent to fall into arrears inferior to the tenants who made their payments?—Naturally, I should think they were.

360. And you consider the 999-years lease a better lease than the perpetual lease?—Decidedly.

361. The good tenants on the block are not allowed to convert, and the bad tenants were allowed to convert: is that the deduction?—No. Those who made their payments regularly never allowed their rents to fall into arrears, and did not apply to capitalise. At the same time, they have the same privilege, and can convert to lease in perpetuity if they wish to do so.

362. If they apply to the Land Board now to convert their leases will they be converted?—I have every reason to believe so. I have been asked to convert mine by the Rangers.

363. And why do you complain, then?—I understood the tenants would prefer freehold to lease in perpetuity.

364. *Mr. McCardle.*] If you forfeit your section and another man applies for it he can take it up under the optional system?—Of course, he can, but I cannot.

365. If you took the risk of forfeiting and applied, what is to prevent you?—I would run the risk of losing it altogether.

366. *Mr. McCutchan.*] Did these tenants who allowed their rents to fall into arrears forfeit their sections, or were their leases converted without forfeiture?—They must have surrendered, I think.

THOMAS FISHER examined.

367. *The Chairman.*] What are you?—I am a farmer. I hold 340 acres of freehold. It is situated at Fairburn.

368. Was it taken up originally under the homestead system?—Yes. I have been there thirteen years. I took this area up under a family arrangement.

369. Is it in grass mostly?—Fully one-half. I had to clear the bush off.

370. Do you entirely give yourself up to farming, or do you work off?—For five years I was not a night off the place, because I did not feel secure if I left. Then I got the freehold, and I could do as I liked.

371. What is your opinion in regard to freehold and leasehold tenure? Which do you think is better for the settler and for the country?—Freehold, most decidedly, for the country and the settler both.

372. Is your land sufficiently advanced to go in for dairying?—Yes. I have a small dairy of twelve to twenty cows.

373. Are you near a dairy factory?—I am three miles away.

374. Is there any particular point you would like to bring before the Commission?—I would like to emphasize the fact that freehold is better, because it gives greater security, which, I think, is very important. It is better, because a man working on a freehold is usually better able to finance his section. It is better because his section becomes more productive. It is better because he puts all his energy and all his resources into his land. That is his bank. That is his hope. That is his land. That is his home for the future for his family. The leasehold, in comparison, does not give a man that confidence. He does not put in capital which he may never draw out. He is liable to forfeiture, he knows, in case of difficulties. He keeps an eye always on the back end of his leasehold, and he takes the heart out of his farm before he drops it. When he drops it it is a run-out farm; it has lost its heart. Among farmers who thoroughly understand their business it is known to be a most difficult thing to get heart into the land again. It requires a heavy expenditure and considerable time. The money that is gained by one tenant in taking the heart out of the land would not anything like bring the land into heart again, nor anything approaching it. It is better for a man to go past land that has lost its heart and pay highly for land in good heart. Land in good heart is very productive. If we can get the freehold throughout New Zealand we shall have security, and we shall have great productiveness, and we shall have a contented people, and we shall have a people—every man of them—with property of his own. In times of trouble, in times of war or invasion of the country, these are the men who will be the safety of the country in every respect, and who will do their utmost personally. They would use their energies, and they would use their last penny in the defence of their country. On the other hand, if we have leaseholders, the men are stripped. They pay away rents. Their rents are raised. It goes from bad to worse. Their lands are not productive, and, finally, when the hard times come on the country they are wanting. It means disaster in the future for New Zealand if she does not encourage her people and put them on the land. It is sometimes said that the people should have the land—that is, all the people—that no man should own land. I dissent from that altogether. The people who use land should have the land. The people who will not use the land have no occasion to have the land. They are probably doing better elsewhere for themselves, and they will not do better elsewhere if the man on the land is not allowed to thrive. These are some of my reasons. But there is also the independence of the nation—that is, the freehold. Now, if we look abroad, I have seen the evils of landlordism. They are very great. They would eat up everything, and they become worse and worse as time progresses. I have been in Ireland; I was born there; I was bred on the land there. I have seen, too, what was called a good landlord—Lord Downshire. I have seen tenants paying 1s. 6d. per acre for their land when that land was let on an old lease. When that lease fell in they paid 15s. per acre. That was the difference. That was under a good landlord. The lands there were in good heart. Elsewhere, where the landlords were bad, the country was miserable to look at. Not a stick was to be seen. Everywhere

poverty. Again, the freehold has made Holland what it is on the Continent. It has made Canada what it is. It has made the United States what it is. The freeholder is not sat upon in that great and enlightened country. I will not say any more. The freehold is, beyond doubt, the tenure for us.

375. *Mr. Paul.*] Does it pay a leaseholder to properly farm his land and look after it?—It would pay a freeholder, and on the same conditions a leaseholder; but a leaseholder has seldom the means, and he has not the security. He would not be a leaseholder if he had the means, because he knows the disadvantages.

376. Well, if a leaseholder seldom has the means, is not the leasehold the only way he can occupy the land? If he had the means you say he would be a freeholder?—If a man wants a leasehold to get upon a freehold I do not see any great difference in that respect. If he wants a freehold he buys a freehold, and he can raise money on it. He can get assistance at once with all the security that freehold gives. If you take up a leasehold you have nothing. If you go to a man and say you want so-much money on it to improve your farm he will say he cannot do it.

377. But, as a practical farmer, you know there are hundreds of men in this country whose only opportunity to get on the land is by leasehold?—I did not get on the land by leasehold.

378. You got on by the homestead system, which was giving the land away. Do you advocate that the State should give the land away?—Did it injure the colony when I took that land away?

379. I am not speaking of your case at all: we are discussing broad principles?—So am I.

380. I want to know, do you advocate the State giving away the lands of the colony?—No, I do not advocate it; but I do say, if it was done the colony would be a great deal more forward than it is, and the State would be better and richer. I think it would be a good thing in this respect, but I do not advocate it in the present circumstances, because we cannot do just as we like.

381. Then, is it not a fact that many men can only occupy land by leasehold?—Men can occupy land by leasehold with right of purchase. That I do not object to, because its objective is good and satisfactory.

382. Then, do you think for that more valuable tenure he should pay a higher price?—More valuable than what?

383. You recognise that freehold is the best tenure?—Yes.

384. If he receives a lease with the option of purchase he has a more valuable form of tenure than leasehold: should he pay more for it?—I would pay more for it for this reason: I would not have a perpetual leasehold of any kind whatever.

385. Do you think that in time of trouble a leaseholder would defend his country?—I think every man in the country would defend it.

386. Not only the freeholder?—Not only the freeholder; but the freeholder is far abler.

387. You said the people who use the land should have the land?—Certainly.

388. Do you mean by that that a man should only own as much land as he can use personally?—I do not.

389. What do you mean exactly?—I mean that any man who goes and makes his living on the land has a right to be reckoned part of the people on the land. A man who will not use the land and make his living on the land has no right to the land.

390. What becomes of the farm labourer, who uses the land but cannot own it?—What becomes of a man having a trade if he remains a workman? It is the same with the farm labourer. If he is a good man he becomes a master—that is, in a free country. Hard-and-fast rules are the ruin of our position.

391. But must there not of necessity be some farm labourers and wage-earners?—Not of necessity, because you cannot get them here under present conditions. If a settler goes in for paid farm-labour here, well, the labourer would soon be the farmer.

392. Then, how do you farm the land?—We struggle along as best we can. Personally, we work hard and long hours, and we intend to defend our position as farmers, because we think we have earned all the increment we get.

393. Then, what you want is that everybody who works on the land shall own the land?—No: I do not want common property at all. I want that when a man works on the land and wishes to own it he can own it by purchasing.

394. But you do not object to a man earning wages by working on the land?—Certainly not.

395. Do you think there is any comparison between the private landlords you spoke of and the State as a landlord?—I do. I would infinitely rather have a private landlord than the State as landlord.

396. Would you prefer a ten-years lease to a 999-years lease?—I would prefer a ten-years lease if I could get the freehold at the end of it.

397. But, outside the freehold, do these private landlords give the freehold at the end of ten years?—You can make your terms to fit your purpose at the time; but if you enter into a 999-years lease and the terms are altered on you you have lost your security and property.

398. But if you got a freehold and the State repudiated your title you would be in the same position?—Yes; but we will take jolly good care the State will never repudiate the freehold.

399. Can you not take good care that the State will never repudiate the leasehold?—We are doing it.

400. *Mr. Anstey.*] You said those who use the land should have it?—Yes.

401. Would you go the length of saying that those who do not use the land should have it taken away from them?—I would not do that.

402. *Mr. Matheson.*] Have you followed Britain's policy for the land-settlement of Ireland of late years? Are you aware that Britain is purchasing estates and leasing the land for fifty years, at the end of which term it becomes the property of the occupier?—I am aware of that.

403. Do you think that is a very sound policy for settling lands?—I think it was the only way the country could right a wrong position. The freehold should not have been taken from the



people. They had a right to the freehold, and this policy is giving it in the only manner in which it could be conveniently given.

404. Do you think that such a lease would be well applied in New Zealand?—I do not see the application.

WILLIAM ROSE examined.

405. *The Chairman.*] What are you?—I am a settler. I hold over 500 acres of freehold. It includes 158 acres of leasehold under lease in perpetuity held in my mother's name. I pay £2 4s. 6d. per annum for it. I have held it two or three years. I was born and bred in the district. I own land in Awanui and Fairburn.

406. What is it you wish to bring before the Commission?—I am representing the Fairburn branch of the Farmers' Union. It is the centre of a large dairying and grazing district. The settlers are all in favour of the freehold tenure?—That is my own conviction. Several settlers like myself have had the misfortune to take up land under lease in perpetuity, and they are dissatisfied with it.

407. What objection have you to it?—We prefer the freehold. We work with more energy and more heart and more confidence. The position of some of these settlers who have taken up land under lease in perpetuity is rather a deplorable one. They long for the freehold, and there is no provision in the Act making it optional for them to acquire the freehold. The only course they can pursue is to continue as they are, or to forfeit or surrender their holdings. If they were to forfeit or surrender they would not be eligible to apply for that land again until the end of a long term, and at the end of that term the property may have been secured by some one else. If the original owner does manage to get it it would in all probability be on a revaluation, and he would have to pay in hard cash for improvements that he had effected perhaps at considerable expense, and at all events by hard labour. I will mention the case of one, only I prefer not to mention a name. He has leased 104 acres under lease in perpetuity. He has held it for about five years. During that time he has fulfilled the conditions of improvements faithfully and well. He approached the Government for a loan of £50 to buy cattle to eat off his grass, which would otherwise deteriorate in value. A Government official was sent up, and was quite satisfied with the improvements—in fact, he valued them at £160. Notwithstanding that, the settler was unable to obtain £50, which was less than a third of the improvements he had effected. I think that there should be an alteration in the three tenures. I think the cash purchaser should be compelled to effect the same improvements as the people who take up land under occupation-with-right-of-purchase leases or lease in perpetuity. I think that a settler who holds land under occupation with right of purchase should be allowed to purchase the freehold when he can, and how he can, and either at the end of one year or at the end of thirty years, just whenever it is most convenient to him, and I think it should be by instalments or in a lump sum. With reference to the lease-in-perpetuity tenure. I think that by all means there should be a clause enabling the Crown tenant to acquire the freehold. I know there are some who say they are perfectly satisfied with the tenure, and prefer it to any other. If that is so let them have it, but let those who wish for the freehold have the option of acquiring it. There is a great deal being said about the homestead system, and I think it is a very good one, subject, however, to some slight alterations in the conditions. I think anything less than 150 acres is no use to a person up here. I think also there should be some provision made for a deceased settler's wife or heirs taking over the land in the event of the settler dying before the end of the five years. I do not think a settler should be allowed to select on behalf of the different members of his family. I would prefer each member of the family being allowed to select for himself or herself when they reach a certain age, say, seventeen years. That is all I have to say.

408. *Mr. Paul.*] How many members are there in your branch?—I do not know. It has been lately formed.

409. Can you say what proportion are Crown tenants?—A very small proportion.

410. Is there anything in the leasehold which interferes with you farming the land to good advantage?—No, but there is nothing to prevent revaluation at any time.

411. Is there anything to prevent a considerable increase in the graduated land-tax on freehold at any time?—No, nor on the other either.

412. Is this district progressing?—Yes, it has considerable merit, and that is the principal cause of its progress.

413. The settlers are fairly prosperous?—Yes.

414. I suppose there are some poor freeholders?—Yes, there are freeholders, but they are no poorer than the others—in fact, not so poor, because they are more contented. The others, as I have already stated, are dissatisfied.

415. Are the freeholders mainly old settlers?—Yes, largely.

416. *Mr. Anstey.*] Are the leasehold settlements of somewhat recent date?—Yes, comparatively so. They are within the last five or six years.

417. You say the district has progressed much more rapidly lately than previously: does the introduction of the leasehold system account for that?—Decidedly not.

418. It is rather strange that the increased progress of the district should be somewhat coincident with the introduction of the leasehold settlement?—I think you have misunderstood me. I did not suggest that at all.

419. We had evidence to-day that the district has progressed much more rapidly lately, and that the old settlers did not progress much until the last few years?—I admit that, but the dairy factory we lately started has greatly contributed to that progress.

420. I suppose some leaseholders took shares in it?—Not that I am aware of. In fact, I feel quite sure they did not.

421. *Mr. McCutchan.*] You have been asked a question about the progress of the district lately in contradistinction to its stagnation before: is not that progress entirely due to the increased price of produce, and not in any way dependent on the matter of tenure?—Very largely. I did not wish to insinuate that the form of tenure had anything to do with the progress of the district.

MANGONUI, FRIDAY, 12TH MAY, 1905.

WILLIAM GARTON, JUN., examined.

1. *The Chairman.*] What are you?—I am a farmer, and farm 1,700 acres—a sheep-farm. Part of it is freehold and part occupation with right of purchase. Under occupation with right of purchase I have 732 acres, and I have recently got an intimation from the Land Board that I have been successful in regard to 180 acres more. For the 732 acres I am paying 7s. 6d. an acre, and I will pay similar rent for the 180 acres. This property is about six miles from Mangonui. I have been forty years in this district.

2. Have your relations with the Land Board been satisfactory?—Yes.

3. What is your opinion with respect to the constitution of the Land Board?—I have not thought over that matter.

4. In your opinion, what is the best tenure for the general prosperity of the country, and also in the interests of the settlers—freehold or leasehold?—The freehold is, most decidedly. A person having a leasehold has not the same interest in the land as a person holding a freehold. The deferred-payment system and the occupation with right of purchase are very good systems. I would like, however, to draw attention to the residence conditions. In the north, on this poor land, a poor man cannot make enough from the land itself to support himself and his family whilst he is improving it.

5. But if there were no residence conditions would not that tend to bring about what is called dummyism?—I think there should be a certain amount of improvements insisted on, and in such cases I do not think the residence conditions should be strictly enforced. If the land was really first-class land and you could cultivate it, it would be different; but in the case of my two sections, for instance, there is hardly an acre of land that you can cultivate. There is no land that you can plough and cultivate, and there are many other settlers who are in a similar position to myself.

6. In our travels throughout the northern part of the colony we have noticed a great deal of unoccupied land, some freehold and some Native land. Is that a drawback to the district?—I think that compelling a person to reside on some of these poor sections is almost equal to starving him, because he must go out to earn his living while he is improving the land.

7. Have you had much experience in grazing this poor land?—Yes; twenty years' experience.

8. What do you do?—The only thing to do is to burn off and surface-sow. Some of the land will not hold English grasses, and in such cases it nearly all goes back to danthonia.

9. What is your opinion of danthonia as a feeding grass?—I am not very much in favour of it, I was in favour of it at first, but I am not now. During the dry summer season it is almost useless. It is useful in the case of land subject to tea-tree and fern, because you can burn the tea-tree and fern off and the danthonia will come up again, but I would not advise any one who has land that will hold English grasses to sow danthonia.

10. What stock do you keep on the 1,700 acres?—About five hundred sheep and forty head of cattle.

11. You have about 600 acres of freehold?—Yes.

12. What is the rest of your land?—I have 460 acres of private leasehold land.

13. Then, you have about 2,000 acres altogether?—Yes.

14. Is the freehold land all under grass?—No.

15. Is it capable of grassing?—There is about 200 acres of bush on it.

16. What grasses have you sown on the freehold?—Cocksfoot, rye, crested dogstail, fescue of different kinds, and the only kind remaining is Waipu brown-top.

17. Have the English grasses died out?—Yes.

18. Have you sown danthonia?—No. It is just like a meadow in the summer, and the sheep and cattle carry it about on their wool and legs and in their droppings.

19. You do not consider it a good grass?—It is only good for clearing land. It is very fair feed during the winter and early spring, but it does not compare favourably with English grasses if they will hold.

20. Can you get rid of the danthonia?—No.

21. Do you succeed in making a living off your farm?—We just get a living.

22. What area ought a man to have to be able to make a living without having to go outside?—In the case of some of this land 5,000 acres would not keep a man and his family unless he worked outside. I think that when a man has taken up some of this poor land and he has put improvements on the land the Government ought to give him a clear title to it. It really is not worth anything, comparatively speaking.

23. But on the 1,700 acres you succeed in making a living?—It is, perhaps, a little better than the general run of the land around here.

24. Will the whole of the 1,700 acres take danthonia?—Most of it will. The land will not carry the same amount of stock under danthonia as under English grasses. If my land would carry English grasses I would have more stock on it than I have now.

25. *Mr. Forbes.*] Do you know the conditions of the lease in perpetuity? What are your objections to that form of tenure?—I do not think a man has the same interest in his land as under the freehold, or as if he had the right of purchase.

26. But he has it for 999 years. Is not that practically a freehold?—Yes; but you have always to pay rent, and our taxes and rates are heavy enough, without having to pay the rent in addition.

27. You think that if a man has a freehold he will be able to do better?—He has more interest in the land.

28. You have no objection to the length of the term of the lease in perpetuity?—The term is long enough, but I think it should be left open to the tenant to convert it into a freehold. I think that a person should have the right of taking up land under deferred payment, option with right of purchase, lease in perpetuity, or cash.

29. What has struck us in going through the district has been the small amount of improvements done on much of the land in the district. It would appear that the greatest thing the settler wants is capital to make improvements?—Yes.

30. Would it not be better for them to put their money into the land rather than try to buy it?—I have seen people put their money into the land and hardly get any return from it.

31. Do you not think it would be better if the State let out the land on leasehold, so that a man could put his money into clearing it and making the land reproductive?—I have not thought over that question. I am in favour of the freehold.

32. Personally, that is your feeling; but does it not strike you that what is wanted in this district to make the land reproductive is capital, and in the case of the leasehold a man would have his capital to clear the land and make it reproductive?—Yes; but I have seen many a man come to this district, spend his money on freehold land and in trying to improve it, and he has had to go away without a penny, because the land would not return interest on his money, and sometimes he has not been able to sell it afterwards.

33. Are there many men holding leaseholds about here?—There are several that I know of, and there are a good many in the inland districts. I may say that one of the best systems we have had here was the homestead system.

34. Was that a success?—I think so.

35. Did the men who took up homestead sections remain on the land, or have they sold out?—Some of them have remained on the land, and some of them have sold out.

36. Do you think they did good to this part of the country?—Nearly all the land the Commission came through from Kaitaia was taken up under the homestead system.

37. We have heard that danthonia is going to be the salvation of the north: You seem to have a different opinion of it. Has it ever been thoroughly experimented with?—During a part of the year it is good, but when it comes to the seeding season the sheep will die off amongst it with the grass up to their knees. The grass then becomes just like a dry thread.

38. There is no nourishment in it, then, at that time?—That is so; but on the other hand, it will take possession of light soils in a very little time.

39. Then, you do not think it is altogether an unmixed blessing?—It will spread on land that you cannot plough, and it is the only thing that will assist in clearing some of the land. You may burn off the tea-tree and fern and it will do well. But if English grasses will hold on any land I say keep danthonia away.

40. *Mr. Matheson.*] Have you tried paspalum on your land?—We have been trying it a little lately, but I am not in favour of it.

41. Have you sown in on the hills?—Yes, I have sown it in numbers of places.

42. How long is it since you first tried some of it on the hills?—About four years.

43. Will it hold its own against danthonia?—Yes, the sheep will not allow it to go to seed. You will sometimes find a little paspalum in the middle of a patch of danthonia, and the sheep have eaten almost into the roots of the paspalum, and they have left the danthonia untouched.

44. Do you think the homestead system is the best to adopt to settle this poor land?—Yes, land that is worth taking up at all; but there is some of the land that is not worth taking up under any circumstances.

45. But, in the case of land that can be profitably occupied, do you think it is one of the best systems?—Yes.

46. Do you think the lease with the right of purchase is also good?—Yes.

47. *Mr. McCardle.*] You think it is good for the country to adopt a system that will bring about a profitable settlement of the land?—Most decidedly, and anything that will help the settlers.

48. If the country is to be prosperous the land must be profitably occupied?—Yes.

49. The land produces all the wealth that exists in the country, does it not?—I suppose it does. There is much land about here that you can get nothing from.

50. In that case would it not be the best thing to abandon that land. We are anxious to know from you whether this land is worth settlement, and under what conditions it can be made profitable to the country?—There is land being surveyed now that is not worth paying taxes upon.

51. Have you got any land here at all that is fit to settle on?—There are areas inland that are suitable.

52. In what way do you think that land should be settled?—I think under the homestead system, or by giving the settlers a chance of acquiring the freehold.

53. You think that, if a man came here and took up a leasehold section and could make nothing out of it, he would leave it?—Yes.

54. If he had a freehold do you think he would continue to hold it?—No; he would try to get rid of it if he saw he could make nothing out of it.

55. I saw some land that seemed to me to be suitable for settlement?—In some of the valleys there is some land that is good.

56. Do you not think that by draining some of the land you could get rid of its sourness and render it suitable for settlement?—There is a lot of land that could be made profitable if it were drained.

57. Do you think it is a good thing in the interests of the country to find cheap money for settlers. Is it not cheap money that brings about the settlement of the poor country?—I think that system is an advantage to a man, if his land is worth improving, that he should be able to get a little money at a low rate of interest.

58. *Mr. McCutchan.*] With reference to the residence conditions, do you think they act prejudicially to the settler's interest?—I think, when the conditions involve compulsory residence, they do not allow a man to earn a little extra money to help him along.

59. But is there not a period of years during which there is exemption from residence?—Yes. The objection I have to it is chiefly this: that in many cases it makes it extremely difficult to educate the children, and a man may not have the means to give a private education to his children. For instance, I have had to apply to the Board two or three times to allow my family to reside away from the section for the purpose of the children being educated.

60. If residence conditions were not enforced how would you check dummyism?—By limiting the area of land taken up.

61. But the limitation of the area will not do away with dummyism unless the residence conditions are enforced, because a man may be holding land for an absentee?—I think the Board should have the power, under certain conditions, of allowing a man to reside off his section.

62. How long did you find the English grasses last before danthonia took their place?—In one case it was only about three years before they began to disappear and the danthonia began to appear. Up to six or seven years you will probably find a little cocksfoot in it.

63. Did you find crested dogstail go out too?—Yes; the only grass that we found stood on the improved land was twitch-grass and Waipu brown-top and a kind of fescue, which is a spreading grass, and I think it will hold. It is very good for sheep, but I do not think it is good for large stock.

64. You said that danthonia, when it gets old, loses its nutritive value, and that sheep will die on it?—Yes.

65. You said that the grass went to seed. Do you not think that was the cause of the death of your sheep?—No.

66. Is it not the case that English grasses, if allowed to seed, will sometimes kill sheep if they are allowed to grow long—cocksfoot, for instance?—I do not know.

67. You advocated the reintroduction of the deferred-payment system. Is it not a great disadvantage, the 25 per cent. increase on the capital value?—I think it should be left open, so that a person may take up the land under that tenure if he wishes to do so. The occupation with right of purchase I really consider the best. It allows a man to take up the land and use his capital to the best advantage, and ultimately purchase the land.

68. *Mr. Paul.*] Have you had any experience of the land-for-settlements system?—No; only of the deferred-payment system and the occupation with right of purchase.

69. None of the land-for-settlements lands have come under your notice?—No.

70. In giving your opinion as to the best tenure you are not including them?—No, because I do not understand them.

71. Do you think that land that will not support a man decently is a good investment?—No. I think, if a man cannot get sufficient land to make his living upon it, it is better that he should leave it alone.

72. Do you think that the land in this district is suitable for any sort of settlement?—I am very positive a lot of it is not suitable.

73. There are several timber reserves between Mangonui and Kaitaia. Do you think they should be thrown open for settlement?—I cannot say.

74. Do you approve of selling land straight out for cash?—I think it should be left open.

75. Do you think there should be any limitation of area?—If it is good land, and a man is buying it simply for speculation, I think there should be a limitation of area.

76. Is there much land in this district held by absentees?—I think there is a good deal. A lot of it is of very little use.

77. Do you not think rating on the unimproved value would be an improvement, and perhaps alter that state of things to some extent?—I am opposed to rating on the unimproved value.

78. You think that as a man improves his holding his rates should increase?—I am not in favour of that altogether. It is only taxing a man's improvements.

79. Is the absentee land a drawback to the district?—If it is good land I should say it is. Otherwise, I do not know that it is.

80. Do you think it would be better if the district were as closely settled as possible?—Provided that the land is suitable for people to settle on it.

81. Can it be in the interests of the district that land should be held by absentees?—Is it not in the interests of the district.

82. Would it not be fair to compel the owners of that land to pay a proportion of the rates?—They should be compelled to pay rates if those people are holding land that might be profitably occupied by some one.

83. You have a private lease of 464 acres?—Yes.

84. What is the length of your lease?—It is a yearly lease.

85. Is that satisfactory to you?—It is merely a homestead for the family whilst the children are going to school.

86. Do you use the land for grazing?—Only for growing a few oats.
87. Have you improved it at all?—I have put up buildings and done some fencing, and I also cultivate it. A lot of it is really not worth improving.
88. Would you get valuation for your improvements if you went out?—No.
89. Is that tenure satisfactory?—No; but I have taken it up because it enables me to get my children educated. It is not Government land, and I can purchase it any moment I like.
90. Then, it is not a year-to-year lease?—I can purchase the land if I wish.
91. Is there any period of time set down in the lease?—I do not know that there is.
92. You favour the homestead system: do you think the homestead settler should contribute anything towards roads and bridges, or do you think the State should give the land and make the roads and bridges out of the consolidated revenue?—They are rated, are they not.
93. Is there any dummyism being practised in this neighbourhood?—Not that I am aware of.
94. Are there no areas being selected for the timber on them?—There may be, but I am not aware of any.
95. Has the Land Board harshly enforced residence in any case that has come under your notice?—I do not think so.
96. Then, the Land Board has dealt with these conditions as a sensible body of men?—I cannot speak for every one.
97. But so far as your experience goes?—I am satisfied.
98. Has the Ranger been harassing the settlers or doing anything that makes them feel aggrieved?—Not that I am aware of.
99. *Mr. Anstey.*] What are the residence conditions that you complain of? Is a man compelled to reside continuously on his section—must he sleep every night on it?—I am opposed to the residence conditions for the reasons I have given and in such cases as I have mentioned.
100. Do the residence conditions prevent a man going out to a day's work or stopping away for a week or a month?—They compel you to reside on the land.

JOSEPH FOSTER examined.

101. *The Chairman.*] What are you?—I am a settler, and hold about 640 acres of freehold land in the Mongonui County. I have been here nearly all my life. The greater part of my land is cleared. Part is in grass and part is covered with tea-tree and rushes. I run sheep and cattle on it. A portion of it is ploughable. We cultivate produce for our own use. It is freehold land, and was purchased for cash from a private person.
102. Have you had any experience of danthonia?—My experience is that it is a very poor grass.
103. What grasses have you on your place?—It is nearly all *Poa brownii*.
104. Have you ever tried cocksfoot?—Yes, a little bit now and then.
105. Does it do well?—It does well on low land but not on hills.
106. *Mr. Anstey.*] Is your land all in grass?—No, some of it is under tea-tree and rushes.
107. Is the tea-tree more on the hilly land?—Yes.
108. Could you not grass it down with danthonia or something else, and make it more profitable than tea-tree?—I could if I were a millionaire.
109. You think it would not be profitable to do that?—I am sure it would not.
110. You think it better to leave it run into tea-tree than sow down with danthonia?—You might burn the tea-tree off. There is no use talking about improving that land. I know one man here, and he has been told that he must reside on his land and improve it. I took a member of Parliament one day to see it, and said to him, "How can you improve that land?" and he replied, "I do not know;" and I said, "Nor more do I."
111. Then, it is better to leave it alone than try to improve it?—It is better to leave it as it is than to plough it and make it a brickyard.
112. How many sheep do you keep on your place?—About three hundred.
113. Do you think you would keep less if you grassed the land?—If you could get grass to grow you could keep more sheep on it.
114. What is your idea in regard to the tenure of the land?—I go for freehold straight.
115. Do you think the leasehold would be suitable for settlement?—I am not in favour of landlordism.
116. *Mr. Forbes.*] Is all the land around here of about the same quality?—No.
117. You do not think danthonia is going to be the salvation of the land here?—I would like some of the members of the Commission to try some of this land.
118. Do you find that stock will not eat danthonia?—They are not fond of it.
119. Sheep do not seem to take to it if they can find any other feed?—That is so. Danthonia will fill but it will not fatten.
120. Has this land gone up in value?—No. I think it should go down in value, as far as the Government is concerned.
121. How long have you had your place?—About seven years.
122. Is the land less in value than it was when you took it up?—The land remains very much the same as it did when I took it up.
123. If a man wanted to sell out, would he get any advance in price for his land?—I am afraid if I wanted to sell out I would not get what I have expended on the land with all my improvements.
124. *Mr. Matheson.*] Do you think the State would be wise to encourage more settlers to come here?—I think the settlers already here should have the first option.
125. Do you think the State would be wise to encourage more people to come here to settle?—I think they should have the option of doing so if they wished. The more people that settle on the land here the better.

126. What do you think is the best way to encourage them to come?—I could not say.

127. *Mr. McCardle.*] Do you think it would induce people to come if the Government were to give them the land on the homestead system, on condition that they spend so-much money in improving the land?—Yes.

128. Would you give them this poor land on the same conditions?—Yes, so long as it is rateable.

129. Do you think the Government would be honest in inducing people to come on those conditions?—A man would come and see the piece of land before he purchased it, or he would be a fool.

130. But numbers of people have gone on land without seeing it?—I would simply burn the scrub off and let cattle run on it.

131. Do you cultivate some of your land?—Yes.

132. Have you much you can plough?—About 20 acres, I should think.

133. Do the rushes come up at all after it has been grassed in course of time?—Sometimes they do.

134. Do you not think it would be better to drain that land?—It is drained.

135. And still the rushes come up?—Yes, a little.

136. Is that an indication that more draining is wanted?—The difficulty here is in getting the tiles.

137. But on this stiff clay ground you could drain without tiles?—You must be a smart man if you could do that.

138. I will show you that it can be done after this sitting. Have you any experience of advances to settlers?—No. They have advanced me no money.

139. Do they advance to anybody?—I do not inquire into my neighbours' affairs.

140. You do not watch the trend of politics?—No.

141. *Mr. McCutchan.*] We have heard a good deal of conflicting evidence as to the merits of danthonia. We had evidence this morning that sheep fatten on it, and we have heard also that sheep die on it. Do your sheep die on it?—No. On the run, if they do not like the danthonia they can leave it. My three hundred sheep run all over the country.

142. Are they grazing solely on your own ground?—Yes.

143. Is your place ring-fenced?—Hardly a settler in the north is ring-fenced.

144. Do your sheep die sometimes?—Yes; sometimes.

145. Do you think it is the danthonia that has killed them?—Certainly not. I believe if they were fenced in they would die.

146. Is the place subdivided at all?—Yes. The cattle and sheep run together here and there.

147. Have you got fat sheep?—Yes.

148. Have you any trouble in rearing the hoggets?—We had some time ago, but we introduced romney into the breed, and it seems to be successful.

149. Is it your experience that sheep will leave danthonia and go to other feed?—Yes.

150. *Mr. Paul.*] What did this land cost you per acre?—I gave £270 for 414 acres, and I gave £80 for another 200 acres.

151. How does that compare with the Government valuation of adjoining land?—The adjoining land was sold at 7s. 6d. an acre.

152. Was your land improved when you got it?—Yes.

153. Then, you could hardly compare the land you bought with the land the Government offered for sale?—What the Government offered for sale alongside my allotment was hill country. There was only just a good patch here and there alongside the creek.

154. Do you think it would be better, in the interests of settlement, if a man were prevented from holding large areas, and if settlement were pushed on on the good land and the poor hill country allowed to lie idle?—I think it would be for the benefit of the colony. There is plenty of good bush land, I am told, lying idle and of no use to any one. I have heard there were about half a dozen settlers who went on to Fairburn about eighteen months ago to take up land, and after loitering about there for about six months they could not get it.

155. Were they looking for Crown lands?—Yes.

156. Is there any land owned by absentees in this district?—Very little.

157. Is there more further away?—I do not know.

158. Do you think, in regard to this inferior land, the Government should give a settler a bonus to go on it as well as give him the land?—All the good ground has been picked out of the land that I am talking about, and I think if the Government would sell it for its real value the settlers would take it up and run cattle upon it, and the county would be able to rate it at a fair value. That would increase the rates to a certain extent.

159. Do you think the district would ever be prosperous under conditions like that if the Government opened the land and let cattle run over it?—Do you not think it would be better than leaving it as it is.

160. Could the district be settled without fencing being done?—Some of the ground would not pay for posts and wire.

161. Would it not, then, be just as well in its natural state if it carries timber?—The ground I am speaking of does not carry timber. It is simply waste land.

162. Then, it is a mistake to put settlers upon it?—You could not do so.

JOSEPH EDWIN SHAVER examined.

163. *The Chairman.*] What are you?—I am a settler holding 165 acres under lease in perpetuity. I have been holding the land about nine years. It is about twelve miles away from here.

164. What rent do you pay?—5s. is the capital value. It is nearly all swamp land.

165. What do you do with the land?—I started to run some stock on it, but got rid of them when I went away to work elsewhere. I work for farmers—bushfelling and so on.

166. Do you go in for gum-digging?—Sometimes, but not much.

167. Is there much gum in your locality?—Just a little away from where I live is all gum land.

168. Are there many people digging for gum in your vicinity?—Yes, in the summer-time.

169. What sort of average wage would they get out of it?—This summer the average man has made very little over his tucker.

170. Then, a married man could not support a family at all?—I fancy the storekeepers could give you a good idea about that. I think the storekeepers have kept a good many of them. They get into debt with the storekeeper and then clear out.

171. That seems very bad business for the storekeeper?—They do get crippled over it. I would like to say that there are a few odd gum-diggers here and there who have made up to 9s. a day last summer.

172. Is the yield per man getting less and less every year?—Yes; they have to dig deeper and take inferior gum than they took years ago.

173. *Mr. Anstey.*] Your section, I suppose, is poor land?—That is a question I find it rather hard to answer, as I have not got it drained properly. I am of opinion that when it is drained it will be very good land.

174. It is capable of much improvement?—Yes, it requires getting into order; but I cannot go ahead with it very fast.

175. You are improving it somewhat?—Oh, yes.

176. What would you suggest as the best way of settling men like yourself to bring that land into profitable production?—If it were possible for the Government to offer any kind of labour, so that the settlers could go and earn money for their improvements, it would be a good thing. And these loans to settlers would be a good thing.

177. When you have the land fully improved and grassed, is there enough for you to make a fair living?—Yes.

178. What could you grow?—If it was cleared you could grow anything you liked, pretty well.

179. Oats, wheat, and maize?—I do not know about wheat, but you could grow anything else.

180. Could you fatten pigs?—Yes.

181. Is there a market for them?—There is a market for them at a price, I suppose.

182. Is your holding all swamp land?—I took no hill country. About forty acres of it is on the foreshore. It is a black, loamy sort of land.

183. Are you satisfied with the lease in perpetuity?—No.

184. What is the matter with it?—So far as I can see, it will be revalued in a few years, and I shall have to pay a higher rent for my land in about fifteen or twenty years.

185. Is that in your lease?—Yes.

186. Have you read the lease?—Part of it.

187. Which is the clause which says it is to be revalued?—I cannot remember now.

188. If you were satisfied that there was to be no revaluation for 999 years, do you think it would be a satisfactory lease?—I do not know. If I were sure there was to be a revaluation I should have no fault to find, because I look on it differently from most people. Some people reckon if they owned the land they would be better off, but I do not see that.

189. Do you think your rent is likely to cripple you at any time?—No.

190. We are told there are certain lands that pay no rates?—That is absentee land, I believe.

191. Is it freehold?—I believe it first came to them from the Maoris—that is, the land near my place.

192. Where is the owner living?—I could not tell you.

193. Does it pay any rates at all?—I am not aware that there are any rates on that land.

194. Do you think absentees ought to be made to pay rates?—Decidedly. Why should the people alongside of them and who improve their land be made to pay.

195. You do not think the more you improve your land the more rates you should have to pay?—Yes; of course it is right you should pay more rates as the value increases.

196. Do you think the man who does not improve his land should pay an increased rate?—Yes; because he has got his land as a speculation.

197. Do you think the county ought to introduce the system of rating on unimproved values?—Yes.

198. *Mr. Forbes.*] Is it true that the land round about here is such that very little can be done to it in the way of improvements?—Yes; there is a good deal of land that is really valueless, but there is other land lying idle which, if taken up and well drained, would be very good land. A good deal of it would carry hundreds of cattle where it is not carrying any sheep now.

199. Is there much swamp land of a similar quality to your own?—Yes; but at present it is within the gum-reserve area, and it is not allowed to be taken up.

200. Are there many men employed about there getting gum?—Yes, hundreds, I suppose.

201. Any Austrians?—Yes, there are always Austrians where there is gum.

202. Would they make good settlers?—Yes, in some other country.

203. You do not believe in them for this country?—No.

204. Do they not make good farmers?—They are a class of people I do not care about mixing with. I am speaking of them in the mob. One or two of them might make good settlers.

205. *Mr. Matheson.*] Where is your land?—My land goes down to the shore at Doubtless Bay.

206. Are you anywhere near Lake Ohia?—I am further north, at the end of the bush.

207. Are there any Austrians near you who have taken up land?—No.

208. Do you think some of that swamp land near you could be profitably settled?—Yes.

209. Can you suggest any new way of inducing people to go there?—The only way would be to throw it open for selection. I believe that people have wanted to take it up—perhaps on account of the gum.

210. Is there gum there?—There is some gum at the back of my place.

211. Do you think if that land were offered under lease in perpetuity it would be taken up as readily as under lease with the right of purchase?—I could not say.

212. *Mr. McCutchan.*] How long have you been away from your land?—I have lived upon it very little. I would not be there more than a couple of weeks at a time. I have put up a house, and am making improvements.

213. How long is it since you took it up?—Nine or ten years.

214. Have the Land Board harassed you with regard to residence conditions?—No; the Ranger knew of my going away, and he assured me that the Board would not harass me with regard to residence.

215. *Mr. Paul.*] Is there much land in the district held for the sake of the gum?—When a man takes up land you cannot tell what he holds it for. There is some land which I think is taken up entirely for the gum.

216. Is there any land held for the timber alone?—I do not know. I am not in a timber district.

217. *Mr. Anstey.*] What is the general rate of wage you get for farm-labouring here?—It runs from about 10s. to £1. Sometimes £1 5s. is paid, but that would be for special work, such as driving a team. I think the average wage would be 12s. or 15s., with board.

218. *Mr. Forbes.*] Is the work mostly contract-work or weekly wage?—Mostly weekly wage.

WILLIAM JOHN HARRIS examined.

219. *The Chairman.*] What are you?—I am a County Clerk. I have been twenty-five years in that position. I have other work outside that.

220. Your Chairman told us yesterday that your income was from £1,500 to £1,700 a year for the whole county, and that out of that you have to do what you can to keep your roads in repair?—Yes, and all working-expenses.

221. He said you could not accomplish anything like what was required out of that?—No.

222. Your revenue is sometimes augmented by grants from the Government?—Yes.

223. We were told that these grants are very unreliable?—It depends on the amount of money the Government have at their disposal.

224. We were further told that money is sometimes voted and not expended?—Well, we have a good member, and he takes care that there is no humbugging of that kind.

225. Would it not be better that it should be fixed by law what money should come out of consolidated revenue towards roading the country?—If the Government advanced a certain sum per annum we could always depend upon getting a certain amount of work done; but often we get our grants just as the winter is coming on, and then, of course, the cost of carrying out the work is nearly doubled.

226. Do not the Government sometimes do the work independently of the County Council?—Yes, the Roads Department do that.

227. *Mr. Anstey.*] What is the number of ratepayers in the district?—We have a roll, but I have never counted them up.

228. Do you know the number of dwellings?—I could not say.

229. Are there twice as many ratepayers as there are dwellings?—Three times as many. More than half the ratepayers are absentees. The bulk of them are 40-acre men, who do not reside, though most of them pay rates.

230. Has there ever been a proposal to introduce the system of rating on unimproved value in this county?—Yes, but it fell through. The people were not in favour of it, but I think they are working round to it now.

231. Do you think it would be a wise thing?—Yes.

232. Would your annual revenue suffer?—No; because we could keep on raising the rates to make it equal.

233. I understood you to say the Government grants were always spent. We had evidence yesterday to the effect that a grant of £200 was not spent?—That might happen occasionally. I was speaking generally.

234. Why was that £200 not spent?—I could not tell you.

235. Has your member not been as smart as usual in seeing that it was expended?—Yes; but you cannot account for some things the Government do.

236. Do you think it a wise thing for a local body to depend on these grants?—No; but, unfortunately, we cannot do without them.

237. Do you think it would be wise to double the subsidy and do away with the grants?—Double the subsidy would not be sufficient.

238. Suppose they made it three or four times as large?—Yes; if they made the amount up in some way it would be all right.

239. Would it not be better to have an assured finance?—Yes; we should know what we were doing then.

240. Would the ratepayers be willing to pay increased rates if they could get larger subsidies?—Yes.

241. What is your rate now?—1½d.

242. *Mr. Forbes.*] In the case of sections abandoned, what do you do in the matter of rates?—Summonses are issued, and, as time goes on, the sections are sold, but it is a very slow process. We



have numbers of sections unsold and in the Court now for sale for the rates, but it takes years to get them through. The matter has to lie in the hands of the Public Trustee for some years.

243. *Mr. Matheson.*] What have your grants averaged for the last ten years?—They have averaged fully £700.

244. Are there any loans for which special rates are levied?—No.

245. Are you aware that some counties have borrowed as much as £40,000 in order to make roads in their districts?—I know they have borrowed large sums.

246. Do you think in such cases it would be right for the Government to pay half the interest on the special loans so raised, seeing that the roads are being made for all time?—Yes, it would help us to keep the roads in repair.

247. *Mr. McCutchan.*] By whom are the Government grants spent?—A portion by the county and a portion by the Roads Department.

248. Do you think that dual control is a good thing?—I think the county is better able to do the work than the Roads Department, and we could do it more economically.

249. Why?—The Roads Department have a number of officials to pay. I think it would be better if the county took over the entire expenditure.

250. Is there any other reason except the numerous staff?—No, that is the chief reason.

251. Is any of your work done by contract?—Yes, nearly all contract.

252. Can you say how the subsidies are regulated by the Government?—They give a subsidy of 10s. in the pound on the rates.

253. Is it always 10s., no matter what the rates may be? Is the subsidy decreased after a certain amount of rates is collected?—I think so, but I cannot say positively.

254. Do you levy a general rate and a separate rate?—A general rate until this year, when we levied a separate rate for hospital purposes.

255. Do you levy a separate rate for by-roads?—No.

256. Do you keep road accounts?—Yes, so far as the Government grants are concerned.

257. But not in connection with the rates you levy?—No.

258. How do you do justice to the different localities when the applications come in for money to be expended on any particular road?—If the county has the funds the road is repaired.

259. In that way might not rates be collected over a period of years from settlers in a particular locality, and when they made application there would be no funds available?—That might happen, but they would get it eventually.

260. Do you not think it would be better to keep road accounts so that each road would get strict justice?—I think it would mean endless labour.

261. *Mr. Paul.*] Do you own any land?—Yes, about 1,000 acres.

262. On what tenure?—Nearly all freehold.

263. What do you consider is the best form of tenure?—The freehold.

264. Have you had any experience of work done by co-operative labour?—No. The small amount of day-labour we employ is unsatisfactory.

265. It has been represented to us that the Government could do roadwork more economically than the County Council, because, speaking generally, they had better plant?—The county could beat the Government at roadwork about here.

266. Has the valuation increased in this county?—Yes, something like £20,000.

267. Is the rating on the improved value?—Yes.

268. Has the unimproved value increased?—In some instances it has, but not as a general rule. The improvements are the chief value here. Some of the land is not worth 1s. an acre.

269. Have the values improved to such an extent that a man might, if he sold now, get back what he had put into the land?—No.

270. Is it not a mistake to take up such land?—Not in some cases. We have good land as well as bad. Of course, we have more bad than good.

271. If that is so, do you not think it would be better to leave that land alone and confine your energies to better land?—The settlers get good and bad land, and between the two manage to make a living.

272. Have you had any experience of the land-for-settlements policy in the South?—No.

273. You could not say how that policy is working out?—No.

274. You could not express an opinion as to the best method of settling that land?—No.

ROBERT MORROW HOUSTON examined.

275. *The Chairman.*] What are you?—I am a storekeeper, also member of the House of Representatives for this district. I have been here for about thirty years.

276. Do you carry on any farming?—No.

277. We have had a great deal of evidence about the land in this district, the difficulties of roading, the difficulties of grassing, and, in fact, of actual living, and we have ascertained that the people rely very much upon gum-digging and the timber industry, and that the cultivation of the land is a very secondary consideration indeed, the land not being at all responsive to cultivation. You, from your long residence and constant intercourse with the settlers, will probably be able to tell us something about the district which we have not already heard. I should therefore like you to make your own statement about the district generally—how it is getting on, and so forth—and the Commission would be pleased if you could place before them any suggestion which would tend to its improvement?—Do you wish me to keep within the order of reference as set out in the Commission, because I was listening to the last witness, and I could not see that any of the questions put to him were within the order of reference.

278. First, I should like you to give your opinion as to the constitution of Land Boards?—I am in favour of allowing them to remain as they are, but I think that certain powers should be given to the County Council, who should act as an advisory body along with the Land Board in

those particular districts over which the County Council has jurisdiction. I consider the County Councils would be in a better position to inform the Land Board, when a block of land is to be opened, as to the quality of the land and the prices that should be placed upon it. At present it is the surveyors in the different districts who are generally called upon to value the land, and in most cases the surveyors are not competent to value land. Often their valuation is far in excess of the value that should be placed on the land, and the result is that the country is not taken up, whereas it would be readily taken up at reasonable prices. There are many considerations other than the mere nature of the soil to be taken into account when valuing. There are surrounding circumstances, such as its proximity to markets, and means of access, and so on, in connection with which the surveyor is not competent to give an opinion, and I do not think he should be asked to give an opinion. Of course, a surveyor who has travelled from the North Cape to the Bluff, and has seen the different qualities of the lands and knows the markets in the other parts of the colony, might be more competent to give an opinion; but, as a rule, his duties confine him to a particular district. I would therefore suggest that, in conjunction with the Land Boards as at present constituted, the County Councils should act as an advisory body and assist the Land Board in local matters, and the Bay of Islands electorate should have a representative on the Land Board.

279. Then, you would suggest that the land should be all classified in the different districts with the aid of the County Councils?—Yes, something of that kind.

280. Of course, it would lead to great delay if the Board had to refer to the County Council before placing a value on land to be opened, because the Boards have their meetings at divers times, and if they had to refer matters constantly to the County Councils it would be rather tedious?—It would be only when a block of land was to be opened up. The County Council should then be asked its opinion.

281. You would limit it to that?—Yes.

282. Then, with regard to tenure. There is great diversity of opinion as between the freeholder and the leaseholder. What is your opinion?—Within the last half-hour I have returned from a tour round the southern portion of this electorate, and I can say, without exception, the electors are entirely in favour of the freehold, as I am myself. I have advocated an additional tenure—that is, the homestead tenure—and if a person wishes to acquire a small portion of land as a freehold he should have the opportunity of doing so. With regard to the present tenures, the occupation with right of purchase and the 999-years lease, I would give the holder of a 999-years' lease the opportunity of converting it into a freehold after he has resided for ten years, on paying the 1-per-cent. difference between his tenure and the occupation-with-right-of-purchase system. That is to say, I would allow anyone an opportunity of either remaining a leaseholder or ultimately becoming a freeholder.

283. Would you apply that to the great estates purchased in the South?—No, I would not. We have nothing of that kind in the North, or, rather, there was one estate purchased in the North, which I do not think is going to be a success. I would not apply it to the estates acquired under the Land for Settlements Act.

284. You would keep them as they are?—Yes.

285. Closely allied with this is the manner of disposing of the land?—I am entirely opposed to the ballot. I think it is a disgrace to a country to have such a gambling system of dealing with the Crown lands. Under the homestead system, when a block of land is opened the person went out and examined the block, and when he made application the hour and the day and the month was taken down, and he was in possession of the land when he paid his survey fees. He could not get an absolute title until he had resided on the land five years and had done certain improvements. I consider that is one of the best systems we have had, and the settlers under it in this electorate are the most prosperous settlers, and they have had the least assistance from the Government.

286. With regard to those estates which are purchased at a great cost to the State, how would you settle the matter there as between the rival applications, because there might be ten applications for every section that is available?—I admit there is a difficulty in dealing with that question. I was speaking entirely of Crown lands. I admit there must be a considerable amount of difficulty, but even the auction system with all its evils I prefer to the ballot.

287. I suppose there is no aggregation of large estates in this district?—No, there has been nothing of the kind. The great majority of the people who take up land in the north do so for settlement purposes.

288. We have had some evidence about the residential conditions pressing hardly on people in the back blocks. The country is very poor, and the parties taking it up really require to supplement their income by working away from their land, and it has been urged that a rigid enforcement of the conditions as to residence would prevent people from taking up land at all. There is also the difficulty of educating the children. We have had very strong evidence in favour of relaxing the residential conditions. I think they should be relaxed. They are too stringent at the present time. I think those conditions depend upon the administration. We have had a Land Board in the past carrying out the strict letter of the law to an extent which is an absurdity. It appeared to me at one time that the Land Board of Auckland was merely a medium for extracting money out of the people for the Government coffers. However, I am glad to say a change is coming over the scene, and I feel satisfied it is about to be managed in a businesslike way. I think the regulations are too stringent altogether. If a man wants to enlarge his holding he cannot do it if a small section intervenes, which is an absurdity. If a man proves himself to be a *bona fide* settler and wishes to enlarge his holding, I consider, even if the extra land he wants is half a mile away from his present holding, he should be allowed to take it, but under the present conditions he is not allowed to do so. Then, again, there are people engaged in business who wish to settle on the

land, but they are not in a position to give up their situations and go at once. Their families are growing up and they wish to educate them, and in many cases they would take up land and make double improvements, so that as time went on and the children were able to assist their parents they could go and settle on the land. They are prevented now from doing that. It could be ascertained whether the people were genuine. I believe in the principle of the Act of 1892—that is, settlement *versus* speculation. If a person shows he is determined to make a home for himself and children in the future I think he should be allowed to do so. It could easily be proved whether his was a *bona fide* case or not.

289. They would require discretionary power?—Yes; but when you give the Board discretionary power they will not use it. I know the Land Board in Auckland in the past never used their discretionary power at all, but I believe it will be exercised now. That refusal to exercise their power has been the cause of a great deal of grumbling in this electorate, and I believe many people have been converted from leaseholders into freeholders owing to that and nothing else.

290. Although the law admits of discretionary power within certain limits at present, do not the Board in exercising discretionary power frequently ignore the law in doing so?—I think it is better to obey the dictates of common-sense than even the law, especially in the administration of such an important subject as the land laws of the colony. It is not laid down by law that Magistrates shall exercise discretionary power, but yet they always do so, and I think the same principle should apply with the Commissioner of Crown Lands and the Land Board.

291. We have been told that there are several blocks of land that would be very suitable for settlement if opened up, but that they have not been opened up because there happens to be valuable timber on them: do you think that is another matter which should be left to the discretion of the Land Board?—I have peculiar ideas on that point. I say that a person who takes up a section of land after the land has been opened for selection is entitled to everything on that land. The Government declare that timber is land, and I cannot understand why the Government should take part of the land from him and only let him have the other part. I say the settler is entitled to the land and everything on that land, whether it is valuable timber or not. To me it is the height of absurdity that a person taking up a section of land in the back blocks should not be allowed the timber on his land. Even if he has to sell part of the timber he is allowed no more than sufficient to put up fencing, buildings, and improvements. As these are perishable articles which require to be renewed as time goes on, I hold he should have sufficient timber to renew them for all time—even for the term of his 999-years lease. If you put a value on the timber, if every stick of it is kauri, I say it is not too much to allow him to fulfill the duties of a settler for 999 years.

292. Suppose every stick of kauri is fine marketable timber, or timber which may some day be marketable, and is a crop which probably may have taken hundreds of years to mature, do you think it would be at all wise for the Land Board to allow a settler to ruthlessly cut down that timber merely to grow grass for a few cows?—The Land Board have been doing that up to the present. They allow the unfortunate settler to cut down and burn the timber, but they will not allow him to sell it and improve his section. That has been going on for some time until lately.

293. But do you think it wise to put it in the power of the settler to cut it at all: if it is such valuable timber would it not be better conserved for future years?—If a man takes up land for 999 years, I say that if every stick of timber on that land was kauri he would require it all before his lease expired, and then the right of renewal would come in.

294. According to the land laws and regulations a settler has to improve his land, which means cutting down the bush and putting in a crop of some sort. It is a matter of degree, of course, but I dare say the Land Board would not offer land for selection with valuable timber on it, but only land with perhaps a few kauri trees on it?—I feel satisfied of that myself; but, at the same time, I think as the Government declare that timber is land, a man who takes up a section is entitled to all on the land.

295. We have had evidence to the effect that some land has been taken up ostensibly for settlement, but really for the timber that is on it?—I say it is the fault of the Land Board if that is allowed to go on. It may be happening, but the Land Board should know through the Rangers whether it is going on. It is their duty to stop that sort of thing.

296. *Mr. Anstey.*] You said that the County Councils might assist the Land Board in their duties: do you think the Auckland District is too large to work with one Board? Would it be advisable to divide it into two or more parts?—No; I think the suggestion I have made would overcome that difficulty. If each local body acted as a sort of advisory Board, to assist the Land Board in matters in connection with land in their particular district, that would meet the case.

297. You think that would be better than having two Boards? Do you think the settlement conditions are the same north of Auckland as south of Auckland in the land district?—Probably they are to a certain extent. Perhaps the land is of better quality in south Auckland, but the terms of settlement would be the same.

298. Do you think it would be wise to have a larger Board and more representation from the different districts: at present the representation is practically centered round Auckland?—I do not think any person who is a town-dweller should be on the Land Board at all, because, in my opinion, the townspeople know nothing about land-settlement.

299. Would it be wise to have a larger Board?—Yes. This electorate has no representation on the Board whatever, and I think, at the very least, each electorate should have a representative on the Land Board.

300. Would that not make the Land Board too large and unwieldy?—I suppose you could apply to the Land Board the old adage, that “in the multitude of counsellors there is wisdom” You would get all the different districts represented.

301. Do you own any land?—Only 4½ acres, on which my store stands.

302. You said all the land here was taken up for settlement, and the County Clerk told us just before you came in that more than half the land was held by absentees: how do you reconcile the two statements?—They must have taken it up for settlement purposes, but they never went on it.

303. It was taken up as a speculation, then?—I do not say that exactly, because they have never been able to speculate with it. A good deal of the land was taken up in 40-acre sections under the free grants to parties who came out to the colony, and many of them never ventured to go and look at it.

304. If land is taken up and held by absentees, do you regard that as the settlement of the land?—Originally, it may have been the intention of the person taking it up to settle on it; but if he has left it unsettled for a number of years I say it should be taken from him.

305. Then, you mean to say this land that is held by absentees is not settling the country at all?—Certainly not.

306. In regard to kauri timber on the land, you said that if a man took up a 100-acre section, and it was all covered with kauri, he would require every stick of timber on it for the purpose of buildings and fencing and use on the land during the 999 years of his lease?—I should say he would. The 999-years lease is a long time. No wooden building would last that time, nor fences, nor culverts.

307. Do you think it would need all the timber growing on 100 acres of kauri forest to build a house and fences on that section?—I fancy it would. Perhaps the settler would have to build ninety houses in that time. If a house lasts a hundred years it is not worth much then.

308. How do you view the system of grants to local bodies?—Excuse me, you are getting out of your order of reference.

309. I do not think so?—Then, I have not read the order of reference correctly. I certainly must decline to answer anything outside the order of reference.

310. *Mr. Forbes.*] Do you believe in the lease in perpetuity?—Yes; it is a very good system. I believe in having it among the various land-tenures. I have no objection to it.

311. Another question in our order of reference is the working of the Advances to Settlers Act: do you know anything about that, or can you suggest any improvement in its methods?—If no alteration is to be made in the land-tenures I think there should be an alteration of the Act, but if the alterations I suggest are made in the land-tenures I do not think an amendment of the Advances to Settlers Act will be required.

312. Do you think the present principle of advancing up to one-half the value of the improvements is a good one?—Yes, on leasehold.

313. Would you support a proposal to go further, and advance up to three-fifths of the improvements and the owner's interest in the lease?—I do not think it is wise to advance to such an extent as that. Improvements are a perishable commodity.

314. How would that affect the case of a man with a lease in perpetuity: the fact of there being other tenures under which land may be taken up would not affect his particular position?—It would if you made that into another form of tenure. If you make that an additional form of tenure you would be providing six tenures, and you could make provision for that form of tenure as well as for the others.

315. We have heard in our evidence a great deal of dissatisfaction in regard to lease-in-perpetuity sections because the Advances to Settlers Department will not advance an amount anything like adequate for the requirements of bush sections?—There may be dissatisfaction, but I have not come into contact with it in this district.

316. So far as you know, you say the Act has given fair satisfaction in this district?—Yes. My object as a member of the House is to see that the Government get proper security for the money they advance. I make it a personal matter. If I hear that a friend is going to advance money on a property that I know is not good security for the loan I advise him against doing it, and so I do with the Government also.

317. *Mr. Matheson.*] In opening up a new block for settlement, do you think it is wise that that land should be loaded for the roading of the block?—Certainly not, unless the Government make the roads first.

318. As an alternative, do you think it would be wiser to do the work by Government grants after the land has been settled?—There is a great uncertainty about Government grants.

319. I ask you that to show that the question of grants is quite within our order of reference?—That may be your opinion, but I am going to hold my opinion. I am entirely opposed to the system of loading for roads. I know of settlers who have been on their sections ten and fifteen years, and during that time these unfortunate settlers have been charged interest on an amount of 4s. an acre for roads, and they have not yet got a track to their land. I think it is most disgraceful.

320. Do you think it is statesmanlike to do the roading of these districts by means of Government grants?—I do not care how the Government do it so long as they do it.

321. Do you think a much sounder way would be for the Government to give assistance where the settlers are helping themselves by means of loans?—That is a question we have not attempted here. We have never gone in for loans in this county; we are too poor.

322. Do you think that it is at all reasonable that some counties that have rated themselves to the extent of £40,000 should have a lesser proportion of grants?—You are going beyond what I consider the right thing. I cannot answer that question.

323. Do you think it is wise for the State to grant the right of purchase to the occupiers of Crown lands?—Certainly, I advocate that.

324. Where we have spent of late, say, £100,000 in acquiring improved estates for settlement, do these lands then become Crown lands?—I should say they did.

325. If the tenants on such wish to acquire the freehold by repaying to the State all it has expended, what is your objection?—I have said, in reply to the Chairman's question, that my remarks are entirely in reference to the Crown lands in these parts.

326. I am asking you the question?—I decline to answer that.

327. But, sir, as a citizen of New Zealand, do you not take an interest in the land-for-settlements policy?—I approve of it.

328. Then, what is your objection to Crown tenants under that policy who wish to acquire the freehold having the right to do so by repaying all the State's expenditure?—I simply state I do not include the land-for-settlement lands in the term of ordinary land-settlement. I have nothing more to say on that matter.

329. Do you decline to give your opinion?—Decidedly.

330. Have you any opinion?—Yes, but that is my business.

331. *Mr. McCardle.*] I think a question was asked by a Commissioner who did not quite follow you: you said the settler has the option of changing from a lease with the right of purchase to lease in perpetuity, and you hold that a person with a 999-years lease ought to have the same option to reconvert?—Yes.

332. *Mr. McCutchan.*] There is another anomaly between the two systems: a lease-in-perpetuity holder has to reside continuously for ten years, and a leaseholder under occupation with right of purchase has to reside continuously for six years: can you show any reason why a distinction should be made between the two tenures in the matter of residence?—No; I think that is a mistake. So far as residence is concerned, I think it should be equal in both cases.

333. You spoke of valuation by surveyors and condemned it on the ground that surveyors sometimes had not a practical knowledge of the working of land; but is it not the case that members of the Land Board make it a custom to visit newly surveyed blocks and revise, and, if necessary, correct the valuations put on the land by these surveyors?—Not in this district. The only one who has ever visited the district is the Commissioner himself.

334. You advocate the system of auction sales in preference to the ballot?—Anything as opposed to the ballot.

335. Is it not the case that grave evils arose from the auction sales of land: for instance, there have been as many as 150 applicants for a single section at the ballot. If these 150 men got into an auction-room do you not think that settlement would be prejudiced by the competition, giving the land a value which it did not have intrinsically?—I admitted to the Chairman that there is a great number of evils in connection with the auction system, but anything is preferable to the ballot, in my opinion.

336. Can you devise a better method?—I speak entirely as regards North Auckland, and I am satisfied the principle adopted in the Homestead Act would be suitable to apply to all blocks of land open for settlement in North Auckland.

337. Then, your remarks simply have reference to lands in this vicinity?—Yes.

338. You spoke of the disadvantage under which settlers labour in not being able to take up another section, unless that section is contiguous to the section they already hold?—Yes.

339. Is it not the case already under the law that, after three years and after the conditions of improvement have been fulfilled upon the section, that settler can go anywhere else in the colony and take up a second allotment?—I do not think so. I think that is what is complained of. I will give you a case in point. Some years ago, a settler in Hokianga County, named Leister, took up two sections of land contiguous to each other. He built a house on one, and did all the improvements on it, and because he did not put any improvements on the second section he was notified that the section would be forfeited. He wished to improve his first section completely before he did anything with the second, but the second was forfeited simply because he had not done the improvements on it.

340. Was that not his own fault?—He put all the improvements on one, and more than was required by law.

341. Was not the forfeiture of the second section his own fault?—Decidedly not. It was the fault of the Land Board.

342. If the Land Board have discretionary power, which they have, and which they have exercised in the past in many districts in the colony, to permit a settler to make the improvements upon one section which are required upon both sections, and if the settler does not apply for that permission, is it not his own fault?—I merely tell you a case that came under my notice, and that section was forfeited, and the excuse which the settler gave, and it was the only and real excuse, was that he had done all the improvements on the one section, intending to finish it first before starting on the other.

343. As a legislator, are you not aware of the fact that power is given to the Land Board: is not a settler supposed to know the law under which he takes up land, and is it not a duty which he owes to himself and to the State to understand the law, and, if under that law there is power to make improvements on one section that are required upon both, do you not think the settler is to blame if he does not take advantage of that power?—It may be, but I am telling you the facts. The Government had to pay this unfortunate settler £75 on account of the Land Board having forfeited his section.

344. Why did they have to pay that money?—Because the Land Board had wrongfully taken his land from him.

345. You approve of nomination, and yet you condemn the Land Board administration: you say a change has come now, and I would like to know to what cause is that change due?—I need not enter into the details of that. I merely say the Land Board in the past did not exercise that discretionary power, which I say they should have, and that many hardships entailed upon the settlers were due entirely to the harsh treatment of the Land Board. I have given you a case in point.

346. You approve of nomination, and under the system of nomination members representing rural districts are as four to one, the Commissioner being the one appointed by the Government, and you approve of the system of nomination, though you say the Land Board is inflicting hardships on the settlers?—The principle is right enough, but there is a difference between a Board who do not exercise that discretionary power, which I say they have, and a Board who do exercise it. I say the Land Board of Auckland in the past did not exercise their discretionary power.

347. Has there been any change in the *personnel* of the Land Board in the last few years?—Decidedly.

348. Has there been any change other than the change of Commissioner?—I do not think so.

349. Then, there has been no change in the *personnel* of the Board?—Yes; but the head of the Board can direct the action of the Board to a large extent.

350. Your opening remarks contained a reference to our order of reference, and you found fault with the Commission for asking the Clerk of the County Council questions on matters in regard to which he is an expert. In our order of reference we find a clause dealing with the practice of loading for roads and its working. Are not lands loaded for roads under the Government Loans to Local Bodies Act?—They get something for it.

351. But you objected to answering the question?—The question I was asked had nothing to do with it.

352. This loading by the Government is part of the scheme of the Loans to Local Bodies Act?—Under the Loans to Local Bodies Act the unfortunate settler gets something for his roads, but under the Government he gets nothing.

353. Is that really the case?—Decidedly, it is. If the Commission go down to Waimamuka, south of Hokianga County, they will find my statement is correct. They will find settlers there with not a track to their sections, and they have been there for years paying interest on 4s. per acre, with which the land is loaded for roads.

354. Has any of this 4s. per acre been expended?—I cannot see it, nor can the settlers see it.

355. Very often money is expended and the traffic upon the road puts that expenditure out of sight: may not that have happened in this case?—It is out of sight at present. The unfortunate people have to pack their milk on horseback to the dairy.

356. The inference from your remarks is that the Government have not spent the money, and that therefore they are retaining the principal while at the same time they are collecting the interest on the loading: that is a very grave charge. Can you therefore state the money has not been expended by the Government?—I cannot see it, and nobody can see it.

357. I do not think that is a fair answer to a fair question?—If the Government had spent the money on the road surely it would be seen at the present time, and I cannot see it.

358. You are accustomed to bad roads in the north, and do you mean to tell me that money cannot be expended on a road—and substantial sums too—and that winter traffic will put that expenditure wholly out of sight?—Still, you would see something remaining of the expenditure, however, bad the winter might be, and I see nothing but a track there which the settlers often cannot get over even in the summer-time.

359. *Mr. Paul.*] What is the special evil of the ballot system?—Gambling.

360. Have you any plan for disposing of Crown lands where there is a great number of applicants?—I would prefer the auction system.

361. The objection urged against the auction system is that men give more than the value of the land: would it be logical to urge the abolition of the auction system for the sale of any article because men are apt to give more than the value of the article?—If the auction system was adopted instead of the ballot system, and the principle of the Act of 1892 was strictly enforced—viz., the land must be taken up for settlement purposes and no such thing as speculation allowed—then I say the auction system would suit fairly well.

362. Do you think there is land held in this county for speculative purposes?—I do not think it.

363. Of course, you are aware there is a lot of land held by absentees?—Yes, but they cannot be found.

364. Is that true in the main?—In ninety-nine cases out of a hundred.

365. If land is settled on the leasehold tenure in the future, do you think the principle of revaluation an equitable one?—I think it most iniquitous.

366. Do you think that the Government, in fixing the rental of land, can always arrive at the true value of the land?—Well, sometimes the settler is charged too high, I admit; but certainly I am entirely opposed to revaluation.

367. What would you do in the case of a tenant who is paying too high rent?—I say if the assistance of the local body is called in in valuing the land it would not have been put at such a price, and the settlers would not be paying too high rents. That is where the evil arose entirely.

368. But, surely, mistakes will occur, no matter how you provide against them?—That is so.

369. What would you do in such cases?—I consider the Government would be doing justice to the unfortunate settler if they reduced the valuation. I know what this question of revaluation is. At periodical times all the land is to be raised to a higher value. That is what I understand.

370. Does land ever decrease in value?—Oh, yes.

371. Then, is it not equitable that the tenant renting the land should get a reduction of rent?—Yes. But if the land had decreased in value through his own fault I hold he should get no reduction.

372. But suppose there is a decrease in the value of the land, is it not fair and equitable that his rent should be reduced?—Yes.

373. Then, the principle of revaluation must be fairly sound as a principle?—No, I do not believe in the principle at all. I am entirely opposed to it.

374. Is the value of leasehold land increasing in this district?—I do not think so; it is about stationary.

375. Do you find that freehold land is better farmed than leasehold?—Yes, I think it is.

375A. Do you see any reason why that should be so?—I can give you one reason, and that is what is frightening leaseholders at the present time and converting them into freeholders. It is the revaluation question. It is the danger that the Government may exercise their power to raise the rent as it suits them.

376. Or lower it?—The question of lowering does not come in.

377. The question of lowering does not come in in the principle of revaluation?—It may in the principle, but not in carrying it into effect.

378. Then, if revaluation is brought into force, do you say the Government of the day, whoever they may be, would be so dishonest as not to apply it equitably?—I consider if the Government introduced the revaluation system in regard to land under the 999-years lease they would be breaking faith with the original selectors, and I would not support any Government which committed a breach of faith of that kind.

379. Do you seriously think it is possible that any Government would attempt such a thing?—I do not believe the Government would if left to themselves, but there is an outside power at work at the present time trying to induce the Government to do so.

380. Do you think it possible, if any attempt was made to do so, that a majority of the people in the colony would stand behind the Government?—I do not think so for a moment—not the people in the country.

381. Would a majority of the people in the colony?—Well, a majority of the people of the country would not stand behind any Government in supporting a measure of that kind; I am satisfied of that.

382. Then, it is hardly possible such a thing will ever happen?—I do not think it is likely that an attempt will be made to bring it about.

383. In passing through this district of North Auckland we saw a great area of freehold land which was not being improved—it seemed either to be abandoned or to have been allowed to remain stationary: is that on account of the price of labour?—That I cannot say. I do not know of any land of that description in this electorate.

384. You spoke of the settler getting the timber when he got the land: do you think the value of the timber should be added to the value of the land?—That would be valuing the land twice over, which, in my opinion, would be an absurdity.

385. If there are two sections of land adjoining, one with good timber upon it and the other with none, I want to know whether you would be in favour of valuing the section with good timber at a greater price than the section with no timber?—Decidedly. I say the settler who takes up the land takes up everything on the land. It is all valued by the Government.

386. Do you think it would be better policy to reserve this land with good timber on it?—If it contained a large proportion of marketable timber I say it should be kept for timber purposes. The majority of the land is no good when the timber is off.

387. To your knowledge, is any land taken up for the timber and then abandoned?—Not to my personal knowledge; but I have heard of cases in this electorate where that has been done, and the Board have very wisely forfeited the section.

388. Whilst you express some dissatisfaction with the constitution of the Auckland Land Board, is it not a fact that the majority of the Land Boards of this colony have been satisfactory?—I would not like to say. I know nothing about the other Land Boards.

389. Would not the relaxing of the residence conditions, in your opinion, lead to dummyism? Not in this district, I feel satisfied.

390. *Mr. Anstey.*] You say that in ninety-nine cases out of a hundred the absentees holding sections cannot be found: would you be in favour of the Government resuming possession of their land?—Certainly, for the purpose of handing it over as an endowment to the counties.

391. Would you be in favour of resuming all sections the owners of which have failed to pay rates?—Yes, if they cannot be found.

392. Upon what ground would you hand that property over to the County Councils?—They have been making roads in the districts where these unclaimed lands are. The result is that the residential settlers have been handicapped making these roads for the benefit of the absentees.

393. Have the roads been made wholly by the moneys of the counties?—Principally.

394. What proportion has been spent out of the rate-money, and what proportion out of Government grants?—That is going outside your order of reference.

395. *Mr. Forbes.*] You believe strongly in the freehold?—Yes.

396. Do you believe that some legislation should be passed to prevent a person holding more than a certain area?—Undoubtedly.

397. Do you think it possible to limit the area better by the application of the graduated land-tax than by special legislation?—I should say that when a man applies for a section of land he should prove to the Board what land he holds. I would fix the present limit of 640 acres first-class land and 2,000 acres of second-class land.

398. But 640 acres of land in one locality may be altogether different in quality to 640 acres in another: would it not be better to fix the area by value?—It depends entirely where it is situated. I do not consider that there is any first-class land in the County of Mongonui. If this county was in the immediate vicinity of Auckland, then a large proportion of the land in the county would be classified as first-class land.

399. What are the conditions which you consider will prevent aggregation?—I do not think it would pay any one. I am judging by the past. There has never been any large estates in the North of Auckland.



JOHN THOMPSON GILLIBRAND examined.

400. *The Chairman.*] What are you?—I am a farmer and flaxmiller and launch-proprietor. I hold 400 acres under the lease in perpetuity, and a freehold section in the Town of Mangonui, and, with a partner, another 25 acres of freehold. I pay rent on the capital value of 7s. 6d. per acre. I have held part for seven years, and the rest about four years. It was entirely swamp when I took it up.

401. Have you done anything with it?—It is all drained now. All the improvements are my own.

402. Has the draining given satisfaction?—Yes. I go in for flax-growing principally.

403. Have you a mill at work?—Yes, at Mangonui.

404. Have you any particular thing you would like to bring before the Commission?—I have no grievance, because I must say the Land Board has been always fair and courteous to me and given me every information, as they would anybody else if they approached them properly. But I want to say that if I thought revaluation was going to take place I would abandon my holding, because I would not stand revaluation of my improvements.

405. I infer from your remarks that you approve of the present constitution of the Land Board?—Yes.

406. Has the gum-digger the right to go over the lease-in-perpetuity land?—Yes, and that is one of the drawbacks of being a Crown tenant. By some manner of means you cannot get the same treatment as a man with a freehold. If a man has a freehold the gum-digger seems to respect him more. They take that man's word, and that is the end of the matter; but if you have a lease in perpetuity you can do nothing with the gum-digger, nor can you get any redress from the Crown Lands Board. The digger is not required to fill in holes or to replace fences, or rebuild your house if he happens to burn it down.

407. *Mr. Anstey.*] Your 400 acres of swamp are all drained: is it all growing flax?—Yes, all but a very small proportion, and there are thousands of acres of swamp round the district that would do the same thing.

408. Do you cultivate the flax and plant it?—Yes.

409. And there is a quantity of swamp land on which it would pay to cultivate flax?—Yes.

410. Would it be profitable?—Certainly. I would not take it on if it was not.

411. What revenue would a man get out of 100 acres of flax land?—If he uses judgment and common-sense—I know I had flax fit to cut in eighteen months, and you could not notice any flax at all when I started.

412. You cut the flax every three years: what would be the gross returns per acre from flax?—Providing it was a fair amount the flax would cut at 40 tons to the acre, but allowing a big margin and putting it at 15 tons to the acre, you would get a return, reckoning royalty at 2s. per ton, at the rate of £1 10s. per acre. A crop goes on increasing from time to time because flax spreads and accumulates after every cutting. But the gum-diggers often destroy it.

413. Now the Government do not charge you a royalty on this lease-in-perpetuity land of yours?—I put the flax there myself.

414. You have to pay royalty on flax you cut on somebody else's land?—Yes.

415. So if you get flax on Crown land you have to pay royalty?—Yes.

416. Do the gum-diggers wilfully destroy the flax?—They destroyed over 200 acres of mine the other day, and there is no redress. I took the case to Court, but they plead poverty and ignorance and that sort of thing, and there is an end of it.

417. Can you suggest any way by which the cultivation of flax could be encouraged?—It could be encouraged by draining. If the Crown Lands Board would allow any miller to take up the land on the same terms, perhaps as a grazing-lease, there is a big scope of abandoned country which could be drained and brought into profitable use after a certain time.

418. How would a lease in perpetuity suit you?—Yes; but if you take it up under lease in perpetuity you have to put on improvements up to a certain value, and there are conditions such as residence and other little things.

419. What does the flax cost you to plant?—I should say it costs about £4 an acre to drain and plant in flax.

420. Suppose you drained and planted flax and spent £4 an acre, would not that be sufficient improvement on the land?—I should consider it a good permanent improvement, and it does good to the district, too, because every mill that goes up has a following of thirty well-paid hands behind it.

421. Is there a large area in this neighbourhood suitable for this purpose. Yes. I am willing to take up plenty myself. But if a man puts in £4 an acre I should say he was making the value of the land, and it would not be a fair thing at all for him to be charged anything at all for a certain number of years until he started to see some return for his expenditure. Another thing, is that a man should not be bound to reside on it.

422. Do you think if suitable men took up 100 acres of flax land and guaranteed to plant a given proportion every three years they should be allowed to sit rent-free until such time as they could get some benefit from it?—Yes.

423. Do you think a large area would be taken up under these conditions?—Yes. I know many others besides myself who would take up such land.

424. How many men are employed at a mill?—If they were all white men about twenty-five, but it takes about seventy-two Maoris.

425. What do you pay white men?—10s. down to 6s. per day.

426. What do you pay Maoris?—I am paying 6s. They are cutting on contract.

427. How much gross wages do you pay per year?—About £2,000 a year.

428. *Mr. Forbes.*] You are satisfied with your lease in perpetuity, but object altogether to any revaluation?—The revaluation could only accrue because of the efforts of the tenants.



429. Would you consider it a breach of contract if the Government introduced a revaluation clause in your lease now?—I think so.

430. Have you any fear that that may occur?—I was given to understand that a certain agitation for revaluation caused this Commission to be sent round. I should say that where the country is grid-ironed, and vacant sections are left among the occupied ones, I think the benefit accruing to these vacant sections by the settlement of the other land should be owned by the State.

431. Where is the condition of your lease that allows gum-diggers to go on your land and dig?—Because I cannot be there all the time night and day to keep them off.

432. But they have no right to go on your land?—No more than on freehold.

433. Then why do they go on your land and not on freehold?—The freeholder is in this position: from time to time he can let the land to gum-diggers to dig on royalty, and the gum-diggers knowing that leave the land alone, but for years, and until I put my improvements in, I had no right to dispose of any gum or anything else on the section. But that did not keep the gum-digger off it, and naturally when I had drained the swamp a lot of the country became valuable for the gum-digger. I did not drain the land for that purpose, but at the same time I did not care to see the gum-digger taking the gum for nothing. I have now received sanction to charge for gum-digging.

434. Then, the gum-diggers are breaking the law when they dig on your land?—Yes.

435. *Mr. McCardle.*] Did you have the option of taking up this swamp under any tenure you pleased?—Yes. I could have bought the freehold.

436. Do you desire to get the right of purchase over it?—Certainly. I would acquire it tomorrow if I could. I would feel then that I did own it.

437. If you were granted the right of purchase, would you pay up the 1 per cent. difference between the tenures?—I would be quite prepared and willing to take it up under the same conditions as an occupation with right-of-purchase lease.

438. Have you had any experience of the Advances to Settlers Office?—Yes.

439. Have you found it satisfactory?—No, I cannot say I have. They were too dilatory about it. When I made the application the money would have been useful to me, but afterwards I was able to do the business without help. I did not cancel the application, but I would never attempt anything of the kind again.

440. You recognise the principle of the Act is good, but you say the administration is not so good?—Yes. The administration is too cumbersome.

441. You think some amendment is wanted in the administration to make it useful?—I think so. And I think it is too costly. What between lawyers' fees and one thing and another I found my loan would be reduced £8 in the £100.

442. Are you quite sure you were charged £8 in the £100, because the costs should not amount to more than a fourth of that sum?—That is what they amounted to.

443. Who is the agent?—I think Mr. Killen was then, at Whangarei.

444. We have heard a good deal about swamp lands where we have been. Do you think it would pay the State to drain these swamps and plant them with flax?—I think if instead of planting fancy trees on the pumice land at Rotorua, they drained these swamps and planted flax they would be doing a more useful work, and they would get a profitable return.

445. Do you not think it would be better to have both?—Yes, but it would be better to enter upon the most profitable work first.

446. Would it pay the Government to help settlers who took up these swamps to drain them and plant flax?—Yes. I think that is a very good suggestion. The people would be better employed in doing that than in digging gum. If the Government took the Austrians and gave them 10s. a day to do this work, and gave them 10s. a day besides, it would pay the Government, because the Austrians cost the country £1 5s. a day to keep them here.

447. *Mr. Paul.*] How do the Austrians cost the country £1 5s. a day to keep them here?—It will take some explanation. If the Austrian, when he landed on the wharf, was taken and given 10s. a day to keep him off the gumfields entirely, that would be a loss of 10s. a day. We will allow that a number go on the gumfields, and he is not much of a man who cannot earn 10s. a day. Out of that he takes his living, and the rest goes somewhere else. Perhaps it costs him 3s. a day to live, and that means another loss of 7s. If the gum remained in the ground it would be worth much more to dig in the future than it is now; and the hole has to be filled up again. Then, again, a British digger has generally got another occupation, and directly the gumfields cease to pay him a fair wage he goes in for another occupation. But the Austrian is no use at anything else. He stays on the fields, and, notwithstanding there is no demand in Auckland, he goes on digging and supplying the market. At the present time gum is going into Auckland, and it is fetching 6d. a pound when it should fetch 2s. 6d. The Austrian goes on producing. When we have no other country in the world in competition with us for production of this article, why should we go on producing it, and over-stocking the market?

448. Do you mean to suggest that the State should control the supply of gum?—I do not say it, but there should be some method of conserving it.

449. It has been pointed out in evidence that the Austrian makes a capital settler. Do you think that is so?—Yes, he would—he has just about settled us now. I could say Yes or No to your question, but I am not going to say so unless I prove it. In the course of the last ten years other Europeans—Germans, Frenchmen, Danes, Norwegians, or Italians—have left gum-digging and gone in for other pursuits, and made very fair settlers; but you can number the Austrians who have done so on your fingers.

450. You think they are undesirable immigrants?—They occupy the greater portion of the Court business in this county, and that answers your question.

451. Has any instance come under your notice of gum-diggers pulling down fences and burning houses?—Not burning houses. They have burnt whares, and in my own case they have burnt fences and flax. It has been mostly accidental, I suppose.

452. Why did you not take this land under occupation with right of purchase?—That is where I made the error. Certainly I would have done so had I known what I do now, and I would convert it if I could.

453. What do you understand by revaluation?—Revaluation is to put an increase on the value.

454. You recognise that if a tenant is paying too high a rent he should have his rent reduced?—Yes, I should say so.

455. If he is paying too low a rent, from the point of view of the State, do you not think it should be increased as a principle to be applied in the case of future leases?—It certainly should in cases.

456. Then, as a principle, it would work out pretty fair?—I do not say it would work out too fairly. No doubt the thing is just, but it would be a very hard matter to take up a leasehold if it had that doubtful thing hanging over it.

WILLIAM DALY examined.

457. *The Chairman.*] What are you?—I was reared a market-gardener, but I am now a gum-digger.

458. Have you found it a fairly remunerative occupation?—Up to very recently.

459. Is there anything you particularly wish to bring before the Commission?—I wish to speak in reference to some of the lands taken up here. It would appear to me that some of the sections have been taken up purely for speculative purposes because they contain gum. They have been let from man to man for some years, not only to Austrians, against whom I have nothing to say, but to other people, and instead of improvements going on the land is decreasing in value. Consequently some of the properties in the market have been thrown up. I reckon it is an injustice to the State. The property has been leased, and then it has been fleeced of the gum. I think the properties have been handled just to get the gum.

460. How would you rectify that: you can hardly give a man a lease and say he must not dig it at all?—It would be quite right if the man who held possession was allowed to abstract the gum if he lived on the place and improved it afterwards. Most of the sections taken up are adjacent to gum lands, and the people dig outside. Personally I have no grievance, but I thought it advisable to call the attention of the Commission to the way the land is being utilised.

461. Have you ever thought of taking up a lease?—No.

462. *Mr. Anstey.*] Is this land you speak of as having been taken up for speculative purposes freehold or leasehold?—It is taken up under the three systems—lease in perpetuity, occupation with right of purchase, and for cash.

463. Does this happen under all these tenures?—It really would look to the looker-on as though it had been taken up for a speculative purpose, because it is leased to dig for gum.

464. That would apply to freehold, because a leaseholder is not allowed to sublet his land?—I really cannot say.

465. What is the average wage of a gum-digger?—It varies from £10 to £15 per month.

466. And he may make nothing?—He would want to be a lazy man who could not make £10 to £15 per month last year.

467. Is that throughout the year?—During the summer months.

468. You heard what the last witness said about the price of gum being much lower than it should. Do you think anything ought to be done to regulate the price of gum?—Yes. I indorse all Mr. Gillibrand said. I think it would be a wise thing if the State controlled the gum-output.

469. The last witness said that gum-diggers did not stick at burning down fences and flax and whares and so on: is that so?—I can account for it by saying you have black sheep in every flock.

470. Is it carelessness or accident?—Quite possibly it might be an accident.

471. What is the object in burning flax and fences: is it to get at the gum?—Not very often. Probably in going across the swamp the digger might light his pipe and chuck the match down and so cause the damage.

472. We have heard before that gum-diggers do destroy property when burning flax and scrub in order to get at the gum?—Quite possibly, but not with a malicious intent. If I am burning flax or scrub for that purpose, I take the precaution that the fire does not injure any person.

473. *Mr. Forbes.*] In reference to people who take up sections for gum-digging purposes and then abandon them, have they not put a certain amount of improvement on the land?—I do not know. It is for the Inspector in charge to see that they comply with the regulations.

474. Do they put no improvements on the ground at all?—I think so. There are temporary improvements.

475. No substantial improvements in the way of clearing the bush and scrub?—Yes, that has been done.

476. Then it might be open to be said that a man is going to farm his land as well as get the gum out of it: it would be hardly fair to say that he was only taking it up for the gum in it?—You might look at it in that way.

477. *Mr. McCardle.*] You complain that persons take up land and work the gum out and then abandon it: what remedy do you propose to get over that difficulty?—I do not know that I could suggest anything at all.

478. It would not pay them to do that if they had paid for the land and made it freehold?—I do not think it would.

479. According to the conditions under which these men take up the land they must do improvements or forfeit the land. You say in the first two or three years they dig the gum out and then leave it?—They have been holding the land a good number of years. They have temporarily complied with the regulations.

480. Have you anything to say about land-tenure?—No. I have no grievance that way.

481. *Mr. Paul.*] As a gum-digger, which is the best tenure from your point of view?—I think if I was purchasing to-morrow I would like the freehold. I would like to see the deeds in my box.

482. You recognise that leasehold has been instrumental in putting poor men on the soil?—I cannot say so. I have never given it any thought.

KOHUKOHU, MONDAY, 15TH MAY, 1905.

GEORGE HARRIS examined.

1. *The Chairman.*] What are you?—I am a farmer at Broadwood. My place is seventeen miles from Kohukohu. I farm 220 acres, and my tenure is freehold. I first took up my land twelve years ago under perpetual lease with the right of purchase, and I have converted the land into freehold. I am quite satisfied with my land.

2. Which do you prefer, the leasehold or the freehold tenure?—I prefer the freehold tenure. My land was originally dense bush. I have cleared 170 acres. The grass took well. I planted different varieties of grass. I run a few sheep and dairy cattle on the land. During the past year a vehicle-road has been completed to my place, but for twelve years there was only a pig-track. It is a clay road, and is very bad in the winter.

3. Do you represent other settlers before the Commission?—No. I came here with Mr. George Buchanan to give evidence. All the people in my district are in favour of the freehold. I may mention that there is a large block of land twenty miles long that is practically uninhabited, extending from a short distance from Kohukohu towards Herekino. It is partly Native and partly Crown land. Some of that has been taken up, but only one person resides on it. Some of it was taken up on lease with right of purchase. I and my neighbours would like to see every inch of that land settled, and the sooner the better.

4. Have any representations ever been made to the Land Board about that land?—Yes, and the Land Board replied that it would be thrown open as soon as possible. That reply was given only a short time ago.

5. Have your communications with the Land Board been satisfactory?—Yes, up to the present time.

6. Do you think the present constitution of the Land Board is satisfactory?—Yes. I would like to say this to the Commission, that the one great drawback we have in this district is the want of roads. For six months in the year any one riding a decent-sized horse can touch the mud with his feet without getting off the horse. It is a regular mud canal.

7. *Mr. Forbes.*] You are very strong about the question of the freehold?—Yes.

8. Have you had any experience of leasehold?—Yes, I was a leaseholder, and went on the land twelve years ago.

9. And you have converted your land into freehold?—Yes.

10. Do you think the freehold is better for working your place?—Yes; 100 acres of freehold is better than 200 acres of leasehold.

11. We have noticed that very little improvement in the way of clearing scrub, &c., has been made on a good deal of the land about this part of the country. If a man puts all his money into the purchase of a freehold section, how is he going to clear his land?—If he puts down half his money for 100 acres of freehold and keeps the other half of his money in his pocket to work it, I maintain that in ten years he will be better off than if he took up the land under leasehold. Under the leasehold a man is really paying 5 per cent. on his own money.

12. Are there any conditions in respect to improving your land?—Yes, the Government have their land laws and the settlers abide by them.

13. Is the land well improved in your district?—Fairly well.

14. Is it cleared of bush?—Yes, a lot of fencing has been done.

15. Are the settlers doing all right now?—Some of them are doing fairly well, and some of them are struggling along just like settlers in other places.

16. Have you got a lease-in-perpetuity section?—No.

17. You have had no experience of the lease in perpetuity?—No.

18. You say the roads are very bad?—Yes.

19. Have you got a County Council?—Yes.

20. Do you pay rates?—Yes.

21. Do they not make you any roads?—They give us roads as far as the money at their disposal will allow; but, as I have said, there is 30,000 acres of Native land close to the township, and the County Council do not collect any rates from that land. There are also thousands of acres of land opposite this place that do not contribute rates. Our rate is 2½d. in the pound on the unimproved value.

22. And that is not sufficient to give you roads?—It is a sufficiently high rate, but the population is not sufficient to raise the necessary amount to make good roads.

23. Have you had any experience of land in any other part of the country?—Yes, in Canterbury.

24. Have you seen any Government settlement under the lease-in-perpetuity system?—Yes.
25. Do you think those settlers are doing all right?—I think they are doing fairly well.
26. Do you think there is any difference between this land and that under the lease-in-perpetuity tenure?—I think that the tenure of occupation with right of purchase is far better than the 999-years lease.
27. You prefer the occupation-with-right-of-purchase lease to any other lease?—Yes.
28. *Mr. Hall.*] Is there much Crown land in this district?—Yes, there are a good many thousand acres.
29. Is it suitable for settlement?—Yes.
30. Would that be taken up under the lease-in-perpetuity system without the right of purchase being given?—It would be taken up with the right of purchase. No one will take up land under the lease-in-perpetuity system after this.
31. Do you consider the people will not be inclined to take up the land unless they have the right of purchase?—I do not think they will.
32. What are the chief drawbacks to settlement in this part of the colony?—Want of roads and bad roads.
33. Is there not a large area of Native land?—Yes, but the Natives live on their land, and in the case of the Crown land there are thousands of acres that are unoccupied.
34. Does the County Council get any rates from Native land?—Not at present.
35. You believe in the freehold?—Yes, I am a freeholder. Everybody has a right to have a freehold.
36. *Mr. Matheson.*] Have you had any experience of the Advances to Settlers Department?—Yes.
37. Has your experience been satisfactory?—No.
38. How was it unsatisfactory?—I would rather borrow money from a private individual than from the Advances to Settlers Department.
39. What was unsatisfactory about it?—It is 5s. here for this, and 5s. there for that, and if a man borrows for two years it costs him exactly 8 per cent.
40. Do you find that the charges are heavier than if you borrowed privately?—Yes. You can borrow privately for 6 per cent.
41. Have you raised any loan in this district for roadwork?—No.
42. Are you aware that such loans have been raised in other districts?—Yes.
43. *Mr. McCardle.*] Do you not think that the advances-to-settlers system is a good thing if properly administered?—Yes, it is in a way.
44. Has it not a tendency to bring down the rate of interest paid by the settlers?—I found that the interest is higher when you paid the amount off.
45. Do you think the Government would have appointed this Commission if it did not intend to give some effect to the report of the Commission, and thus meet the just requests of the settlers?—I do not see what good the Commission is at all.
46. You come here to advocate the freehold. What is the good of your coming this distance to give your evidence if you do not think the recommendations of the Commission would be of much use?—I do not think the Commission will be of much use.
47. And yet you have come seventeen miles to give evidence?—I believe if the Government had expended some of the money that the Commission will cost on some of our roads it would be much better than sending the Commission up here.
48. Do you think there is any question more important than settling the lands of the colony?—It is an important question.
49. Do you not think it is a question of the first importance?—No; I think the question of the first importance to the north of Auckland is that our roads should be inspected in the middle of June or July.
50. But are we not taking evidence now in respect to land matters, and as to your roads?—It is the wrong time of the year. You should come up here in the month of August when the mud is deep.
51. But we have had the experience and the views of settlers who have had as much experience as you have had?—Perhaps some other witnesses have had as much experience as we have had, but they have never worked as hard as I have done.
52. Do you not think that the existence of blocks of Native land stands in the way of the settlement of the country, when you have to make roads through large areas of Native land, and when such land pays no rates?—We have a large population of Natives here. If that land was cut up and settled by Europeans, who would keep the Natives?
53. The money received from the sale or lease of the land would keep them, or help to keep them, would it not?—The Natives are cutting the timber and selling it, and that is helping to keep them.
54. You have had great difficulty with your roads, have you not?—Yes.
55. The old principle of constructing those roads by the Government was by means of “thirds” and by special votes of Parliament. Do you not think it would be much better in the interests of the settlement of the country, and for road-making generally, if the Government granted the settlers £2 for every £1 expended by the settlers in making and metalling the roads?—It would if the money was expended at the right time of the year.
56. If it were expended under the proposal I suggest it would be expended by the local bodies?—Yes; the local bodies would expend the money at the right time of the year.
57. It would mean that the Government would be helping the settlers to help themselves. Would not that be much better than the present system of special votes, which it is stated are sometimes unexpended?—Yes.

58. *Mr. McCutchan.*] What will your land carry in the way of stock?—Four acres of cleared land will carry one cow for a year all round.

59. Have you laid down a good mixture of grasses?—The crickets are very bad on all sweet grasses. They have not been quite so bad during the last few years as they were during previous years.

60. Does English rye hold on your land?—No, not on a new burn, but it appears about four or five years later.

61. Does clover hold all right?—Yes, both red and white clover.

62. Do sheep do well?—Yes.

63. Have you ever fattened lambs?—We can raise a 50 lb. lamb by Christmas.

64. In the north, do you consider the roading question of equal importance to the question of land-tenure?—Yes. The foundation of the success of the north is the roads.

65. Did you get your grant last year?—Yes, but it was only expended this year.

66. Who expended it?—A Government official—Mr. Menzies.

67. It was not expended through the local body?—No.

68. Was the work economically done?—Yes.

69. Was it done under the co-operative system?—It was done by day-labour.

70. And the work has been satisfactory?—Yes. It was one of the best jobs ever done in this district.

71. What is your real objection to the 999-years lease?—A man who has 999-years lease is working for somebody else, and not for himself.

72. If you take up your land at £1 an acre, and if you put your money out at interest at the current rate of interest of 5 per cent., would not that be a better way of doing business than putting it into a freehold, when you can get the money from the Government at 4 per cent.?—No.

73. Have you any sense of uneasiness that the leasehold tenure may be interfered with?—A man should have the right of purchase if he wishes it, because a man who is paying rent all his life will not improve his farm like a man who owns the land. A leaseholder will generally take the last straw off the land if he can.

74. Then, you think the freehold is the best tenure?—Yes, the freehold or occupation with right of purchase, and a man should be able to convert the leasehold into a freehold in twenty-five years if he conducts his farming operations well.

75. Do you condemn the Advances to Settlers Department, from your own personal experience?—Yes. The interest I paid on the money advanced amounted to exactly 8 per cent. in two years.

76. How do you make that out?—You have to pay 5s. for this, and 5s. for that, and 10s. for the valuer to come up, and that has to be added to the percentage.

77. Did you borrow on the instalment system?—Yes.

78. That is, by making seventy-three half-yearly payments the principal and interest would be wiped out. Why did you pay the debt back within two years?—I did so because I thought it was the best thing to do.

79. Do you think it is right, when you pay off the loan in two years, that you should add all the legal charges to the rate of interest?—Yes.

80. Was it your intention when you borrowed the money to pay it off within two years?—I intended to pay it off as soon as possible.

81. Then you were a fortunate man to be able to pay it off within two years?—I had to work very hard in order to do so.

82. I have no doubt about that, but what was your valuation fee?—10s.

83. What was the cost of registration?—2s. 6d.

84. If you had gone to a private lender, would the legal charges have been as small as they were under the Advances to Settlers?—I could have got the money at 5 per cent.

85. As a matter of fact, you did get it at 5 per cent.?—Yes, but the extra charges made it up to 8 per cent.

86. But, in the case of borrowing from a private individual, the repayments do not include a sinking fund. Is it not the case that if you pay your interest within a certain number of days of the due date you will get a  $\frac{1}{2}$  per cent. rebate?—That has only been in force for a short time.

87. Then, it is in force now?—Yes, but when I got my advance it was not in force.

88. Have you ever borrowed money from a private individual?—Not for many years.

89. Did you have to pay a procuration fee when you borrowed from a private individual?—Yes, but I borrowed when money was dear.

90. Did you pay a procuration fee to the Government?—No.

91. Is not that an advantage that the Advances to Settlers Department has over money borrowed privately?—It is to a certain extent. I would like also to say that it takes sometimes six months before a settler gets his money from the Advances to Settlers Department.

92. Did it take you six months?—Yes.

93. Would it surprise you to hear that a settler not far from this district got his money within a fortnight of the date of his application?—That was not so in my case.

93A. *Mr. McLennan.*] Have you got any gorse on your land?—No.

94. Is there gorse on any of your neighbours' land?—No.

95. Do you know of any one who has sown gorse for sheep-feed?—Not in this locality.

96. *Mr. Paul.*] With reference to this block of land extending over twenty miles, is some of it settled?—Yes.

97. How long has it been settled?—Four pioneer settlers went there fourteen years ago.

98. Is their land freehold?—Not all.

99. What tenure is their land held under?—Some of it was taken up with right of purchase, some on a thirty-years lease with right of renewal, and some with right of purchase twelve years after it was taken up.

100. Is the value of land increasing in your district?—A little, not much.

101. You think 100 acres of freehold is better than 200 acres of leasehold?—Yes.

102. Is that a general statement that you think you could apply universally?—Yes.

103. You make that statement from your own experience?—Yes.

104. Is there any absentee-owned land in your district?—Yes, there are a good many absentees.

105. Has the rating on the unimproved value affected the position at all—has it bettered the position?—Yes, the county gets a larger amount of rates.

106. You said that if this Crown land was thrown open it would be taken up under occupation with right of purchase, but it would not be settled successfully under lease in perpetuity?—That is so.

107. In this Crown land there are about half a dozen forfeited sections?—Yes. They were forfeited because the settlers were cutting the kauri timber without the sanction of the Land Board.

108. Do you think the settlers in your district could buy their freeholds within a few years?—Yes.

109. Then the district cannot be a very bad one?—Our district is a very good one, and would be much better if it had more population and better roads. If we had good roads it would be one of the best districts in the North of Auckland.

110. *Mr. Anstey.*] You referred to land as being held by absentees: which land is that?—It is Crown and unoccupied land.

111. I thought you said there was no one living on it?—That is so, except one settler.

112. Do you know what is the form of tenure of the unoccupied land?—Some freehold and some occupation with right of purchase.

113. Are the people who have the land on occupation with right of purchase living on it?—No.

114. Are the freeholders living on their land?—No.

115. Do you think it would be a good thing if the Board insisted on the residential clauses being carried out?—It would be a good thing to make those who have land on occupation with right of purchase live on their land.

116. Do you think the freeholders ought to be made to live on their land?—Yes.

117. You think the same residential conditions should apply to the freeholder as apply to the leaseholder?—Yes.

118. With reference to these roads that lead to nowhere, who opened up those roads? The Government.

119. I presume the local body is expending their rates well and economically?—The local body expend their rates in a proper way as far as it is in their power to do.

120. Does the Government expend all the money that is allocated by way of grants?—Yes.

121. *Mr. Johnston.*] You say the leaseholder does not treat his land as well as the freeholder?—That is so.

122. That is to say, if a man leases a piece of land he does not do it justice according to the terms of his lease?—I say that a leaseholder at the end of his term is not likely to leave his land in the same state as a freeholder would.

123. That is to say, he would be dishonest enough to take out of the land more than he ought to?—Yes; there are a good many who would do.

124. *Mr. McCutchan.*] With reference to the occupation-with-right-of-purchase sections which have not been resided on, how long have they been taken up?—Some of them have been taken up for a number of years.

125. More than four years?—Yes.

126. You are aware that there is a four-years exemption in their case?—Yes.

127. This land has been taken up longer than that?—Yes.

128. *Mr. Hall.*] Did I understand you to say that the settlers up here can borrow more favourably privately than from the Government?—Yes.

129. Does that not seem strange, seeing that money is worth from 5 to 6 per cent. on the best securities in and around the City of Auckland?—It is not the percentage, but it is the charges that I spoke of.

130. Is it not a fact that in borrowing privately there is a procuration fee of 1 per cent., and that that charge is not made in the case of the Government?—That is so.

131. And are not the expenses of mortgages more in the case of private loans than in the case of loans from the Government?—No.

132. As far as my experience goes the cost is more in borrowing privately?—Perhaps the security has a great deal to do with it. A man with good security can get money far easier than a man with poor security from a private individual.

133. Can money be got at 5 per cent. on land up here freely?—I can get money at 5 per cent.

134. Then your security is a good one?—My security is good.

135. *Mr. Johnston.*] What was your lawyer's bill of costs for making out your last mortgage?—I could not say.

136. Was it £5?—I could not say.

137. Do you know that the lawyers' charges are three times as much when the money is borrowed privately?—The Government should not allow it.

138. You got your money privately. You know that any one borrowing privately has to pay nearly three times the amount for a mortgage as he would have to pay for a loan obtained from the Advances to Settlers Department?—I do not think so.

139. You say you cannot tell us the amount of the lawyer's charge?—I said that I could not tell you without referring to my correspondence.

## GEORGE BUCHANAN examined.

140. *The Chairman.*] What are you?—I am a settler living at Broadwood, and hold 252 acres under lease in perpetuity. I have held that land about twelve months, and am paying on a rental value of 7s. 6d. per acre. My land is bush land, and is mostly hilly and undulating. It is situated about twenty miles from Kohukohu. There is a road which was made some years ago, but it is overgrown, and there are many slips on it, and it is impassable at the present time. I have never really been through it.

141. Is there any particular point you would like to bring before the Commission?—I would like to have the option of the freehold.

142. Do you not think the lease in perpetuity is a satisfactory tenure?—No.

143. What is your objection to it?—You do not feel quite so secure under it as under the freehold.

144. Is that feeling of insecurity caused by your thinking that the terms of the lease will be altered?—I am beginning to think it is leading that way.

145. *Mr. Forbes.*] If you got the option of the freehold would you be able to purchase your land?—I think I would within a given time.

146. You would not like to have to pay down the money at once—the payment would have to be extended over a period of years?—Yes.

147. Is there anything in the terms of the lease in perpetuity which prevents you improving your land?—Not so far; but I would not do so much in that way as if I knew it was my own land.

148. But you have got the land for 999 years: is not that long enough?—Yes; but it may be revalued.

149. If it were revalued do you not think that would be breaking the lease?—Yes.

150. Do you think it is reasonable to suppose that any set of individuals would think of doing that?—Certainly not; but you cannot fight the Government.

151. Do you not think the same thing might arise in the case of a freehold? If the Government broke the lease in perpetuity could they not also break the freehold?—If you had the right of acquiring the freehold you would have a better chance of getting the money elsewhere to convert the leasehold.

152. Do you find any difficulty in raising money under the lease in perpetuity?—I have never tried, but I believe it is harder to get money under the lease in perpetuity.

153. Did you have the opportunity of taking up the land under any other tenure than the lease in perpetuity?—Yes, I had the option, and I was quite satisfied at the time.

154. How long have you had it?—Twelve months.

155. What makes you dissatisfied?—There is so much talk of revaluation.

156. That is the reason that makes you wish to get the freehold?—Yes.

157. *Mr. Hall.*] Do you consider that in the interests of the district and of the colony the waste lands of the Crown should be settled and improved?—Yes.

158. Under what tenure do you think that settlement could most likely be given effect to?—I think the old homestead system is the best.

159. Do you think that people are willing to take up land under the lease in perpetuity without right of purchase?—I have no doubt there are plenty who would; but I have no doubt most people would prefer a lease with the right of purchase, or that they should take up land under the homestead system.

160. What has chiefly retarded settlement—is it the locking-up of so much land?—I cannot get on my land, and I have had it over twelve months. I do not know how I am to get there, unless I pack my family on a horse.

161. Do you think that striking a rate on the unimproved value would be a good thing?—Yes. But we really want more settlers on the land.

162. You want more Native and Crown land thrown open and settled?—Yes; all available land should be thrown open for settlement.

163. *Mr. Johnston.*] Can you account for so much land between here and Ohaeawai lying waste?—No.

164. Is it not mostly freehold land?—I could not say. I have only been here a little over twelve months.

165. Where were you before you came here?—In Auckland.

166. In the City of Auckland?—No.

167. You do not know anything about the south of this Island?—No.

168. You have had no experience outside of Auckland?—I was through Taranaki.

169. Is settlement successful there under lease in perpetuity?—I cannot say.

170. Are the leaseholders doing well there?—I cannot say. It is about twelve years since I was there.

171. Do you not think that the cause of so much land lying idle is that there are so many absentees owning land?—There are, no doubt, a good many absentees, and they are a drawback to the place.

172. If the land were held under the leasehold system there would not be so many absentees, would there?—I think there would be just the same.

173. How could the holders be absentees if they held leases and had to make certain improvements on the land?—I cannot answer that question.

174. *Mr. Matheson.*] If people in the cities have an interest in the Crown land that is leased, and if the State gives people the right of obtaining the freehold, do you think it is doing justice to the people in the cities?—Certainly.

175. Do you think that by granting the right of obtaining the freehold the Government would make the country more prosperous?—Yes.

176. What has made you nervous in reference to revaluation?—If a man takes up a place for a certain period he does not want to have his rent raised.

177. What has made you fear revaluation?—It is the general opinion that we will have revaluation.

178. Have you had any experience of the Advances to Settlers Department?—No.

179. But you would approve of any system that would have a tendency to bring down the price of money, so that farming could be engaged in more profitably?—Yes; I think it is a good thing for the settler.

180. What is the value of your land per acre?—7s. 6d

181. By the time you have done your improvements your interest in the land will be greater than that of the Government?—Yes.

182. Are you honestly of opinion that the freehold tends to assist settlers in being more successful?—Yes.

183. Are you of opinion that a man holding freehold land should be called upon to reside on the land?—Yes.

184. Do you think there is a danger of large estates accumulating in the district if the option of the freehold is granted to Crown tenants, or that one man is likely to buy up a number of adjoining sections?—There is no doubt that will occur in certain cases.

185. You think it is desirable in the interests of sound settlement that restrictions should be imposed by the Government in respect to the area of land that may be held by one man?—I believe that one man should not be allowed to hold more than a certain area of land.

186. Would you be willing to pay the extra 1 per cent. to get the right of purchase?—Yes.

187. *Mr. Paul.*] Would you-mind explaining a little more fully wherein the insecurity of the lease in perpetuity lies?—If I wanted to leave the section at any time I could not sell it nearly as readily or as well as if I held the land under occupation with right of purchase.

188. Would it not cost you more to take up the land under occupation with right of purchase?—Yes; but I would feel more secure.

189. Why would you feel more secure?—If a man knows that he owns a thing or is going to own it, and that he can do what he likes with it, he will do more and feel more secure than if he has to pay rent all his life.

190. But he cannot do what he likes with the land until he owns it?—But he has a chance of owning it.

191. Has there been much discussion about revaluation here?—I only speak of what I have read.

192. What makes you think your lease is going to be revalued?—I speak as a result of what I have read; and there is another thing, that I think a man would be more secure if he had a freehold. What about the townspeople? Are they not in favour of the leasehold?

193. Do you think they are?—I think so.

194. Do you not think they are quite honest in that belief?—No.

195. Why do you think they hold that opinion?—Because I think it would be a bar to settlement, and the settlement of the land is the backbone of any country. If we do not get the land settled the country will be at a standstill here.

196. You think the land should be settled under the homestead system?—As far as I have seen, that is the best system that could be adopted here.

197. Do you know that that was practically giving the land away, subject to certain conditions?—It would pay the Government to give the land away rather than have it locked up for a number of years.

198. Would that apply universally?—No, I do not think it would; but it would apply in such places as this.

199. Do you believe that the townspeople are wrong in supporting the leasehold and revaluation?—Yes.

200. Do you not think that a section of the Crown tenants are helping the feeling of insecurity in regard to the leasehold by asking for a change? For instance, you made a contract with the State to take up certain land under lease in perpetuity; now you want something more than the State gave you?—That is so; but I am quite willing to abide by my contract if the State abides by its contract. But if I had my way I should prefer the freehold.

201. But that would be a variation, or a breach of the contract?—Yes.

202. And you do not want that?—I say that if the State abides by its contract I am prepared to abide by mine.

203. Do you think the lease in perpetuity has anything in its conditions that hinders settlement?—I do not know that it hinders settlement; but most people are in favour of the freehold.

204. Do you think that the want of roads is a greater bar to successful settlement than the question of tenure?—There is no doubt the want of roads is a great bar to settlement.

205. Would you prefer the lease in perpetuity with good road-access, or the option of the freehold without roads?—I would sooner have the freehold, and trust to the subsequent making of the roads.

206. *Mr. Anstey.*] Suppose you were quite sure there was to be no revaluation, would you consider your form of tenure satisfactory?—I could go and work with a better heart.

207. Do you think it would be wrong for the Government to revalue your section?—I do.

208. You think the contract should be held sacred on both sides?—Yes.

209. Have the Government ever hinted to you that they intended to revalue your land?—No.

210. Do you not think that you and some of your neighbours who are agitating for a breach of the agreement are more to blame than any one else for this supposed insecurity of tenure?—I am not agitating.



211. You have told us to-day that you wanted the freehold?—I only say I would rather have the freehold. A man cannot help thinking these things, especially when there are others of the same opinion as himself.

212. Suppose there is a lot of land lying idle in the front blocks, do you not think it would be wise for the Government to settle that first?—Yes, and then extend backwards.

213. We have to-day driven through twenty miles of country between here and Ohaeawai, scarcely any of which has been brought into cultivation. What would you suggest would be the best means of inducing settlement on that land—lands through which roads have already been made?—I should say that a man who takes up a section should have to reside on it a certain time. If he does not reside, then let him throw it up and allow some one else to apply.

214. Would you make that apply to Maori lands?—That is a different question. I do not know about them. I could not go into the Maori question at all.

215. What value do you consider should be placed on your section when you have it properly improved, fenced, and laid down in grass, and have a house built upon it, and so forth?—About £4 an acre. It would cost me that.

216. Your interest would then be seven times as great as that of the Government, or rather more?—Yes.

217. Do you think the trifling amount you have to pay as rent will ever be a very serious embarrassment to you?—No, I cannot say that. It is the revaluation I am frightened of.

218. You took up your land at a rental of 4 per cent. on the capital value. Suppose you were granted the freehold, would you pay anything extra for it?—Yes; I would pay up the back expenses up to 5 per cent.

219. Would you be prepared to put the land up to auction?—No.

220. You would not be prepared to pay the value at the time you wished to buy it?—No.

221. Have you read lately that a Trades and Labour Conference, held in Wellington, suggested the wisdom of revaluing leases like yours at a certain period?—No.

222. If you had read of such a meeting would that give you reason to be uneasy about revaluation? Is it the reading of such things that has made you uneasy?—It would depend a lot upon who held the meeting.

223. *Mr. McCardle.*] I suppose you are aware that this Commission is here to ascertain the opinions of the settlers, and to inquire into the different forms of land-tenure, and to report generally what will be in the best interests of the country as regards land-settlement? You presume that effect will be given to that report?—Well, I hope so.

224. *Mr. McCutchan.*] Within the past month there was a conference held in Wellington of representatives sent by the trades and labour organizations throughout the colony, and at that conference an official pronouncement was made that the leases should be revalued upon transfer or upon the death of the lessee. Do you think it would be wise to carry that recommendation into effect?—No.

225. If such a recommendation were carried into effect—that there should be revaluation upon the death of the lessee—the legacy to the widow and orphans would be a revaluation of their lease?—Yes.

226. Do you think that is a legitimate aim for the trades and labour organizations of the colony to attempt to realise?—It would if the family got the full benefit of it.

227. The object of revaluation is to increase the rent, is it not?—Yes.

228. Under these circumstances could a family get any benefit from revaluation?—I should not think so.

229. *Mr. Paul.*] Do you understand the principle of revaluation?—No; I cannot say I do.

230. Then, why are you frightened of it?—I soon would understand the effect of it, but at the present time I do not.

SEPTIMUS BACON examined.

231. *The Chairman.*] Are you a settler?—I can hardly be called a settler, as I am not now living on the land. I have two small pieces of land—one of 88 acres and the other 44 acres. The 88 acres is under occupation with right of purchase and the 44 acres is freehold. I have held the occupation-with-right-of-purchase section about twelve years, and am paying 6d. per acre for it.

232. Do you think that tenure is satisfactory?—Yes, I think it is a good tenure.

233. Do you intend to make it freehold?—No; I think the money is better invested without going in for a freehold.

234. You quite believe in the leasehold?—I think if every one would take leases in perpetuity I should be prepared to resign both my present tenures and convert them into lease in perpetuity. I am only sorry to think the time has not yet come when the State will resume the whole of the occupation of the land.

235. Is your land near here?—About seven miles up the river. It is bush land. About 30 acres of one section I have felled and grassed, and the other I have not touched—that is, the leasehold section.

236. Is it grassed successfully?—No. About the second year the caterpillars fairly destroyed it, and the second lot of grass has not appeared yet; but I am gradually getting it back by resowing.

237. Are you using any of your land for dairying?—No; just for running steers.

238. *Mr. Forbes.*] Do you think you need all your money to improve your section without putting it into the purchase of land?—Well, I am in rather an ambiguous position. I am not really a settler at present. I am interested in sawmilling, and am letting the land alone with eight head of steers on it.

239. Are you making any improvements on it?—I intend to fell about 16 acres of bush this winter.

240. Have you had any different feeling as between your leasehold and your freehold?—No, I think it is only a name.

241. How are the settlers getting on in this district?—Well, I have no neighbours. I am bounded by Native land. There are only about four settlers up the river, and I think they are making a comfortable living, but not entirely off the land, because they have outside employment chiefly.

242. Is there any gum-digging?—No.

243. Do the Natives hold the best of the land in the district?—They have very good land, but they have poor land as well. The majority in this part have good land.

244. *Mr. Matheson.*] Do you think it would be a good thing if all the occupiers of land in the country and in the towns were tenants and paid rent to the Crown?—Yes.

245. *Mr. McCardle.*] Have you had any experience of the Advances to Settlers Department?—Yes.

246. What is your opinion of it?—I think it is a step in the right direction. I think the fact that it enables some people to say that they can now obtain money cheaper than they could formerly has had the effect of reducing the rates of interest.

247. You have no fault to find with it?—No.

248. We passed to-day through a large area of bush country, which seemed to be taking the grass well. Do you know on what tenure that land was taken up?—I think it was taken up under the homestead system.

249. What is your opinion of the homestead system here now?—I think the land has become too valuable. I think if the land is any good at all it is worth buying.

250. Have you any experience of the manner in which roads are made?—Well, the river is my road; but I think the chief difficulty in regard to roads is the impecuniosity of the County Council.

251. You know something about the principle of special votes being granted by Parliament for special roads, and the tendency to log-rolling and so forth which this leads to: do you not think it would be better to allow the settlers to rate themselves for the raising of special loans, and to receive £2 by way of subsidy from the Government for every one they raise for the making and metalling of roads?—The settlers are not numerous enough about here; they are too much scattered.

252. But, still, there is a large amount of land, and the Natives are to be rated under the new Rating Act, and the land ought not to be lying idle?—The chief difficulty is the Native land.

253. But now the Natives will have to contribute their fair share of the rate revenue?—The question is, whether the rating of Native land will ever hold good. The Natives object to it. I think it would be better for the Natives to be given a free Land Court to ascertain their titles definitely, and they should be allowed to sell subject to the subdivision of the Government, and if they become landless let them be the same as landless Europeans are.

254. I suppose you know that the Natives are protected in this way: that they must retain 50 acres each for their own use. Do you think it would be well for the State to ascertain the titles and clear up the question as soon as possible?—Yes.

255. The north can never progress until the Native difficulty is settled, can it?—No.

256. *Mr. McCutchan.*] Are you a farmer by profession?—No, I am a carpenter.

257. Are you a student of land-tenures?—To a certain extent, superficially.

258. You believe in the nationalisation of the land?—Yes.

259. And you would prefer to hold land under the lease in perpetuity, although you know it is not an equally marketable commodity?—I would be if all the land was held under the same tenure.

260. That would mean a depreciation of the occupation-with-right-of-purchase tenure and an appreciation of the lease in perpetuity?—Yes.

261. How is it that you have not converted your holding into a lease-in-perpetuity holding?—I do not care to make a martyr of myself for my convictions while others are taking up the freehold of the land.

262. So, for speculative purposes you bought 40 acres of land for cash?—Yes, partly for speculative purposes.

263. You spoke about the caterpillars destroying the grass on your land?—Yes; but chiefly crickets.

264. Have you any English birds in the district?—Unfortunately, we have birds here which are a great nuisance. They will not eat the crickets.

265. Did you ever try the introduction of turkeys?—Yes; but the turkeys seemed to have a superabundance of these crickets and got disgusted with them.

266. Are you a family man?—No. That is one reason why I am not now on the land.

267. If you had a family would you be on the land?—Yes.

268. *Mr. McLennan.*] Do you treat your lease-in-perpetuity section differently from your freehold? Which do you improve the most?—I do not intend to improve the freehold so long as I can hold it without doing so. I am holding it for speculative purposes.

269. Do you improve the leasehold?—Yes.

270. Suppose you resided on the place and intended to get your living off the land, which would you improve the best—the freehold or the leasehold?—Whichever I was intending to make my home.

271. You would not give them equal treatment?—No, unless I had sufficient capital to do so. If my means were limited I would only improve the one I intended to reside upon.

272. *Mr. Paul.*] You think all further sale of Crown lands should be stopped?—I think so.

273. How would you settle the land? That is a question more for the Government to fight out. It is hardly fair to ask private individuals to formulate a policy for the land-administration of the colony.

274. With regard to this rough bush land, do you think it should be leased to settlers on very easy terms during the first thirty or fifty years?—I do not think the terms need be any easier than they are at present. If the option of the freehold were taken away there would be always men, I believe, to take the land on any conditions under which it is offered.

275. Do you believe in lease in perpetuity?—Yes.

276. Do you believe in the principle of revaluation being applied to leases under that tenure?—Yes, always exempting the improvements which the tenant has put upon the land; but the State should get any improvements that have accrued to the land through the action of others.

277. *Mr. Anstey.*] You are holding this 44 acres purely as a speculation?—Yes.

278. Are there many others on the same "lay" as yourself in that respect?—I think there is very little land held in this district for speculative purposes.

279. *Mr. Hall.*] Have you had any experience of earning a living off land alone?—Very little; I am not a farmer.

280. But you think other people should not have the freehold of land up here, and that it should be all leased?—I cannot think it would make the slightest difference to them, as leasehold would give them the same return per acre as freehold.

281. Suppose people will not take it up under the conditions you suggest, what then?—I should want first to realise that such is the fact.

282. Is it not taken as it is?—Well, of course, there are Crown lands lying idle which have been offered to the public for years in this district—in fact, ever since I have been here—under the different kinds of tenure.

283. Is it not important that land should be taken up, settled on, and improved?—Yes.

284. And under such tenures as will induce people to take up the lands and improve them?—Yes.

285. *Mr. McCurdle.*] Do you not think if the State refused to part with any more of this land it would raise the value of the land now held by private persons?—It would, probably; but the land-tax should work hand-in-hand with the system.

286. *Mr. Paul.*] When speaking against the further sale of Crown lands you did not mean that the lands should not be settled?—Certainly not.

287. *Mr. McCutchan.*] As a mechanic by occupation, and as one who has taken up land solely for speculative purposes, do you think if a revaluation clause is introduced into these leases it would prevent people going into the back districts, occupying the land, and making it reproductive?—It might have a tendency that way, but it is hard to say until you have tried.

DAVID BROWN WALLACE examined.

288. *The Chairman.*] What are you?—I am at present a storekeeper in Kohukohu. I have been in that business about twelve years, and have been resident here about twenty-eight years. I have no farm land—merely a few sections around Kohukohu.

289. Has there been steady progress in the way of land-settlement and more produce put out?—The district has progressed more during the last twelve years than it has during the previous twenty years.

290. What do you ascribe that to?—I think what gave it a start first was the mill, and after that the village settlement. Although the village settlement proved a failure people got to know that such a place as Hokianga existed, and a certain number of people became settlers.

291. Why do you think the village settlement was a failure?—Because very few of the settlers remained.

292. But, still, it was a sort of advertisement for the district, and tended to bring genuine settlers?—Yes.

293. Is there much flax about?—Not a great deal, but there are two mills—one at Rawene and one here.

294. Is there much gum-digging within the Hokianga watershed?—Not compared with other places. They dig in the winter months in the State forests. The timber is the principal industry.

295. Is there much dairying?—Not enough to supply our own wants.

296. Is there much sheep-farming?—No; more cattle.

297. Any fisheries?—Not for export. Simply for local use.

298. *Mr. Forbes.*] Has there been much clearing in the district?—Yes, when I came here there was no land cleared on the banks of the river, except just opposite here.

299. Is there any demand for further land to be opened up?—There is a great demand, but there is the want of roads to get to it. Numbers of people have come from the south in the last few years, but they see that there is no getting to the land in the winter-time.

300. What do you think would be the best way of getting over the difficulty?—The difficulty is want of money to make the roads. There is so much Native land and Government land on which no rates are paid.

301. Would it not be better to put a higher price on the land, so that access could be given to the sections before the settlers took them up? Would not the settlers under the circumstances be in a position to pay a slightly advanced rent?—I suppose so.

302. Is there much land around here that could be settled?—Yes, both Crown and Native land.

303. Do you think the want of roads is keeping back the district?—Yes.

304. *Mr. Matheson.*] How much longer do you think the timber industry will last here?—I should think another ten or fifteen years.

305. What do you think is the best tenure to offer Crown lands for settlement under?—I think the favourite tenure is the freehold, though I do not believe in it myself. I think it would have been wise if the State had held all the land and had never sold any of it. I think the country would be more prosperous if every one was a Crown tenant.

306. Have you any experience of Government advances to settlers?—Yes, and I think it is in the interests of the country.

307. Do you think the Government should extend its operations?—I do.

308. Do you think the Government leaseholders should be given the preference?—That is rather a hard question to answer.

309. Do you think the settlers who are improving the land are most deserving of assistance from the Government. For instance, there are large estates being purchased by the Government and cut up for settlement in the South, would it not be proper for the Government to make advances to those settlers?—I think it would be better for the Government to cut up the blocks they have here before they buy estates from other people. They have plenty of estates here which they could cut up and road.

310. You are aware there are a large number of settlers who understand agricultural pursuits, but who know nothing at all about the bush, and that to bring them here would be only to court failure. Do you think the Government should say that those men should come to the north?—I think it would be better for the Government to spend the money in making roads here than in buying large estates.

311. But you say settlement here is so small and scattered, and that your lands are at present not bringing in as much to the State as are the lands elsewhere?—I suppose they are bringing in as much in proportion.

312. Suppose we now proposed a new departure, and said to those people prepared to take up these lands, "If you agree to rate yourselves, we will find £2 for every £1 you raise by taxation to form and metal those roads," would you then get land-settlement along with roads, and could you make those roads maintain themselves?—No; the settlement is too far back. Lake Broadwood, for instance, about sixteen miles from here, with no settlement between: if you rated the Native lands and Crown lands you could maintain the roads.

313. We have a Native Rating Act on the statute-book now?—But it has not produced any money yet. The only time we had any roads made here was when the Crown and Native lands were rated, but that did not last long.

314. Would you approve of the Government giving the whole of the value of the land to the district for the purpose of making roads?—It would be such a little drop in the bucket. It would be of no use.

315. Then, there is nothing that will be of use to you?—Yes, if the Government make the roads. They have the land, and they should open it up.

316. *Mr. McCutchan.*] Do you say the total price of the land would not road the country?—I would not say that.

317. Are you satisfied with the constitution of the Land Boards?—I see nothing wrong with it.

318. Do you consider four members are sufficient to represent a large land district like Auckland, for instance?—It might be better to have more members, but I believe the present members do the best they can.

319. Would you be in favour of the Auckland Land District being separated into seven of the most convenient divisions, and each division being represented on the Land Board by a nominee of the Government?—I should like to give the matter a little more study before giving a definite answer.

320. Is this the headquarters of the county?—No, Rawene.

321. *Mr. McLennan.*] Is it a fact that in former years wheat was grown on the opposite side of the river?—Yes.

322. Was much of that land in cultivation?—No, there was just a strip which you can see now across the river.

323. It has been allowed to go back into tea-tree?—Yes. Mr. J. C. Firth, who was a flour-miller by profession, expressed the opinion that the best wheat he got was from Hokianga. That was thirty years ago.

324. Why cannot it do that now?—It has been neglected and allowed to go back into tea-tree.

325. Has any of the land between here and Ohaeawai been allowed to go back into tea-tree after being cleared?—I do not think so. That is different kind of country. The Okaihau Settlement was taken up under the homestead system. That was bush land.

326. *Mr. Paul.*] You believe in the leasehold tenure: what form of lease do you advocate?—The 999-years lease.

327. Do you think all future leases should be subject to revaluation?—Yes, all leases.

328. Do you think all future sale of Crown lands should be stopped?—It is almost too late in the day now. It would have been better for the colony if it had not parted with any of its land. To stop it now would give the freeholders an advantage.

329. Is it not better late than never?—It is my opinion that all the land should be held on lease from the State.

330. Would you extend the most liberal provisions to settlers on this class of land, and give very long leases at a very low rental on this bush land?—999 years is long enough for any one.

331. Do you believe in periodical revaluation?—Yes.

332. Do you not think the first term without revaluation should be longer in the case of this class of land than in the case of improved estates?—If a man takes up bush land I think he should have it for a certain number of years for nothing; but, still, I would not give him the freehold.

333. Then, you would be against the reintroduction of the homestead system?—Yes, so far as parting with the freehold is concerned, although that system has been very successful up here.

334. *Mr. Anstey.*] Have many of the original homestead settlers at Okaihau left the district?—Very few of them have gone away.

335. Are the sections still held singly, as originally allotted, in areas of 50 acres?—Well, families have taken them up and they have combined.

336. Do you think 50 acres is sufficient for a man to make a living upon?—No: on this class of land I should think he would require 200 acres. He could make a fair living on 200 acres.

337. Are the leaseholders in this district fairly prosperous?—Just on a par with the freeholders, I fancy.

338. Do you give as much credit to a leaseholder as to a freeholder?—It depends entirely on the man. Many of them hold both leasehold and freehold.

339. Suppose you were asked to make a small loan to any of them?—I would take into consideration more the character of the landholder than his tenure.

340. *Mr. McCurdle.*] Have you many leaseholders here on the 999-years tenure?—I think there are a good number, judging from the number of applications put in.

341. But there are a good many applications that never get through. When you give credit to a man, do you ask whether he is a freeholder or a leaseholder?—No; I take the man's own word.

342. *Mr. Hall.*] As regards Crown lands, you think the freehold should not be parted with, but should be leased without the right of purchase, the conditions being made as easy as possible, more especially on this bush land?—Yes.

343. Do you think that is the opinion held by the *bonâ fide* intending settlers?—By some.

344. But generally?—I think the feeling of the majority is in favour of the freehold.

345. Is it not necessary that the forms of tenure should be such as to induce people to go upon the land?—I think if people could not get the freehold they would take the leasehold.

JOSEPH VAUGHAN examined.

346. *The Chairman.*] What are you?—I am Chairman of the County Council, and I am a farmer pure and simple. I have been here about twenty years. I farm 1,100 acres, 640 being freehold, and the remainder occupation with right of purchase.

347. What tenure do you prefer?—The freehold, by all means.

348. I suppose you use your land mostly for grazing?—Yes, cattle raising and sheep, also a little dairying. My place is about seven miles up the Oririra River.

349. What have you to say as regards the progress of the district?—For a long time the district was at a standstill, but lately it has gone ahead pretty well.

350. We have had that ascribed to the timber industry, the flax industry, and so on?—Yes, it is all the industries combined, but I cannot say I am satisfied with the settlement of the land. That has not kept pace with the general trade, and I am afraid when the timber is done there will be a great falling off.

351. What has retarded the settlement of the land, do you think?—The principal thing is the Native land. That blocks the way. The greater portion of the county is owned by the Natives. If it was all contained in one large block, and the pakehas could settle on the remainder, it would not be so bad; but the Native lands are scattered all over the country. You require to make long stretches of road from one settlement to another, and at great expense.

352. You are aware that an Act has been passed for the rating of Native land?—Yes; but if you knew the Natives you would know that is a dead-letter. We have tried to collect a dog-tax, and we have had what was known as the "*kuri war*" in the district. And as regards fencing, we can make a charge on Maori land for fencing, but I never bother my head about trying to get it, as it is quite hopeless.

353. Is there any way of remedying that state of affairs?—I think a good plan would be for the Government to take over all the unused Native land and administer it for them—either sell it or lease it for them, as the case may be. Then the proceeds should be paid to the Natives in small instalments. There are 38,000 acres of Native land at Kaikohe, and only 1,000 acres of it is occupied. The rest of the land is scrub and tea-tree. The Natives own all these river flats, which are good land. The unfortunate white man has to toil away at the poor land.

354. Is there a road running through Kaikohe?—The road just goes through the top of it. I mention that place as one notable example; but all these river flats are fine, rich land, occupied by the Natives.

355. *Mr. Forbes.*] Is there much land held by absentees?—There are two or three large settlements—one known as the Federli Settlement, but this is mostly sold now. There may be 2,000 or 3,000 acres left. Those people live in Canterbury. That land was bought from a private gentleman here by a company and sold in small sections. Many of the owners live in Canterbury.

356. Do they pay rates?—Yes. We rate on the unimproved value here.

357. Is there much other land held for speculative purposes?—Not a great deal. As a rule, it has been cleared and made use of for farming.

358. Not much of it is held in its native state?—No; but if a farmer does go away the land gets into a worse state than it was in before. It all goes back to tea-tree and fern in a couple of years. It is almost hopeless for a man to tackle tea-tree and fern in this country. Up my way I have known 7 ft. of fern to grow in ten days.

359. How are the roads in this county?—Bad.

360. Why?—Because there is no money.

361. How much does your rate produce?—About £400.

362. How many miles of roads have you to do with that?—About four thousand—that is, taking all the roads and tracks.

363. Then, you can practically do nothing at all?—We can just patch up little pieces here and there.

364. Do you get any Government grants at all?—A good many on paper.

365. Are they not spent?—A few of them are. If there is £5 left over from last year then the grant is put down again on the next year's estimates, and so it goes on for years. There is a small amount of 9d. that will be on, I suppose, for 999 years, and I would suggest that it would be

best to have a drink with that and clear it off and start afresh. The whole system is bad, as it gives people a false idea of what is being done. We had £5,000 this year on the estimates, and perhaps £1,000 expended.

366. Who spends it?—The County Council spend a portion of it, and the Government, through their officers, spend some other portion.

367. You get "thirds" ?—Yes, but they do not amount to very much.

368. Do you take any action against the absentees if they do not pay their rates?—Certainly. We attempted to sell some of these properties, but the Court seemed to put obstacles in our way, and the attempt was abandoned.

369. What Court do you mean?—The Court in Auckland at which the cases were heard.

370. Has this system of rating on the unimproved value which you brought in had any effect in helping to settle these lands at all?—It has the effect of helping the settlers who are here, because all these people who are away have to pay an equal share of the rates now. Before, of course, they only paid a very small proportion indeed. The only flaw in the Act is in regard to the township here. They get off too easy. Sections here that were paying £3 before are now paying about 18s. I think special provision ought to have been made in the Act for townships.

371. Would the settlers here be willing to pay an increased rate if they thought the Council were going to spend much money in the town?—The money is spent in the riding where the rates are collected.

372. Is much revenue used for the purpose of supplying roads in the township or metalling them?—This township is in rather an unfortunate position. The rates are rather small, and the demand for roads is great. We have an overdraft here.

373. *Mr. Hall.*] Does the haulage of timber, gum, and flax over these clay tracks cause much damage?—Merely a little damage, and not to the extent that might be supposed, because most of the timber is driven down the creeks.

374. I suppose it is considered that the export of timber, gum, and flax is an advantage to the colony?—Greatly so.

375. In consideration of that, do you think the north should get a little more help for road-making?—I think if we got some proportion of the royalty from this timber, which it is only reasonable we should get, then we could do something. We get nothing at all now. A big lot of timber was sold a little while ago, and we never got a penny beyond the ordinary grant.

376. As a lot of Crown land is still unoccupied, and a large extent of land is in the hands of the Natives, and neither pay rates, is that a further reason why the Government should give more aid here in road-making?—I think so. I think they ought to make a difference in this county. It is in an embryo stage, and making a little progress. One difficulty about our road-making is that every road is a main road leading down to the water-way.

377. *Mr. Johnston.*] You say you have 1,100 acres: how much is in grass?—About 500 acres in English grasses—a little more, perhaps, all told. Some has become overgrown with tea-tree and scrub again.

378. And you have allowed it to come again?—It has come without my allowing it.

379. What is the good of sowing the land down in grass if that cannot be avoided?—It cannot be avoided unless you can plough the land, and some of it is too steep to plough. You cannot really eradicate the tea-tree on such land.

380. Then, really the land is worthless?—It is very expensive to keep clean.

381. Will it pay to put it into grass?—It will grow good grass if you can keep the growth off. You have to keep worrying away at it to keep it down.

382. Will this worrying pay?—It hardly pays. One has to keep putting all one can make into the farm in order to try and bring it into cultivation.

383. Will not cattle keep the tea-tree down?—Sheep nibble it a little, but it grows at an awful rate. You have nothing to compare with its growth in the south.

384. What does the balance of your land consist of?—It is standing in bush. I am getting it down at the rate of 50 or 60 acres a year.

385. Is it kauri bush or mixed bush?—It is mixed bush.

386. How much can you fell at one time?—As much as I possibly can. I start early in the season.

387. Have you never felled more than 60 acres?—Yes. I chopped down 200 acres in one season. It burnt well, and I have a good sole of grass on it.

388. Is the fern coming up on that land?—No, except around the borders.

389. Does the fern or tea-tree come on the bush land after it has been sown in grass?—No. There are spaces in the bush with a little tea-tree, but we are very careful to chop it down and not allow it to spread.

390. How long have you had bush land in grass?—Eighteen years, I suppose.

391. And there is still a good sole of grass?—Yes; the grass is all right.

392. How many sheep to the acre will it carry?—If it was subdivided I could carry three sheep easily and well to the acre. Of course, I am carrying more than that now; but taking the average right through it would carry three sheep to the acre. If this bush land was subdivided, so that you could pass the sheep on from one paddock to another, it would really carry more.

393. What will the scrub land carry after it is cleared?—It ought to carry two sheep easily.

394. Do you intend to improve the balance of your land?—I will worry at it until I get the whole in good English grass.

395. If you felled at the rate of 200 acres a year you would soon get it done?—Yes; and the more you do the more money you have to do the rest quickly.

396. How long have you been on this farm?—Twenty years.

397. You say it is hardly worth while tackling some of the land about here on account of the scrub coming back?—Unless you are a millionaire.

398. Who does that scrub land belong to between here and Ohaeawai?—That heavy tea-tree land is fairly good, and it belongs to the Natives.

399. I mean a lot of land on the flat by Lake Omapere?—It is ironstone, and will not grow anything at all. It is practically barren.

400. You say £5,000 has been voted by the Government: what for?—Grants for roads.

401. How much do you say you have got of it?—At present we have not more than £1,000 really spent. Of course, there is more to come.

402. The Government have given this to make roads?—Some they have handed to the County Council, and some they have spent themselves. I think, if I recollect aright, we have only had two grants of that money, and the rest the Government have spent. We are agreeable to that, so long as it is spent.

403. How is it you do not borrow to make main roads, the same as other counties?—The fewness of the people prevents that.

404. Your rate is 2½d. in the pound?—It is 2½d. on the unimproved value, which is pretty heavy. It is more than 1d. on the improved value.

405. Do you consider that high?—It is as much as the people can manage to pay.

406. Mr. Forbes asked you about outstanding rates: do you know what they amount to?—There is not a great deal. We get the bulk in from the white people.

407. Do these absentees pay rates?—Yes, some of them. If they do not we summon them, and make them pay 10 per cent. additional if the rates are not paid before the end of March.

408. *Mr. Matheson.*] Why do you not wipe the unexpended balance off the future estimates by putting another shovelful or two on the roads?—It is under the control of the Government. We have no control over them. But until they are spent they will remain on the estimates.

409. Then, if they leave £5 always unexpended you would appear to have a very handsome vote every year?—Yes.

410. Can you suggest a way of making more simple the sale of sections on which rates are owing?—I do not know anything of the legal form through which we have to go: but if the Government would not interfere, but just let us carry out the Act as it stands, I think we might do it. At least, we are strongly under the impression that they do not carry it out. They put all the obstacles they can in the way.

411. Can you tell me one of the obstacles?—They raised all sorts of objections. They said the land was going for nothing, and so forth. That we could not help. I suppose the land was practically valueless, and the people did not care to bid for it: £5 was the most that was offered for one section.

412. And it was not accepted?—We would have accepted it, but the Government would not.

413. What office does it go through?—I do not know.

414. Is your County Clerk here?—No.

415. Do you think a small royalty on the timber you export would be better than these grants you cannot be sure of?—I think we ought to have a royalty and grants in proportion to the other counties. We think the grants are our right, and the royalty too, seeing the state of the county and the condition of the roads. If we had a portion of the royalty with the grants then we could do something.

416. *Mr. McCordle.*] I suppose you have seen it is proposed that the royalty charged on timber and gum licenses is to be handed over to the local bodies?—Yes; I am very pleased to see it.

417. Have you seen the Native Land Rating Act?—Not yet.

418. I think you will find there is provision made there that when a Native does not pay the State can pay for him, and charge that against the land, so that when the land comes to be dealt with a portion will be cut off and declared Crown lands for the rates that have been paid?—If the Government pay we will perhaps get the rates.

419. Have you had any experience of the Advances to Settlers Act?—No.

420. Do you know whether the settlers have taken advantage of it here?—I think so. I think they are quite satisfied with it.

421. You cannot make any suggestion that would enable the settlers to get better roads than now exist?—All we want is money. We would soon make roads if we had the money. I think the Government ought to make a difference in these counties where we have practically no roads. We have roads, but they are just formed roads.

422. Would it be a very material benefit to you if the Government handed over all Crown lands revenue to you?—Yes; we could do something then.

423. Suppose they made it a condition you should raise a loan on the strength of that and make your roads, do you not think it would be much better than the present way of spending money in dribs and drabs as it comes to hand and really wasting it?—The money, I would say, is largely wasted in dribs and drabs now, because we have to make the roads passable, and we cannot do anything in the way of metalling.

424. Supposing an Act was passed which enabled you to raise money on the strength of the money derived from the sales of land, do you not think it would be much better to get the money in a lump sum and proceed with your work on a systematic manner?—I think it would be much better, and it would also be better if we could get the "thirds" in a lump sum.

425. If you raised a loan now you could use them towards paying the interest and sinking fund?—Yes.

426. *Mr. McCutchan.*] Do you find that the system of dual control—namely, control by the Government and control by the County Council—of these roads is satisfactory?—I think so. The Government do a lot of work which we could not do. They have their officers here, and they know the real wants of the district as well as ourselves.

427. You find there is no overlapping?—I do not think so at all.

428. Do you employ an engineer?—The County Clerk is engineer. Our means are limited, and we try to keep down expenses as much as possible.

429. On a 2½d. general rate you raised £400 last year?—Yes, and we got a subsidy.

430. When you introduced rating on the unimproved value was the rate you struck on the unimproved value sufficient to bring in as much revenue as when you rated upon the capital value?—Yes; we brought it up to the same amount.

431. What subsidy are you getting?—About 5s. in the pound.

432. Do you think the settlers of the district are helping themselves as much as they should by only raising £400 a year out of a large county like this?—Yes; but look at the extent of the county. We have a thousand square miles, and only two thousand people.

433. Does it not seem a small amount of revenue to raise yourselves?—I think it as much of a burden as we can ask them to bear.

434. What was your total revenue last year from all sources?—I cannot tell you. It was under £1,800.

435. What are your administrative expenses?—They are low.

436. Are they 50 per cent of the rate revenue?—They are pretty heavy in that respect for this season. The rates are low and the travelling and other expenses are heavy.

437. You say you have made no attempt to borrow money under the Loans to Local Bodies Act?—No.

438. Why does your county not take advantage of such a splendid method of raising money for roads?—The difficulty is where the money is going to be spent. If we had one main road we could do something in that way.

439. Of course, it would be an absurd thing to form a rating area of the whole county; but could not one of your populous districts be formed into a rating area for roadwork in that area?—This township is the only place where the population is anything like thick, and they are not many.

440. It seems extraordinary that a county that is only raising £400 in rates should get grants to the extent of £5,000?—Yes, if we get them.

441. If money is put on the estimates does not the expenditure of that money practically rest with you and your *confrères* on the County Council?—We worry right away to get it and get it on the roads, but we only get a small proportion.

442. Does not your engineer submit plans of the work to the Government engineer?—We try and get the grants from the Government. They spend some and we spend some. We are satisfied with that; but, even so, we do not get a large amount of the votes put on the estimates.

443. Do you think the whole system of grants should be abolished?—If we had an assured finance of some sort to trust to they would be better abolished altogether.

444. As County Chairman, have you ever endeavoured to think out a feasible scheme of getting an assured revenue?—Nothing more than that we might get a revenue from timber and gum and those things.

445. You said you are carrying three sheep to the acre on your farm: that seems a very high carrying-capacity?—Not on bush land which is just down and sown in grass.

446. Can you carry three sheep all the year round?—If my place was subdivided I could.

447. Is the present selling-value of your land £9 to £10 per acre?—I should like to get that.

448. If it will carry three sheep to the acre surely it is worth £9 to £10 per acre?—I should like to see it.

449. What is your rateable value for the whole place?—£2 16s.

450. What quantity of stock have you on the 500 acres now?—Three hundred sheep and one hundred head of cattle, besides horses.

451. You are carrying about a sheep and a half to the acre?—Yes. Some of the land is bush and some scrub. The bush land, I think, would carry three sheep.

452. Does the growth continue all through the winter?—Yes. It is springing now; but there is not much grass in the winter-time. There is too much rain.

453. Is there much land in the Hokianga County doing what your land is doing?—Yes, if brought under proper cultivation. Some of the land is not so broken as the rest.

454. But some broken country is much better than easy-lying country?—Yes; but it is very patchy here. Part of my land is just mere gum-hills.

455. Can you explain why land capable of carrying three sheep to the acre under grass is not snapped up when it is put on the market at 7s. 6d. per acre?—I think it would be.

456. Is there not a large area of this land on the market now at 7s. 6d. per acre?—But the land is right away back, and the people cannot get to it.

457. Do you think in these districts the road question is of equal importance to the tenure question?—Yes, quite. If the Government would give us roads that would largely improve the value of land everywhere.

458. *Mr. Paul.*] Do you think it would pay the Government to put in the roads before settlement and charge them on to the value of the land?—No, I do not think that would be a good plan. I think as soon as a few settlers have gathered in a place the Government should then make a road to it. Roadmaking has been a great boon to the settlers. They get a little work and are able to keep the pot boiling.

459. I have no doubt that is correct; but has not the settler just about enough to do on the holding that he takes up?—Unless he has capital he cannot live. He must do something—either on the roads or in the bush or on the gumfields.

460. Does the district get good value for the money expended by the Government on the roads?—Yes. We have nothing to complain of in that way.

461. Which do you think the most economical—the County Council or Government construction of roads?—When the Government give us a free hand, and do not tie us down to the co-



operative system or anything of that sort, then the work of both the County Council and Government is good.

462. Is the Government work done by co-operative labour?—Not now, I think. It was a complete failure.

463. How long has the system been abolished?—I do not know.

464. Under what system do the Government work?—The best system at the present time is day-labour. Get a good man over a small gang and you get a decent day's work out of them.

465. You believe that is satisfactory?—I am sure of it. The work is done 50 per cent. cheaper than under the old system.

466. Are the leaseholders in this district prosperous?—Of course, that depends on the individual. Some people will be prosperous under any conditions; but, taking the village-settlement system, which was a leasehold system, on the whole, I think it has been a failure. Some men have pushed ahead and got a good many holdings and prospered, and a good many have gone away.

467. What is the position of the lease-in-perpetuity holders?—There are very few here, I think.

468. Have you had any experience of the land-for-settlements policy adopted in the South?—No; I have only read about it in the papers.

469. In giving us your opinion in favour of the freehold, you are not including these estates?—No; my remarks apply more to the northern district and this class of country.

470. *Mr. Anstey.*] How long have you had the rating on the unimproved value system for raising rates?—About six years.

471. Do you find it more satisfactory than rating on the capital value?—I believe it is much better.

472. You have no intention of returning to the other system?—Not at present. The people are quite content.

473. You think it is the fairest way to raise rates?—It is much fairer, because everybody pays whether they are here or not.

474. Is there any gum-digging in this county?—Yes, scattered about, but not in this immediate district.

475. You say you consider the County Council ought to receive some revenue from the timber industry?—Yes.

476. Should they receive some revenue from the gum industry as well?—Yes. We get the revenue from the gum licenses at the present time—5s. from the digger and £1 from the buyer.

477. What is the unimproved value of your farm now for rating purposes? Is it the same as the original price you paid for it?—It is much lower. I might say that twenty years ago there was a kind of boom in land, and the people gave a great deal more than the land was worth. It is now down to the normal value.

478. What is your land valued at for rating purposes?—7s. 6d. and 10s.

479. You said you paid 7s. 6d. for it?—The land at 7s. 6d. has been raised to 10s., and the land at 10s. has been lowered to 7s. 6d.

480. Practically, there is not much difference?—Very little difference.

481. Suppose your land is valued at 10s. per acre, and you are striking a rate of 2½d. in the pound, that would be a little over 1d. per acre you are paying. Do you think that is an extraordinarily high rate to pay?—It is not a very high rate, but it is quite enough.

482. You say your land will carry three sheep to the acre?—That is the bush land, please remember.

483. Do you not think that land would stand a good deal more in the shape of rates if you had more roads?—If we had more roads we would not object to pay more rates.

484. Then, why not strike more rates and get more roads?—That is perhaps an isolated case. The next land may be poor, and you could hardly make a living off it. It may be tea-tree land, and unless you are eternally worrying at it the land will go back to the tea-tree.

485. Surely, if land will carry three sheep to the acre, 1d. for every three sheep is trifling enough?—Yes; but it might not be fair to the next man.

486. Suppose the Government gave you a subsidy on your rates, would that not be better?—Yes; I think the settlers would agree to a higher rate then.

487. Do you not think that would be better than to be dependent on spasmodic Government grants?—I think it would be very much better.

488. How many sheep did you shear last year?—About three hundred.

489. How do you reckon you keep three sheep to the acre?—Because these sheep are in a single paddock. They are in the bush paddock, and the cattle are running on the rough country.

490. Your three hundred sheep are running on 100 acres?—Yes; but the cattle and sheep are not running together. I keep them in a clean paddock on account of the wool.

491. *Mr. Johnston.*] Do you think this gum-digging is advantageous to the settlement of the country?—It is a boon in a way to the settler, but it takes him a good deal away from the land. Gum-digging is something like gambling: when a man starts it he can hardly leave off.

492. Then, the gum-digger is not advantageous to settlement?—The man who digs gum to help on his farm is, but the gum-digger pure and simple is not.

GEORGE HENRY KEMPER examined.

493. *The Chairman.*] What are you?—I am a miner. I have been in the district two years. I am prospecting.

494. Have you any land?—No.

495. Have you studied the land question?—Yes.

496. What is your idea in regard to the constitution of the Land Boards?—I think the Land Boards could be dispensed with altogether, and the administration of the lands placed in the hands

of the local bodies. They have the machinery in working-order to deal with every question in each district. That would save a lot of expense and time to the settlers.

497. Have you any views about land-tenures?—It does not matter much under which tenure the people hold the land so long as they are fit to become farmers.

498. Supposing you were going to take up land, would you like it under lease in perpetuity or occupation with right of purchase, or under freehold?—I think the option should be given. I am against the freehold personally, because the freehold is an anomaly. It is only of use so long as you can pay 20s. in the pound. Under leasehold, so long as you pay the rent you are equal to the freeholder. The one is as good as the other.

499. *Mr. McCardle.*] You have had a good deal of experience in the Wellington district?—Yes.

500. And also of the working of the special settlements?—Yes.

501. How did you find the special settlements answered?—Very well. The men have large banking accounts now.

502. Do you know that large block of land on which is one of the finest dairy factories in New Zealand?—Yes.

503. Did not a lot of the people go in almost without money?—I think the most of them had money.

504. Your opinion now is that the fitness of a man for settlement purposes is of greater importance than tenure?—Yes.

505. But you think the desire people entertain for the freehold is a great impetus to settlement?—I think it is more a matter of fancy than reality.

506. You are also acquainted with the village settlement at Pahiatua?—Yes.

507. You know the success of a settlement depends largely on the quality of the land?—Yes.

508. Do you know anything of the Advances to Settlers Act?—Yes.

509. Have you found it satisfactory?—Yes: it has been of great benefit.

510. You think it should be continued?—Yes.

511. Do you know much about this district?—I have travelled over a great deal of it.

512. Are there any minerals existing in this neighbourhood?—There is no doubt about it.

513. What is the character of these minerals?—I think there is a little of all sorts. I think they will be worked in a very few years from this.

514. Have you observed if the settlers in the district are prosperous?—Yes.

515. Do you think the land is equal in quality with the land you are acquainted with in the south?—Yes: but it is harder to work on account of being clay land.

516. We have been told that some of the bush land we saw cleared of timber and in grass was taken up under the homestead system: is there much land of the same quality in the district?—I think there is.

517. *Mr. McCutchan.*] You think the administration of the lands of the Auckland Province should be handed over to the local bodies?—I think the duties so far performed by the Land Board could be managed by the local bodies.

518. Would you have a land office in each county?—I do not think you would require anything more than the local body in each district.

519. Would it not necessitate a staff and maps, and surveyors?—No. You have all the things you want in the county office now.

520. *Mr. Paul.*] How would you test the quality of prospective settlers? You say it does not matter about the tenure, but it matters a great deal about the calibre of the settler?—That is too big for me. I would not care to undertake that. Appearances are deceptive.

521. Then, things will have to go as they are going?—Yes, much on the same lines.

522. *Mr. Anstey.*] What minerals do you expect to find?—I have found some. There is no doubt of gold being up the Waihou, but whether enough to pay for the costly machinery we are endeavouring to find out.

523. Any other minerals?—Silver, calcium, and beautiful marble—quite equal to any imported. There is limestone, sandstone, and slate.

#### CARL SCHREIDER examined.

524. *The Chairman.*] What are you?—I am a farmer. I hold 570 acres under occupation with right of purchase, about six miles up Mangamuka River, and 150 acres of freehold. I am paying 5 per cent. on capital value of 10s. per acre for the occupation with right of purchase. I have held part eight years and part a year and a half. It is all bush land.

525. Are you satisfied with your occupation with right of purchase?—Yes. I consider for a poor man it is the best tenure one could take land under.

526. As regards tenure generally, do you prefer freehold to leasehold?—Most certainly.

527. Have you got some of your land in grass?—Over 200 acres in grass. I have sown cocksfoot and Cheving's fescue, and ryegrass, and red and white clover—in fact, a good mixture.

528. Has the grassing been successful?—Yes. The best grass and the one which I consider will be the making of the north is a new grass called *Paspalum dilatatum*. That is the only grass that will stand in a dry season. I have not seen a single root die yet. All the other grasses stand well in rich, low-lying grounds only. Cattle and sheep are all fond of paspalum, and I consider it is very nutritious. I have seen sheep, cattle, and horses eating paspalum and leaving the other grasses. I have sown other grasses and got a dry summer, and the grasses have died out, and then I have resown in the autumn with paspalum over the bare ground, and in two years' time I had a close sole of good grass, and the sheep were eating it all the time. That shows the value of the grass.

529. *Mr. Forbes.*] Do you use danthonia at all?—I have used danthonia. I think danthonia is something the animals much get accustomed to. They will not eat it if they can get anything

else. I have sown it in my mixture, and only this summer in one paddock I saw danthonia 1 ft. high, while the other grasses were eaten short. I will never sow it again.

530. *Mr. Hall.*] As regards land-tenures, what do you consider is the best tenure to apply to the Crown lands here in the interests of settlement, and in the interests of the State?—My idea is that the occupation-with-right-of-purchase lease is the ideal tenure. It allows a poor man who has not enough capital to buy straight out, to use his capital in improving the ground, and then when he gets a little better off he can make it his own. I believe no man will work as well on a leasehold section as he will on a freehold, or on a section that he knows he can make his own. I consider it is the best tenure all round. At the same time, a great many people favour the leasehold and consider it is better. I should certainly make the tenures optional. If any one wishes to have a leasehold by all means let him have it. The majority of the people I know—all *bonâ fide* farmers—favour the freehold.

531. Do you think the waste lands will be more successfully settled under that tenure than under any other?—Most certainly I do.

532. *Mr. Johnston.*] Is your land all cleared bush or scrub?—The freehold section in old times has been scrub. It is tall tea-tree. The soil is clay. It is pretty well all flat ground.

533. Do you think this paspalum will grow on this poor manuka land?—It will grow anywhere, only it is difficult to get it to take on this hard manuka land. It would have to be ploughed I should say.

534. Suppose the land was too steep to be ploughed?—Then I should set in the plants. I have replanted it. You can pull a bunch of this paspalum into a thousand plants, and in the winter-time you can take a mud-puddle, where cows or horses have stood, and stick the plant in. Then you have only to keep the stock off it until the roots have taken.

535. You think it is better than danthonia, or any other grass, for this class of country?—Yes, whether high or low or poor or medium land. It is good anywhere. I have planted about 1 acre of it for seed, and this year I have sowed 3 acres of my own seed. I am sowing it as fast as I can raise the seed.

536. What area have you in grass?—About 200 acres.

537. How long have you had it in grass?—About six years.

538. Would it not pay you to put it in grass quicker than that?—Most certainly if I could afford it. That is what has been keeping me back.

539. How many sheep do you carry?—About one hundred and fifty, and sixty head of cattle, and six horses and three brood mares.

540. Is that the most stock you have ever carried?—Yes, on this land.

541. Have you ever grown any crop on it?—No; there is hardly any ploughable land on it. I have a small orchard. I have only held my freehold section two years.

542. Have you ever tried crested dogstail?—Yes, but I do not think much of it. It does not show up.

543. *Mr. McCutchan.*] Do stock leave the English grasses to eat paspalum?—They will occasionally.

544. They do not prefer it to the English grasses?—Well, I can hardly say whether they prefer it, though I have seen them leave cocksfoot when it gets a little bit dry and go for the paspalum. For instance, cocksfoot and paspalum ripen at the same time, and after the seeds have been cut off the animals eat the paspalum right down to the roots, because the stalks remain green. But the cocksfoot remains dry and the cattle will not eat it.

545. Does paspalum spread from the roots?—It spreads in this way—the bunches gradually grow larger.

546. Would sheep be apt to kill it off as they do timothy?—They cannot kill it.

547. What do you estimate is the cost of sowing down hilly country to get a fairly good sward right from the start?—If there is any timber on it at all and you can get a good burn, you have some chance then if you sow the seed on it. My experience is that it does not matter when you sow the seed, whether summer or winter, it will come up within eight or nine months afterwards. The first-year it makes very little show, but in the second year you will see it leave the other grasses behind. In the summer-time, when the other grasses begin to dry up, the clumps of paspalum in the paddock will look like little islands. It remains quite green. If you then shut up the paddock and give the plants a show the seeds will spread it.

548. Will it stand frost?—I cannot say. I do not get any frost.

549. Do you know that poor ironstone land to the north of Lake Omapere?—I have been through it.

550. Do you think paspalum will grow on that country?—I think it would grow even there if you could get the seed to take or planted it. I have tried it on the highest and wrosted places on my land, where the fern was very high, and I have not seen a single plant die there.

551. Is it your intention to cease sowing English grasses and sow only paspalum?—I mix the paspalum with the English grasses, and I intend continuing that. I have had many offers from people who wanted to buy my seed, but I refused to sell, because I wanted it all myself.

552. You think it is a grass that will redeem the poor lands of the north and make them profitable?—Yes, because it forms such dense root bunches. The sheep cannot eat it close down. Their manure gets caught in amongst the roots of the paspalum and is not washed away, and in the course of time this ground becomes really rich on account of the grass holding the manure.

553. *Mr. Anstey.*] Is there anything in the leasehold to prevent a man profitably occupying the land, provided he had a secure tenure?—I object to the very principle of leasehold.

554. Supposing there was nothing else to be got but leasehold, would there be anything in that to prevent successful settlement?—If I could not get a piece of ground on any other tenure but leasehold I should go to a country where I could get the freehold.

## JAMES F. GRAY examined.

555. *The Chairman.*] What are you?—I am a settler at Hokianga, and hold 360 acres under occupation with right of purchase. I have had the land for three years, and am paying 6d. an acre per annum. It is all bush land. I have cleared about 40 acres. It has taken grass well. I run cattle on the land. There is a track to my place, and I have access by water to it. I am pleased with my tenure.

556. What is your view with respect to the land-tenure?—I believe in the occupation with right of purchase.

557. Is there any special point you wish to bring before the Commission?—No.

## CECIL NORMAN MARDON examined.

558. *The Chairman.*] What are you?—I am a settler, and farm 300 acres under four different tenures—one under occupation with right of purchase, and one section under lease in perpetuity. I have held the land for seven or eight years, and my rent is £9 10s. per annum.

559. Which tenure do you prefer?—I believe in the freehold. My land is about seven miles from here at Motukaraka. It is all in grass and is fenced. The bulk of the land was bush when I took it up. I run dairy cattle and horses on it.

560. Have you a dairy factory in this district?—No. The bad roads prevent that. We are anxious to get one, but we do not see our way.

561. *Mr. Johnston.*] Are you a member of the Farmers' Union?—No.

562. Who is president of this branch of the Farmers' Union?—Mr. Yarborough.

563. If your place was fully stocked what could it carry?—I consider the land here would carry three sheep to the acre—two sheep and a half comfortably.

564. What experience had you before you came here?—I held some other land in the district; but I was brought up in Canterbury.

565. What is your rating value per acre?—I think it is £2 an acre.

566. What is the selling-value?—In this part of the world it is almost an impossibility to sell out, especially a Government lease—people have such an objection to it.

567. Why do they have such an objection?—They do not consider that the tenure is secure—there is a fear of revaluation.

568. Is there not just as much fear of the freehold being subject to revaluation as the leasehold?—No, I do not think so.

569. Have you seen any special settlement in Canterbury since the passing of the Land for Settlements Act?—No, but I saw something in the newspaper with reference to witnesses who gave evidence before the Commission, and as to the intimidation of the Crown tenants. It was said in the newspaper that a lot of the Crown tenants were afraid to come and give evidence before the Commission.

570. Did you believe it?—I do not believe it would be in the newspaper if it was not true.

571. If I told you that that statement is an absolute lie, would you still believe it?—I saw this in this room to-day: that most of the leaseholders were called to give their evidence before the freeholders were.

572. I can assure you that that was not the wish of the Commission?—I thought it rather awkward because some settlers had come a long distance in order to give evidence, and the leaseholders I refer to live in the township, and they should have waited and allowed the settlers to give their evidence and get home. I may say that I have been delayed getting home and that my cows are un milked now.

573. There was not the slightest wish on the part of the Commission that such a thing should occur. With reference to what you said as to the alleged intimidation of witnesses down South, what you saw printed in the newspaper is absolutely untrue. They were the finest body of settlers we met, and they gave very valuable evidence. You say there is no selling-value of your land at the present time?—It is very hard to sell out in this district. It is not the fault of the land. The land is good. This fern and tea-tree land is very expensive to deal with. When once you get them under the land will grow excellent grass.

574. You have heard what has been said by another witness, that it goes back into tea-tree and fern?—It is the seed in the land that is continually growing, but if land is fenced and stocked, and grassed with suitable grasses, I do not consider that it is an impossible task; but it is more expensive to deal with that sort of land than with bush land.

575. Have you had any experience of danthonia?—Not a great deal, but I believe in the paspalum and clovers. They do very well indeed. Ryegrass grows. If you put on bush burns it seems to disappear, but in a few years, especially if the land is heavily stocked, it comes back again and does excellently.

576. You have had no experience of the working of the Land for Settlements Act in Canterbury?—No.

577. Do you think the Crown tenants have been intimidated in this district?—No, I do not.

578. Do you think there has been any influence brought to bear against the Crown tenants giving evidence at all?—No. I may say that my experience with respect to the Land Board has been favourable. They were rather hard on me I thought in regard to one application.

579. *Mr. McCardle.*] Have you had some experience of the Advances to Settlers Department?—Yes.

580. Was it satisfactory?—Yes, but I think that some of the small charges made by that Department might be done away with.

581. What is the cost of putting land under grass here?—It varies, say, from £1 up to £1 5s.

582. Do you generally get a good burn?—During the last four or five years—barring the present one—they have been rather unsatisfactory.

583. When you spoke with respect to freeholds and leaseholds you did not refer to the lands in Canterbury under the Land for Settlements Act?—I cannot offer an opinion in respect to Canterbury, but I do not think the Government should buy up big estates while there are thousands and thousands of acres in the north available for settlement. I consider that a great blot on the land.

584. Do you not consider that it requires men with special knowledge of the bush to take up bush land and succeed on it?—A number of the most successful settlers here have been Canterbury men.

585. Do you not think it is wise, in the case of Canterbury, to take up big estates for settlement purposes?—No, because those big estates were occupied profitably. Here, the land I am referring to, is unoccupied.

586. But, in the case of Canterbury, there are hundreds and hundreds of successful settlers settled on what were formerly big estates, and they are producing from the soil tenfold more than was produced by the previous large landowners?—I do not see that that applies in the slightest. The land I speak of here is unremunerative until it is taken in hand, but the land in Canterbury and other places, which is used for sheep-grazing, is returning a revenue and is being profitably worked.

587. I hope you do not think that any one wants to stop settlement in this part of the colony. We all want to see the land settled, but we do not wish to set one class of land-settlement against another?—I consider it is in the interests of the colony that the unproductive land of the colony should be settled and made productive.

588. But there is plenty of room for both?—Yes. There is another aspect of this taking of big estates. These estates are sometimes forcibly taken from their owners. I consider that that is wrong.

589. *Mr. McCutchan.*] You say it is difficult to sell property?—Yes.

590. Has that remark application to the three forms of tenure—viz., occupation with right of purchase, lease in perpetuity, and cash?—It is very hard to dispose of leasehold property here. My remark applies to the occupation with right of purchase and lease in perpetuity.

591. Is there any difference in the two tenures in that respect?—I consider that the occupation with right of purchase is a splendid means of settling the country.

592. Is it more marketable than the lease-in-perpetuity tenure?—Yes.

593. Why?—Because the lease in perpetuity does not give you the right to acquire the freehold. That is a decided objection to it.

594. Is not the lease in perpetuity a secure tenure?—No. There is always the fear of revaluation hanging over the settler's head. Different Governments have done very funny things in the past, and there is no guarantee that they will not do so in the future. For instance, they are taking over big estates now, and there is no guarantee that they will not subsequently take over smaller estates.

595. Have the settlers in this district a fear that lease-in-perpetuity land will be revalued?—Yes.

596. Has the Government ever done anything with respect to that tenure to give grounds for such a fear?—No, but the Trades and Labour Councils are always advocating revaluation, and therefore the more settlers have at stake the more they fear revaluation coming about.

597. *Mr. Paul.*] Is there anything in the leasehold tenure that prevents you using the land to good advantage?—The freeholder does not mind the amount of labour he puts into his land, but the leaseholder does not work with the same amount of heart. Therefore the freeholder will always do better with his land than the leaseholder. He takes more interest in his land. He takes more interest in the district and in the colony generally.

598. Is that your own experience?—That is the way I should look at it.

599. Do you discriminate in that way in regard to your land?—We all have our opinions on that subject, and I am giving you mine now.

600. You discriminate in that way?—Yes, I do.

601. Yet you told us just now that you did not know which was your lease-in-perpetuity section, nor even the area of that section?—That is a mere bagatelle. I hold the land under different tenures, and it is fenced and subdivided. I do not know where one section begins and the other ends. I have lost my survey pegs.

602. Then you treat your sections under different tenures in just the same way?—I know where the leasehold portion is.

603. But you treat it just the same way as the rest of your land?—A person does that for his own convenience when the bulk of his land is under another tenure.

604. Have you seen any of the land that has been settled under the Land for Settlements Act—I refer particularly to the improved estates purchased by the Government?—No; I have not been in Canterbury for some years, and therefore I cannot give you an opinion on that subject.

605. But you spoke adversely of the system?—I condemned the principle.

606. Do you think there should be a limitation of the area of land a man may hold?—Yes, but I do not think that a man's land should be forcibly taken from him by the State.

607. But you recognise that the State pays a fair price for the land so taken?—That is not the question. It is the principle I oppose. The Government should not take a man's land at all if he does not wish to dispose of it.

608. *Mr. Anstey.*] Do you think it is a wise thing when the State improves the value of private property close to town—improves it by the making of roads, railways, and other public works—do you think it is wise to allow such land to remain locked up against settlement?—I think the State should allow the owner of such land to have the benefit of it, and that any change should be brought about gradually.

609. You said your particular objection to the lease in perpetuity is that you fear revaluation?—Yes.

610. Do you think that a bargain entered into between you and the State ought not to be held as a sacred compact?—I think it should.

611. Do you think that if the Government were to offer to revalue your lease they would be guilty of dishonesty?—That is a debatable question. I will not give an opinion on that point.

612. Do you think it would be unjust on the part of the Government after signing a lease to you for 999 years—would it be dishonest on their part if they wished to revalue it?—I look at the matter in this way: if a man goes out into the bush and cuts out a home for himself, and undergoes the hardships of a bush settler, he is entitled to every consideration. Before he took up that land I consider that it was absolutely valueless, and now, after he has brought it under cultivation and resided on it, he ought to have the ownership of the land, or the option of making it his own.

613. Do you think it is right for a Government to break a bargain?—If it is with the consent of both parties, certainly it is.

614. You think it is not right for the bargain to be broken without the consent of both parties?—Most decidedly.

615. Is there any other land than that you have mentioned suitable for cutting up?—There is a lot of land in the north of Auckland which is being ruined every year through the working of the bush. The fire gets into it and destroys a great deal of it, and tea-tree and fern come up in the place of the bush, and that is increasing from year to year. That is a question that should receive the attention of the authorities.

616. The land is being depreciated in value by so much burning?—Yes.

617. Is there any other good land excepting in this immediate neighbourhood?—There is a lot around Kaikohe.

618. Is the land being better improved in this immediate district than anywhere else in the north?—Yes, I think it is.

619. Do you think there is a lot more of this country that could be described as good, useful land if it were properly broken in?—Yes, I am certain on that point.

620. Do you think there ought to be improvement conditions in the case of people holding land?—Personally, I should like to see it.

621. Do you think those conditions should apply to the freehold as well as to the leasehold?—Yes.

622. Do you think they should apply to Maori land?—I should like to see something done in regard to Native land.

623. Do you think that most of the country north of Auckland may be described as very good medium land if properly broken in?—Yes, I do. I have no complaint to make as to the quality of my land, and I know something of land in the southern part of the colony.

#### THOMAS JOSEPH DANAHER examined.

624. *The Chairman.*] What are you?—I am a settler, and also a school-teacher. I hold 150 acres in my own right under various tenures, and I and my boys farm about 800 acres. My boys hold their land under lease in perpetuity.

625. Which tenure do you prefer?—If I could get it I would prefer the freehold.

626. How long have you held this land?—Some thirteen years. It is situated at Motukaraka. I teach the Native school there. For the 800 acres my rent is about £24 a year. It was all bush land, but we have cleared 250 acres and put that area down in grass. We engage in dairying.

627. *Mr. Paul.*] Has your experience of the Land Board been satisfactory?—I cannot say it has been quite satisfactory. When the late Mr. Ballance was here some years ago he told me that if I took up the land with the intention of making a home on it the residence clause would not be enforced, seeing that I have to dwell in a house near the school provided by the Government. I informed the Land Board of the circumstances, but they have given me six months' notice to put up a house.

628. Do you think the constitution of the Land Board is satisfactory?—I have not studied that question.

629. *Mr. Anstey.*] Is there any particular reason why you are dissatisfied with the lease-in-perpetuity tenure?—Some years ago I held the opinion that in time the lease-in-perpetuity land would become freehold, and I hold that opinion still.

630. Is there anything in the lease-in-perpetuity tenure that interferes with your farming your land as you ought to do?—There is always the fear of revaluation, but there is nothing that interferes with the proper farming of the land.

631. Why was the village settlement a failure?—The wrong people were sent there.

632. What was the area of the sections?—The majority were 20-acre sections under perpetual lease, but without the right of making them into freeholds. The idea was that orchards would be established there.

#### SAMUEL ERNEST WILLIAM DAWES examined.

633. *The Chairman.*] What are you?—I am a settler, and hold 20½ acres under perpetual lease. I am a village settler, and have been here twelve years. My rent is £4 2s. 6d. per annum. I use the land for fruit-growing, &c. I am not satisfied with the present tenure; I would prefer the freehold or occupation with right of purchase. There is another ten years of the lease to run.

634. Have your dealings with the Land Board been satisfactory?—Yes; but I think we should be allowed to sublet.

635. Do you think if you had the option of taking up other land that would be satisfactory?—No; I should still wish to get the freehold.

636. *Mr. McCardle.*] Do you want a larger area than you hold now?—Yes; because a man has no chance to grow or improve on a small holding.

637. Are you debarred from getting a larger holding?—No; but I am compelled to live on the place.

638. Are there any of the old village settlers still remaining?—I think most of them are still on the land.

639. How does the fruit do?—It does very well, but there is no market at all.

640. *Mr. Paul.*] If the majority of the village settlers are still on the land the settlement must have been fairly successful?—I suppose so.

641. Is there anything in the conditions of your lease that prevents you using your land properly?—No; but if a man had a chance of bettering himself he could not dispose of it at a fair price—he could not get the value of his improvements.

642. Do you know that in other parts of the colony considerable sums are paid for the goodwill of leasehold sections?—Yes.

643. *Mr. McCutchan.*] You say that no one would give anything for the goodwill of your lease?—Not nearly the value of the improvements.

644. Is that because there is to be a revaluation at the end of the thirty-one years?—I dare say that is an objection.

645. *Mr. McCardle.*] If you had the right of purchase you could part with the land?—Yes, I think I could without trouble.

646. And get the value of your improvements?—Yes.

647. *Mr. Paul.*] If you had a lease in perpetuity could you sell it?—No, I do not think so.

648. Then, the matter of revaluation hardly alters the position?—No, I do not think it does.

THOMAS FRANCIS HARTLEY examined.

649. *The Chairman.*] What are you?—I am a commission agent and steam-launch proprietor. I hold 200 acres of land, leased from the Natives. It is bush land, and is situated about two miles from here. I have cleared about 8 acres. My rent is 1s. an acre per annum, and the term of lease is twenty-one years, and there is revaluation up to £3 per acre for improvements at the end of the term. I have a right of renewal after revaluation. I have only held the land for nine months.

650. *Mr. Matheson.*] Is there any special point you want to bring before the Commission?—Only as regards Native land. I think the Natives ought to have the right of disposing of their land the same as Europeans have. It would help us a lot with our roads. I have Native land on both sides of me, and cannot get them to bear any share of the fencing.

651. Is your lease registered?—It is through the Court, but I do not know if it is registered.

652. Are you prepared to spend money on the place?—Yes.

653. *Mr. McCardle.*] How many owners are there in the block?—Six in one and four in the other.

654. Have you got all the signatures?—Yes.

655. Your lease has been approved of by the Native Land Council and forwarded for the approval of the Governor in Council?—Yes.

656. *Mr. Paul.*] You consider the lease satisfactory to you as tenant?—Yes. I think, however, that the Natives should be allowed to sell their land if they want to.

657. If your lease is secure you think the tenure is fairly satisfactory?—Yes, under the conditions I have mentioned.

ALFRED COOK YARBOROUGH examined.

658. *The Chairman.*] What are you?—I am a settler and a timber merchant. I have been here thirty-two years. I hold about 700 acres of land—about 450 of freehold, 270 leasehold from the Natives, and 38 acres of leasehold under the Village Settlement Act. The latter has been converted into perpetual lease.

659. Is your land all in one block?—No.

660. Is some of it under grass now?—Yes. I run cattle mostly.

661. From your long residence in the district you will have been able to take a good view of it from beginning to end?—I was the only white man on this side of the river when first I came.

662. What is the general state of the district?—It is progressing steadily.

663. Will the timber industry last for a long time?—At the present rate of consumption, I suppose it will last another twenty years.

664. What about the gum?—That is indefinite, but it is getting less.

665. And the flax industry?—I think there will be a steady industry if the price keeps up.

666. We understand there is no fishing except for local supplies?—That is so. There is a small fruit-canning industry. There is a canning-factory at Rawene and another at Kohukohu. They can peaches mostly.

667. Have you had any experience of grassing land?—I have just the ordinary settler's knowledge of it.

668. Do you know anything about danthonia and paspalum?—We have not had much experience of paspalum, but we believe it is going to be good. We still go in for the old system of mixing cocksfoot and white-clover and other grasses.

669. Will that last well?—About ten years and more sometimes.

670. *Mr. Forbes.*] What is your view as to the best system of land-tenure?—I am in favour of the freehold or lease with option of purchase.

671. What is the feeling of the district, so far as you know, in regard to tenure?—The feeling of the district is entirely in favour of the freehold or option with right of purchase or the homestead system. The people here believe in the principle of the freehold.

672. Have any resolutions to that effect been passed by meetings?—I am chairman of the Settlers' Association, and, although they have not passed any motion to that effect, I know that to

be the feeling of the members. I intimately know all the people in the district, and I pretty well know their ideas on the subject.

673. Do you know anything about the lease in perpetuity?—I have a section on perpetual lease. I do not know exactly what is the difference.

674. Have you any particular objection to the lease in perpetuity?—I have the objection that an Englishman, as a rule, likes to call what he improves his own; but I also have the objection that it is a nuisance to have to pay rent every half year, and if you forget to do so you get a letter from the Land Board saying that you will have to forfeit your section if you do not pay up quick.

675. Do you say that the bulk of the settlers in the district are in a position to pay for the freehold of their land?—Yes, eventually. It would, of course, depend on whether they worked or not.

676. *Mr. Johnston.*] What is the difference between paying rent and the interest on the mortgage?—I do not know that there is any great difference. Personally, I am rather opposed to borrowing money at all if I can get out of it; but if I thought it desirable to get a sum of money for a special purpose I would be ready to borrow it at 4 per cent.

677. Say you had 400 acres of land worth £10 an acre—that is £4,000—and you had the money to pay it off, but instead of paying it off you used that money for other purposes, do you not think you could get a great deal more out of it than 4 per cent.?—Yes.

678. It would be good business to have that money available for outside investment and still have the land and pay 4 per cent. on it?—But in the future the interest might come down to 3 per cent., and I would be paying 1 per cent. for nothing.

679. Well, it has been a long time coming down to 3 per cent.?—If I had £100 to buy a piece of land with, and had the option of either buying the land or leasing it at 4 per cent. from the Government, I would put that £100 in the Post-office Savings-bank and I could get 3½ per cent., and I should pay the Government ½ per cent. more than I obtained.

680. Surely you do not consider the Post-office Savings-bank is the best investment. You could invest it at 6 per cent.?—Not if I were looking for an absolute security. I consider many people lose money by lending on mortgage. You must seek your security from the Government in order to be absolutely secure.

681. It is not an investment that any commercial man would go in for. Have you had any experience south of Auckland at all?—A good many years ago I travelled in the South.

682. You have not seen the success of the land-for-settlements policy in the South?—No.

683. How do you account for the fact that there is so much freehold land lying waste to the north of Auckland? We came through a lot of freehold land to-day absolutely unimproved?—As soon as you got away from the good land at Ohaeawai you went through ironstone country, which is absolutely no good. You then came to Okaihau, which is a prosperous settlement under the homestead system. Immediately after that you came through Native land, which is good, but unoccupied.

684. But there is a lot of freehold land lying idle, more especially south of Whangarei?—That is very poor country, I am told; but I have never been south of Whangarei.

685. *Mr. Matheson.*] If the Government grant the right to purchase to their tenants, do you think they will be doing justice to the city-dwellers, who at present have an interest in the land?—I think the city-dwellers ought to take a back seat for the present.

686. I would like you to answer my question?—I think they would be doing justice, taking everything into consideration.

687. Is the farmers' wish for right of purchase largely because if he saves money after years of work he would rather invest it in his own farm than look elsewhere for an investment?—I think it is more a heredity sort of feeling which English people always have for the freehold.

688. There is a certain amount of sentiment in it?—Yes; but it is not altogether sentiment.

689. Do you think it is a sentiment that ought to be gratified?—Yes.

690. *Mr. McCardle.*] How much does it cost to put this bush land in grass, including the necessary clearing, and so on?—The cost of felling and putting into grass would be about £2 5s. Then, you have to add to that the cost of fencing, which varies according to the country.

691. Do you not require to do logging up and clearing?—Yes; and you have to do stumping as well.

692. Sometimes, also, you have bad burns, then you have to go over that again?—Yes; sometimes you cannot get a burn at all.

693. Taking into consideration the possibility of bad burns, can you do the improvements at the sum you have named?—No.

694. If you got land from the Government at 7s. 6d. or 10s. an acre, which cost you £3 or £4 an acre, it is like a person holding a first mortgage of a few shillings, while your real interest in the property amounts to pounds. Does it not hinder a man in his usual operations in dealing with his property to have this first mortgage on it to the Government—that is, if he requires to go in for any financial operations in respect of his land: can he do so to the best advantage with this first mortgage on it from the Government?—Yes. He could not raise more money on the lease.

695. Then, there is something more than sentiment in the cry for the freehold?—Yes.

696. Have you any experience of Government advances to settlers?—Yes, I have borrowed money.

697. Have you found it satisfactory?—Yes; but I think one improvement might be made, and that is that the Government should insist that the money borrowed should be spent on the land or spent to relieve liabilities on the land. Care should be taken that the money is not used for outside expenses.

698. *Mr. McCutchan.*] Is it not the case that moneys borrowed under the Advances to Settlers Act are usually to pay for improvements already made?—Yes.



699. Is it not also the case that moneys borrowed upon improvements are used to make further improvement?—Yes.

700. Do you think there should be a difference made in the amount advanced under each of those headings?—I do not think so, so long as the money is used for the purpose for which it was advanced.

701. Is not the security better in the latter case?—Yes; and I think some steps should be taken in the second case to see that the money is expended where it was intended to be spent.

702. Have not the borrowers to state the specific purpose for which the money is borrowed?—Well, I was asked whether it was for improvements or to relieve a mortgage. I said it was for improvements, and they lent me the money.

703. Then, the flaw in the method is that there is no inspection as to whether you spend the money for the purpose for which you borrowed it?—Yes.

704. Do you think that gap could be filled up?—Yes.

705. Are you a member of the County Council now?—Yes.

706. In connection with this demand all over the colony for an assured finance for all these local bodies, have you thought out any practical scheme?—I think it is a great mistake that counties or private individuals should be constantly going to the Government for money for a road. Some provision should be made, for instance, that the revenue from the timber forests in this district should be handed over to the local body, or, at any rate, a portion of it, and the Native land-tax also should be handed over.

707. Do you think the assistance given by the Government should in future be proportionate to what the ratepayers do for themselves?—It would act very unevenly if such an arrangement were made. We have a population of only two thousand, and our neighbours may have a population of five thousand, and we may have the larger area of land.

708. But as you rated yourselves you would get an increase in proportion from the Government. Of course, the county with the higher rateable value is entitled to more?—But our rateable value is only at present what the settlers can produce. The Crown and Native lands are not rated.

709. The Year-book shows your rateable value to be £151,875, unimproved value, and we have had evidence here that the total amount you raised in rates was only £400?—That was only a guess, I think. I am not sure what the amount is.

710. I suppose you are aware others counties have raised as much as £50,000 by way of loans to help themselves?—Yes; we have considered that question on several occasions, and we find that we could borrow so little that it would not make one road twenty or thirty miles long.

711. It appears to me that the ratepayers in this county are doing very little to help themselves, in comparison with what other counties are doing?—They grumble very much about the roads, and the Maori difficulty is supreme.

712. Are you satisfied with the constitution of the Land Board?—I have nothing to say about the Land Boards; but I think it would be better if they were elected.

713. On the parliamentary franchise?—I think so.

714. Would not the towns get a preponderance of power in that way?—I do not know. I have not thought very much about it.

715. *Mr. Paul.*] On what tenure did you get your original freehold?—On deferred payment.

716. Did you find that satisfactory?—Yes.

717. What was the original capital value?—The third-class land was valued at 5s., but for deferred-payment purposes it was raised to 6s. 3d. or 6s. 8d., and the second-class land at 7s. 6d. was raised for deferred-payment purposes to about 10s.

718. What is the value of your holding as it stands to-day?—It is worth about £400 or £500, with improvements.

719. What do you value the improvements at?—£300.

720. It is all fenced and improved?—It is ring-fenced, and there is about 100 acres in grass.

721. There is still a large area of it under bush?—Fern, mostly.

722. Do you believe that the lease-in-perpetuity tenants should get the option of the freehold?—I think so; but I do not say that the present lease-in-perpetuity holders are entitled to get the option.

722A. Do you think they should stand by their bargain?—It would be only fair; but if the Government, as an act of grace, could see their way to give them the freehold, of course, they would be very pleased.

723. What is the term of your Native lease?—Twenty-one years, with the right of renewal for twenty-one years, with a revaluation clause; and at the end of forty-two years the Natives have to pay up to £4 an acre for improvements.

724. Is that satisfactory to you as a tenant?—Yes; they were the best terms I could make.

725. Do you find anything in connection with that lease that interferes with your making good use of the land?—No; only that in dealing with Native lands there are always a number of holders, and it is difficult to get all the owners to sign the lease.

726. From your practical experience as a settler, do you think you can make good use of that land if the title is valid?—Yes, it is a good bargain.

727. Do you know the exact form the Land Board uses when it notifies a settler who has forgotten to pay his rent that his section is liable to forfeiture?—I would not like to say that the settler is threatened with forfeiture on the first omission, but I have heard others say it is. What I meant to say before was that it was a nuisance to have to be called upon to pay rent every half year and afterwards be called upon to pay or forfeit.

728. Are the values of the leaseholds increasing in this district?—I do not think they are. Outside the immediate vicinity of the township I think they are stationary.

729. Is there much absentee-owned land in the district?—There is some, but not a great deal, I should say. Until the last few years the land has been taken up very slowly about here, but

lately there has been a rush for every acre of Government land that has been opened up, and it is rather early to say whether the people have taken up the land with the *bonâ fide* intention of residing and making improvements.

730. Do you believe in the compulsory acquisition of land under the land-for-settlements policy?—I do not know the conditions.

731. You have had no experience of settlement in the South?—No.

732. Do you think it pays a settler to gratify his sentiment for the freehold, or does it cost him something to gratify that sentiment?—I think it is cheaper for him to purchase than to continue his lease.

733. Have you had any experience of trying to raise money on leasehold?—Not that I can remember.

734. I understood you to say in your evidence that a man could not raise money on leasehold?—I meant to say he could not get such favourable terms.

735. The Government do not charge more on leasehold than on freehold?—I did not know that they lent on leasehold at all.

736. What about the advances to settlers?—Well, we have so few leaseholds about here that we do not come across that sort of business.

737. *Mr. Anstey.*] What plan do you think should be adopted to bring this Native land under some proper system of settlement?—I have considered the question a good deal, and I think the only solution is to give the Natives absolute free trade, with the provision that they shall have reserves, and that no one shall be allowed to take up more than a certain quantity of land. I do not see any other way out of it at all.

738. Would not that result in their dissipating their patrimony?—It is a mistake to suppose that the Natives live on their land. They live in the valleys and on the rich land that might be reserved for them. The Maoris do not cultivate the hillsides or put the land in grass except under special circumstances.

739. Suppose the Maoris were to sell their land and get cash for it?—They would spend it, no doubt.

740. Drink it?—Some of them might; but I would like to say that the Maoris, as a rule, are physically more able to work than a great many Europeans.

741. What rate is struck in this county?—2½d. on the unimproved value.

742. How does that work out: it surely gives a great deal more than the £400 which was given as an estimate? The Year-book gives the rateable value as £150,000: do you rate on that?—I could not tell you.

743. If these figures are correct, your rating must be considerably less than ½d. in the pound on the capital value?—Yes, I feel confident that that must include Native lands.

744. If you look at the Hokianga balance-sheet you will find that the revenue is £500, and £400 is spent on the roads. The remainder must be cost of administration?—I have pointed this out over and over again, and the answer is that if we had a very much larger income the expense would be practically the same.

745. When you get Government grants who spends them?—A portion is spent by the Government and a portion by the County Council.

746. Do you not think it is unwise of the Government to allow you to spend any of it if it costs you so much?—I think all the money should be put into the hands of the County Council. We could then get a good engineer, and if we had £5,000 to spend the cost of administration would be no more than if we had £50. The cost of the administration is not the fault of the County Council; it is the fault of the system. I am myself in favour of Road Boards. I believe it would be a saving.

747. Would not that intensify the evil?—No; because, I understand, Road Boards need not go to the same expense as County Councils. They have practically no expense.

748. You say you are chairman of the Settlers' Association. What questions do your association deal with?—We have to make arrangements for annual shows. We also discuss the Maori-land question and the question of freehold and leasehold, also the best breeds of cattle and sheep.

749. There is nothing else connected with our business to-night that you discuss at your meetings?—I do not think so.

750. *Mr. Hall.*] Do you advocate free trade in dealing with Native land?—Yes; I think it should be open for any one to buy Native land.

751. In that case would not the titles have to be individualised?—Yes; they are endeavouring to get them individualised as it is, and if the individual purchaser went to the expense of doing that it would relieve the Government of that duty, and the work would be done much quicker. It would mean a good deal of expense, but they would get the titles individualised, notwithstanding the expense.

752. Short of that, do you see any way of getting over the difficulty in which you are placed by the Native lands being locked up and the settlers having to make roads without any contribution from the Natives?—The only alternative is that the Government should take the matter in hand and promptly finish it. Of course, the Government could do it in their own way.

753. *Mr. McCutchan.*] In connection with your Maori lease, you say you have a £4-an-acre-improvement clause at the end of the lease?—Yes.

754. What are the conditions? How are improvements estimated?—The improvements are to be valued in the ordinary way by an umpire and two arbitrators. In the case of any dispute it is to be referred to the Court.

754A. What do you do in the case of improvements that are not visible? It is bush land, is it not, and it is for twenty-one years?—Yes.

755. There will be improvements which will not be visible at the end of the term. How will

you protect yourself?—The owners will only pay for improvements that are on the place at the end of the term. Of course, if a fence was rotten it would not be valued the same as if it were new.

756. But suppose you went to heavy expense in the way of logging, and so on?—I do not know exactly how that would be arranged. It would be for the Court to decide in the case of any dispute; but, in any case, I hope I shall be able to buy the land by that time.

757. In speaking about the balance-sheet of the Hokianga County, I think you said that the expenditure of £400 would cost something like £900 for administration. Have you analysed the balance-sheet closely?—I have in previous years, but I have not looked at it this year. I could look it up for you to-morrow morning.

758. Do you advocate Road Board control?—I have not had any experience of Road Boards; but I am given to understand that administration by Road Boards is cheaper than that of County Councils. We are thinking of forming ourselves here into a Town Board, because the way which the money is spent here at present is unjust to the district.

759. *Mr. Johnston.*] Are you a member of the Farmers' Union?—I am president of the Farmers' Union.

760. Is the Farmers' Union an offshoot of the Settlers' Association?—No.

761. In giving your evidence have you been expressing the terms of any resolution passed by either of those bodies?—No.

“Kohukohu, 16th May, 1905.

“DEAR SIR,—Will you permit me to supplement my evidence given yesterday to following effect: (1.) That it is unjust to enforce a lease on Native lands so long as the owners are restricted from dealing with them. (2.) That the difficulty of dealing with Native lands is added to by the owners having been induced to include every member of each household in the proprietorship of land, which is inconvenient and contrary to practice amongst Europeans. (3.) That Native owners who are unwilling to occupy their land should have facilities to dispose of it. (4.) That the method of classifying State lands is misleading to intending settlers, and is not done with sufficient discrimination.—Yours, &c.,

“A. C. YARBOROUGH.

“Chairman of Land Commission.”

NUI HARE examined.

762. *The Chairman.*] What are you?—I just live on the land which is owned by a number of us.

763. What do you wish to bring before the Commission?—I want to be allowed to lease to Europeans.

764. Can you suggest any scheme by which that could be done?—No; but now we cannot do it, and I object to that. I have heard an Act has been passed under which the Natives are to be taxed on their land.

765. That is the law?—I object to a tax being put on Native land.

766. Is it the wish of the Maori people generally that they should be allowed to lease their land?—I do not know about the other Natives, but it is my idea and that of my hapu.

767. *Mr. Matheson.*] As the Maori is using the roads with the European is it not right that he should help to maintain those roads?—Yes, that is right; but a lot of the Natives pay money to the Government.

768. In what way?—The land which the Government has bought from the Natives has been bought at 2s. or 3s. an acre, and the Government has sold it to settlers for two or three times as much.

769. Do you wish the right to sell as well as to lease?—Yes.

770. Do you not fear then that the Maori would soon be without land?—I do not think they would sell all their land.

771. Do you wish the law to be that each Maori must retain a certain number of acres?—Yes.

772. What number would you suggest?—300 acres each.

773. *Mr. McCardle.*] Have you any objection to placing your land under the Native Land Councils to lease them for you?—I have not heard of any land leased by those Councils.

774. Do you know that as soon as you get your land individualised you can lease it yourself, with the approval of the Council?—That may be so.

775. Have you taken steps to do so?—No, the Council has not been working here yet.

776. Do you know that as the lands are rated and roads are made the land will rise in value, and you can get a higher rent for the land?—Yes, that might be, but I did not know it.

777. *Mr. Paul.*] Would you approve of the Government taking over all the Maori lands and leasing them for short periods, and giving the owners the proceeds after paying working expenses?—No.

778. Why?—Because I do not know what the Government would do. I heard that the Government took over some land at Rotorua, and the Maoris did not get anything at all.

779. *Mr. Anstey.*] How much land are you interested in with the hapu?—1,000 acres.

780. How many are in the hapu?—About 90 or 100.

781. Is that all the land they are interested in?—That land has been passed through the Court; but I am interested in another 3,000 acres which have been passed through the Court, but the list of names has not been put in.

782. That leaves a lot short of the 300 acres which you propose to save for each Native?—That is my own idea. There is one thing I would like to mention. As Native lands are being taxed now I wish the Natives to be put on an equal footing with Europeans. I think the advances-to-settlers policy should be made available to the Natives. Another thing is, that when the roads are being made, the Natives are not given any work at all. It is always given to the European settlers.

783. *Mr. Anstey.*] Would the Natives be ready to take up road contracts if they were offered to them?—I do not refer to tenders now, but to jobs given to the settlers. The Maoris want day

work. I think the Government should give the Natives the same option to select sections as Europeans, either under lease or for cash.

784. *Mr. Matheson.*] Do you wish that the Maoris should have our rights and share in all our responsibilities?—Yes.

THOMAS AUGUSTUS ALLINGHAM examined.

785. *The Chairman.*] What are you?—I am a settler. I hold 74 acres of freehold a few miles from here. I am a mill hand. I have been here about twenty-seven years. I have resided on the land seven or eight years. It is bush land, and about 30 acres is cleared.

786. Is there any particular point you wish to bring before the Commission?—Simply that, with the rest of the settlers, I think the freehold or lease with the right of purchase the best tenures decidedly. Then the individualisation of Native lands is a question that interests us very much as settlers.

787. What is the object of that?—We want to see them similar to ourselves. It seems ridiculous to have one law for the Natives and one for Europeans.

788. You think the Natives are sufficiently advanced to take their position along with the rest of the community as individual units?—I do. There are several here belonging to outside tribes who have taken up land from the Government.

789. Is there any other point?—I would suggest reopening the old homestead system, perhaps in a modified form. There is a great deal of land held in large blocks, and prospective settlers might come along and squat on it, and under the Homestead Act they might be able to make that their permanent residence. Of course, they would have to pay for the survey. We want every facility given to encourage *bonâ fide* settlers.

790. *Mr. Hall.*] You are of opinion that Native titles should be individualised?—Decidedly, and free trade as well, subject perhaps to the contract between Native and European being under the supervision of a Stipendiary Magistrate.

791. If that was done, would not the Natives be liable to pay rates the same as Europeans?—Decidedly, and then the rates could be enforced.

792. *Mr. Paul.*] Do you think there is any extensive area of land still left which the homestead system could be applied to?—I am not in a position to say.

793. Have you had any experience of settlement further south?—No. I have not been out of the county.

794. In speaking of the tenure question you wish your remarks applied to this district?—Certainly.

795. *Mr. Anstey.*] Supposing the titles of the Natives were individualised, and they were given free trade in land, would they not soon dissipate the whole of their living and have to be provided for?—I think that is a very great query. I think they have as much brains as we have in this respect.

796. You have no fear of them dissipating their patrimony?—I do not think so.

ROBERT HOLLAND examined.

797. *The Chairman.*] What are you?—I am a settler in the Waikato, at Pukekawa, near Tuakau. I hold 450 acres under occupation with right of purchase. I pay 4d. per acre rent. I have held it seven years. I am quite satisfied with my farm and tenure.

798. What particular point do you wish to bring before the Commission?—I wish to mention the statements mentioned in the Land Guide. For instance, the Land Guide might describe a piece of land open for selection as rolling country, and a man who cannot afford to go and look at the land takes it up, and when he goes on it he finds it is too steep to live on. I think something should be done to make the description more correct. Further, I think that when a person purchases land for cash the residence clauses should be enforced as well as the improvement clauses. Some people who purchase for cash do not live on the land. They make the little improvements which are necessary, and, after the other settlers have improved the district, they sell out to advantage. They keep the district back because they will not help with the dairy or factory.

799. *Mr. Forbes.*] What is your idea about land-tenure?—I have no particular opinion at present. I like the present optional system.

800. *Mr. Matheson.*] Do you think in describing land it would be all right if the different levels were stated?—I do not mean that. I mean that land that is too rough should not be thrown open at all.

801. Would it be an advantage if the Guide stated whether the land rolled 30 ft. or 300 ft.?—Or 2,000 ft.

802. *Mr. McCardle.*] Has this trouble any personal application to yourself?—No. I saw my land before taking it up.

803. You are only raising a warning voice?—Yes.

804. *Mr. McCutchan.*] Is it not the case that the altitude is given of all lands advertised?—The highest point might be given if there is a trig. station on the land. It will give from a certain height above sea-level to the highest point. It does not give a general description.

805. Do you think any prudent practical man would ever dream of taking up land without first inspecting it?—I think so. He will go by the Land Guide. I know plenty who have done so.

806. And they were prudent practical men?—They have got on their sections.

RAWENE, TUESDAY, 16TH MAY, 1905.

ARTHUR PERCIVAL BLUNDELL examined.

1. *The Chairman.*] What are you?—I am a launch-proprietor. I have an interest in a farm of 50 acres at Waihou, taken up under the old homestead system. It has been freehold for many years. I have also  $4\frac{1}{2}$  acres of freehold land at Kohukohu. I have been in the district twenty-five years.

2. What tenure do you prefer?—I prefer the freehold. I had a section of 120 acres under deferred payment at one time, but I sold out my interest in it.

3. Have you any knowledge of the lease in perpetuity?—I only know about the homestead and deferred-payment systems. The deferred-payment system was not satisfactory.

4. Is there any particular point you would like to bring before the Commission?—I think the Homestead Act has been the most satisfactory system for the settlement of the land in the northern part of New Zealand. All the men who took up under the old Homestead Act are here still, while only one of the original settlers is left on the block of land taken up at Makura under the deferred-payment system. That settler is now making a living by storekeeping, and not off the land.

5. Then, you think the homestead system is the best for this part of the country?—I am sure it is. There is an idea that because these people got the land for nothing they had not money. But that was not the case. My father and several others brought a lot of money into the county. He spent £4,000 on this place at Waihou, and it is still in existence.

6. *Mr. Hall.*] Has the homestead system been a success in this part?—Yes. I think Okaihau and Waihou, which were settled under that system, are the only places where the original settlers still remain. There have been a few failures in these settlements, but they would have been failures under any tenure. I advocate that the freehold should be given to the settlers, under the Homestead Act, when they have completed their improvements.

7. You think that those who have taken up the land here under freehold tenure have been *bonâ fide* settlers?—Those who took the land up under the Homestead Act have been *bonâ fide* settlers. They are all well-to-do men now.

8. Will the people here settle under lease in perpetuity pure and simple?—There are very many settlers under lease in perpetuity.

9. Will it tend to successful settlement, do you think?—It has only been introduced of late years. It has not had time to prove itself.

10. You consider the right of purchase should be given?—Most decidedly.

11. Is that the option generally held by settlers in this part?—The general wish is to obtain the freehold in time. Many are not in a position to buy the land straight away, but they work in the hope of owning their farm in the end.

12. *Mr. Matheson.*] We find there are four things which cause settlers to be failures occasionally—viz., the quality of the land, want of access, the tenure it is held under, and the men who take it up?—That is quite correct.

13. Which of these four do you think caused the failure of the deferred-payment settlements?—It was the nature of the tenure. Of course, in speaking of this deferred-payment system, you must remember my experience is of sixteen years. The district has advanced considerably since then. Many of the men, of course, were not suitable settlers, and would never have made a living on the land if it had been given to them. It was not the fault of the land, but the want of access to markets. Now we have a market here and we can sell everything we grow.

14. Under the deferred-payment system a man was compelled to pay off the capital value within a certain number of years: do you think it is much preferable to give him a lease with the right to pay off when his means permit?—Quite preferable to the deferred-payment system.

15. *Mr. McCardle.*] You are well acquainted with the country?—Yes.

16. Is there any quantity of Crown lands still available within easy distance of here?—Not within easy distance. I do not think there is any quantity within eight or ten miles.

17. Are there any roads to these blocks?—Clay roads, which are not available at certain times of the year to some of them.

18. Are you of opinion that any system which will produce sound settlement should be adopted?—I think it would be the making of the north if the homestead system was adopted again.

19. Is the Native land any drawback to settlement?—A very great drawback.

20. What has been your experience of the County Council?—I was seven years a member, and our great set-back was the stopping of the subsidy on Native land. In previous years we used to get a subsidy equal to that from the Crown lands, but that has been stopped.

21. What rate do you pay now?— $2\frac{1}{2}$ d. in the pound.

22. Somebody told us that your rating value was over £100,000?—It appears so on paper, but we do not get the money. We cannot understand it.

23. Do you not think it would be a wise departure on the part of the Government to introduce another system altogether in connection with roads, and wherever new roads are to be made or metalled that the Government should give a grant of £2 to every £1 raised by the settlers themselves?—Then it would be unfair to the settlers here. We are in a very small minority compared with the Native lands. There is no reason why the Native lands should not be rated.

24. Do you not think that a principle of that kind would be better than the present one of log-rolling in the House for grants?—Certainly, but it would be very unfair to us until such time as the whole county is paying rates.

25. Do you not know that a Native Rating Act has been passed?—Yes, but the county cannot collect the rates.

26. You know that the Government have made provision in the Act that if the Natives fail to pay the local rates the Government may pay for them and charge the amount against the land?—

Under the old Act we summoned the owners of one Native block for rates, and the Government told us to stop, and it is very likely that will occur again. So long as the rate is collectible the Act will be a very good thing for the district.

27. Have you had any experience of the Advances to Settlers?—None whatever.

28. *Mr. McLennan.*] I suppose you have had no experience in the South Island?—I was in the Rakaia district as a boy, but I have not been in the South for many years.

29. You are aware that the Government have bought large estates there from private owners and settled them under lease in perpetuity?—Yes.

30. Would you give those tenants the same privilege of converting into the freehold as those who have Crown lands?—I would if they wished.

31. *Mr. Paul.*] Do you know the conditions of settlement from experience in the South?—No. I only worked on a station there. South Island farming is a very different matter from North Island farming. There you can put the plough in right away and take a crop, but on the bush or tea-tree land here you will hardly get any return for five years.

32. Then, do you arrive at your conclusion that it would be wise to give the freehold from your experience in the North where the conditions are so dissimilar?—Certainly, the only way you will ever settle the North is by giving the people the land if they are *bonâ fide* settlers.

33. And would you apply that to the South?—No. There are different conditions altogether in the South.

34. Then, your experience in the South has not been such as to warrant you giving an opinion?—My experience is that the men in the South are well off. They are men who can afford to pay for labour and for teams, and they get a regular revenue every year from grain and wool. You cannot do that here. You cannot plough and put in a crop of wheat until the stumps have rotted, or until you have dug them out at great expense.

35. Do you think the men in the South are entitled to get the freehold as well as the settlers in the North?—I do not see why they should not if they wished to buy the land.

36. Does your objection to the old homestead system still hold good?—It does in regard to the North.

37. You propose to apply the homestead system to all the remaining land?—It is the only way to get the North Auckland country settled.

38. Do you think if that land were opened, say, at 5s. per acre it would be taken up?—Quite possibly.

39. Do you think the State is justified in giving land away when it can get some revenue from it?—I do not think the people who took it up at 5s. per acre would stop on it. A man would stay on a poor piece of land of his own when he would not stop on a leasehold.

40. But he would pay interest on a capital value of 5s. per acre if he took it up under lease?—There are any number in arrears with their rent now. They are continually given concessions. They have not proved a success so far.

41. Have the Government given any concessions under the lease in perpetuity?—Yes. I saw that the Invercargill people as a body requested the Government to refund some back rents.

42. Can you say whether it was done?—I cannot.

43. Do you know whether the Government have power to reduce rents under the lease in perpetuity?—I presume the Government have power to do anything.

44. Without legislation?—Certainly not without legislation.

45. Is leasehold land increasing in value in this district?—It is increasing in value according to the situation of the land. Land anywhere near the front has a greater value now.

46. Then, the district is progressing?—Fast. There is a great future before us.

47. *Mr. Anstey.*] You think it is necessary for the Government first of all to give the land away under the homestead system, and then pay for making roads to it?—I did not say they should pay to make the roads. The land becomes rateable as soon as it becomes occupied. We pay our share towards the revenue of the county.

48. Do you know what share you did pay?—We pay 2½d. in the pound

49. How much was the Government grant last year?—I cannot tell you. I think about £600 altogether.

50. Are you sure it was not nearly £2,000?—That might possibly have been voted, but £600 is all that has been spent.

51. Do you not think it would be very much better that the Government should, instead of giving the land away, road the land first and then load it with the cost of roading?—I think if you did that you would have to wait many years before the land was taken up. The class of men who take up the land now are poor men, comparatively speaking.

52. If it is necessary for the Government to give the land away and then it is not worth roading, what is the use of the Government bothering with it at all?—So long as the land is idle it brings in nothing. The land will pay for the roading after it is taken up. We proved that so in the early days. We made our own roads then, and did not go running to the Government for assistance as they do now.

53. Do you generally go to the Government now for grants for roads?—We generally go to the Government for everything. I think the Government are really too kind to us; but if they gave the people the land I do not think the settlers would bother the Government at all.

54. *Mr. McCardle.*] You have been questioned as to the wisdom of granting the land to the people and the State making the roads to it: do you not think it is a great advantage to the country to have the land settled?—Certainly.

55. Is not that of far more value to the State than having the land lying idle, even if the State has to spend money in making roads?—Yes.

56. Then it is not the actual amount received from the land by way of sale, but the industry established on the land by the settler?—Certainly.

ERNEST MCLEOD examined.

57. *The Chairman.*] What are you?—I am County Clerk and engineer.

58. We have been receiving various statements about the revenue of your county, and I have no doubt you can tell us accurately what it really is?—I was disappointed to hear that some statements were made at Kohukohu which are quite contrary to fact. The expenses of administration of the Hokianga County Council for the year ending March, 1904, totalled £551 6s. 1d. The rates collected amounted to £778 16s. You will see from the county balance-sheet that the rate expenditure on county roads amounted to £767 3s., on wharves to £78 7s. 11d., while the "thirds" expenditure derived from lease-in-perpetuity and occupation-with-right-of-purchase sections was no less than £487 13s. 1d. The Government grants for the period amounted to £336 8s. 1d., which brings the total expenditure on roads, including wharves, to £1,669 15s. 9d., or an administrative expenditure of £554. The kauri-gum receipts were £156, which was a very small amount in comparison with the other counties. It may perhaps be of interest for the Commission to know that the original settlers to New Zealand actually came to this very place you are now sitting at. The burning question we have with us is Native land. You may have heard of this from other sources in other communities, but I do not think you could have a more emphatic demonstration of the necessity of doing something in regard to Native lands than when I show you this map of the county, which comprises almost a thousand square miles, and tell you that all coloured in yellow belongs to the Natives.

59. How much is coloured in yellow?—About 400,000 acres, roughly. There is 300,000 acres of Crown lands.

60. How much is occupied by settlers and alienated from the Crown and Natives?—The following are the detailed figures for the years 1903-4 of how the land is held in the county: Hokianga County, year 1903-4.—Approximate acreage Native land, 200,000 acres; Crown land, 300,000 acres; occupied area as per rate-book, 125,929 acres; thirty Education reserves (scattered), 3,811 acres; fifty Education reserves on Rawene, 27 acres; five Museum endowments, 1,320 acres; one Parnell endowment, 1,000 acres; one Onehunga endowment, 1,000 acres; one Auckland endowment, 1,500 acres; two Catholic Mission endowments, 106 acres; three Wesleyan endowments, 685 acres. No properties, £1,067. Ratepayers, £668. Cash value, £133,919. Unimproved, £78,935. Rate, 2½d.—£820 0s. 5d. This Native difficulty was alluded to by the former witness, and I wish to place on record that this Council in this very hall some twelve years ago pledged themselves to the Premier to give the Native question every chance if he brought in a Native Rating Act. This was done, and the year following the Native Rating Act was passed. The Council let rates accrue for two years and then sued, with the result that it cost them £50 to get judgment, and when they came to satisfy the judgments the Native Minister declined to take further proceedings. Now, from the remark made by Mr. McCardle, I can quite understand that there are very few people who understand this difficulty of Native rating. In the first case, the Maoris hold the land in common. Repeatedly we have instances of the Court sitting here over long periods, and the Natives practically impoverishing themselves to establish their claim, with the result that three or four hundred names are entered up in the subdivision. It is no earthly good, and the old trouble continues. Then, there are the appeals, with the result that the proceedings are stayed until the next Court comes to subdivide. In my opinion it is utterly useless to try to collect rates from these poor unfortunate beings. It is against the spirit of equity on which Britishers pride themselves to force people who cannot tell where their land is to pay rates. It is all very well to say they are occupiers and therefore they should pay. Perhaps out of two hundred people whose names appear on the list there may be a hundred scattered all over the place far away, and if you ask them to pay this burdensome rate they say "Oh, no, we are not deriving any benefit from them." On the other hand, immediately it is proposed to sell timber, they step in and endeavour to upset any arrangement you may have entered into with the local millers. It is my candid opinion, after living amongst the Maoris for twenty-eight years, that it would pay the Government handsomely if they would boldly step in and say, "We are going to give the Natives, say, ten years to establish their claims. We will survey, and we will give you Crown grants, making the land inalienable if you like, and only give them the privilege to lease if they think fit." Although I am a candid believer in the freehold, I cannot but think that when the late Minister of Lands, the Hon. John McKenzie, originated the three systems of land-settlement, he would have gone a long way to meet the difficulties of land-settlement here if he had come north. If he had done so before enunciating that policy I am quite confident he would have included the homestead system in his policy. The settlements of Okaihau, Waihou Valley, and Victoria Valley were under the Homestead Act, and you will not find more thriving settlers anywhere. On the other hand, the Punakitere Settlement has been a great stumbling-block to the county, inasmuch as there are three endowments there belonging to Auckland, Parnell, and Onehunga. These endowments were taken over by the Hon. Mr. Ballance with a view to encouraging village settlement. When the Stout-Vogel Government went out of office, by some means or another the Government repudiated the whole thing, and threw it back on the shoulders of the boroughs, and capsized the whole of the arrangements made with the settlers. They were perfectly willing to be Crown tenants, but they did not like their leases interfered with in that way. One man there who has a freehold is a striking example of what the freehold tenure will do. The other people are all disgusted with their holdings under leasehold, and they point with envy to this man Brennan, who, by some means or another, got the freehold of a forfeited section. Another item of moment to the Council is the closing of roads. The settlers in the back blocks have to put up with various inconveniences through the roads being laid off in the early days by surveyors who ran them up the steep ridges and wherever they thought fit. The closing of these roads entails considerable expense, and the very cheapest procedure runs into £15. These roads are no good at all, and we would ask the Commission to recommend if possible a more simple method of closing the roads. This point of Rawene is held by the Education Commissioners. I feel convinced

that some of you an arrival must have thought it strange to see one of the oldest settlements in New Zealand so backward. There is gorse growing in the streets. Well, the whole cause of this is the absence of freehold and nothing else. The Commissioners for a long period would only give fourteen-year leases, and the people who were venturesome enough to occupy the land found by experience that the tenure was quite unsatisfactory. I am pleased, however, to say that lately the Commissioners have lengthened the term to twenty-one years, with the right of renewal, and things are now looking brighter. About eighteen months ago a number of sections were put up for sale in Auckland, but the notice given was altogether too short, and people here had absolutely no chance of advising their agents in Auckland of the sections they would like to purchase. The result was that only a few sections were purchased, and, although I wired the next day for a section, my money was returned with a memorandum stating that the land had been put up for sale, and it could not be sold unless it was advertised again. I think that is one of the greatest bars to settlement we could have. When a place is put up for sale at an upset price, surely any one who comes along should have the right of purchase.

61. By law the land would have to be advertised at least thirty days before the sale?—It may have been advertised in the *Gazette*, but we did not see it in the newspapers until a few days before the sale.

62. We have had a good deal of evidence about grants from the Government for your roads, and we have been told several times that they only appear on paper, and are never realised by the county—in other words, that the amounts are simply revoted and the money is never forthcoming: is that the fact?—It is, I am sorry to say. I will give you one case in point. The number of Ohuri settlers living about six miles from here have absolutely no means of access to the main road. I think about three years ago the late County Chairman agitated for a grant of £100, because the Maoris to whose land the road would go were then perfectly willing to give the land free, provided they had the making of the road. The £100 appeared on the estimates for Blocks 2 and 3, Waoku, and the settlers rejoiced. We made application and were quietly told it was for another place altogether. Last session there was another vote for Waoku Extension. When we approached the District Road Engineer he could not give us any satisfaction. There are a number of others. The authority which we have had this year is £100 for Waima-Opouteke Road, £98 for Rawene-Kaikohe Road, a distance of twenty-seven miles, and I think £43 for the Pakia-Waimamaku Road. Outside of that, I think £500 has been spent by the Government, but we have no means of telling it exactly. They have men employed in various parts of the county.

63. I understand the Road Engineer resides here: has he any money to expend independently of the Council?—Yes, he is a Government officer.

64. Who supplies the money to keep him going?—The Government. A number of grants appeared on the estimates, but they are expended. I think I am quite safe in saying £500 of Government money has been spent.

65. Does the Government Engineer spend this money on the main roads?—No, on roads to open up settlement. Now and again they exercise their privilege of spending money on some of the county roads, and the Council never objects.

66. Does it happen that sometimes both the Government and county engineers spend money on the same piece of road?—Yes.

67. Is there a conference between you and the Government Engineer as to the fitness of spending money on certain places?—No. We welcome the Government's expenditure with delight.

68. You strongly recommend the homestead system to apply to these lands, and in regard to the Native question, you strongly recommend that ten years be given to the Natives in which to individualise their titles, and then you think the Government might take the land over and become, as it were, an agent to lease the land; the previous witness said that leasing would never do here, and that the homestead system was the only one that would succeed, and you are of the same opinion: how do you reconcile the freehold for Crown land and the leasehold for Maori land?—Very easily. The reason is that the poor unfortunate settlers always have to take the hill-tops. The Maoris have got the pick of the land. Anybody coming along and taking up the beautiful alluvial flats sees at once that he can get a speedy return from them.

69. So it is not the tenure that decides, but good land?—Yes.

70. You think the poor land must be given gratuitously, as the settler will have quite enough to do to make a living without paying any money, but that the Maori land being sufficiently attractive would encourage leaseholders?—Yes.

71. *Mr. Hall.*] Are the endowments in the county not worked or administered satisfactorily?—Undoubtedly not. I should have stated before that these endowments and Native lands are hotbeds for propagating all the noxious weeds in the county. I can show you a growth of blackberries 6 ft. high on a place where eight or ten years ago there was not a single root to be seen. On the Auckland City Council endowment there is only one settler residing now. That is another argument against leasehold. If the other settlers could have got the freehold they would all have been there to-day.

72. Would it be better if a longer lease were given, seeing that the freehold of endowments cannot be given?—Yes. That might help the position, but short leases are a bar to progress.

73. I suppose the Native lands are a great stumbling-block to settlement in this county?—They are.

74. Do you think there would be much difficulty in getting these lands individualised?—Not if the Government took that firm stand, but, really, they would have to bear the brunt of the surveying. When the last Maori Councils Act was brought into force two or three years ago the Natives were all dead against it. The then Magistrate, Mr. Blomfield, came up and fairly broke down all opposition, with the result that the Natives placed hundreds and hundreds of acres in the hands of the Council for adjudication. Strange to say, they never got any further. We are



perfectly satisfied the fault did not rest with the Magistrate. We blamed Wellington, and subsequently when the Magistrate resigned we thought it must be because he was sick and tired of the whole concern.

75. Would it be, in your opinion, sound policy to bring the whole of the Native lands under the Land for Settlements Act, leaving the Natives sufficient reservations for their own use, or do you think the Maoris would resist such a policy?—That is a big question. A little while back we had a Native rising here. It was called the *kuri* war. But at the bottom of the whole trouble was simply the land question. It had nothing to do with the *kuri*, but the Natives were diplomatic enough to know that the *kuri* question would bring them far more support than anything else, and they allowed the land question to slide. That trouble arose through the Council suing them for rates. I say anything would be preferable to the present unsatisfactory situation.

76. *Mr. Johnston.*] Are there any education reserves here?—Yes, but the revenue derived from them is very trifling. It is collected by the Education Board.

77. Is the whole of the township an education reserve?—There are only two freeholders holding small sections.

78. Are there any mission reserves?—Yes, there is a considerable area.

79. Do you think the settlers here are doing well?—Yes, astonishingly well.

80. You think it would be wise for the Crown to insist on the title of all Maori land being individualised?—Yes.

81. Can you suggest any way by which that can be more quickly brought about?—I am in favour of the old Native Land Court. The Maori Councils have had a fair trial.

82. If the titles of Native land are individualised, do you think it would be wise for the State to grant the Natives equal rights and responsibilities with ourselves?—Yes. They are perfectly willing to be treated as Europeans, provided they have the title to their land.

83. Does it seem to you bad economy to keep a Government Engineer to supervise roadwork when you have a local body to attend to such work?—It does seem an anomaly.

84. Do you think it would be an improvement and give you an assured finance if the Government subsidised you on the amount you rated yourselves for, and do you think it would make the people feel more independent?—Much more.

85. *Mr. McCardle.*] Do you not think it would be a wise thing on the part of the State to take over all endowments and value them, and give the value to the different institutions, and thus be enabled to secure the settlement of that land?—Yes.

86. Have you had any experience of the Advances to Settlers Department?—No, but the amounts advanced seem to me to be miserably low.

87. Do you think it would be a good thing to increase the amount that may be advanced on a settler's interest in the land?—Yes.

88. *Mr. McCutchan.*] I understood you to say that you thought the Government subsidy should bear a fixed proportion to the rating revenue?—Yes.

89. Does not the present system result in wealthy and well-settled counties having a great advantage over such a county as this in the matter of subsidy?—Yes.

90. The road question is practically a burning question all over the North Island, and, as you know, the want of roads has retarded settlement very much, and an effort is now being made to adopt a comprehensive scheme to get over the road difficulty. Do you not consider that the Government should take into consideration the possible development within a county of their own lands, and that there should be additional assistance given?—I am certain that the southern counties, which are in a good financial position, would not be so well off if they had large areas of Crown lands within their area. I think that such counties as have large areas of Crown lands should be entitled to a subsidy of £2 for £1. That would meet the case, and would not do an injustice to anybody.

91. Speaking of the dual control question, is it not possible, under the present system, that the engineer of the county and the Government Engineer may both ride thirty miles on the same day to inspect pieces of work only a short distance apart?—Yes; but I may say that in this county we try and work in with the Roads Department in respect to public works and expenditure.

92. Is it not possible for one man to do the whole of that work, and thus avoid the double expense?—No.

93. This is an evil that exists all over the colony. A County Council may strike a rate, and the revenue in one part of the district may be all expended in another. Do you not think that difficulty might be got over if road accounts were insisted on, and do you not think that legislation should be brought in to force every County Council to keep road accounts, so that justice may be done to each part of a district?—It seems to me that that would be fair.

94. *Mr. Paul.*] Are the terms of the education leases at Rawene satisfactory?—Fairly so.

95. Does your County Council employ co-operative labour or day-labour?—The Council is unambiguously in favour of letting the work by contract and calling for tenders.

96. Do you employ day-labour at all?—Occasionally.

97. We were told yesterday that the Council had found that day-labour was very satisfactory?—Yes, in two cases.

98. Is there much absentee-owned land in the county?—I think there are fifty or sixty absentees who own land in the county.

99. What tenure do they hold their land under?—Freehold.

100. I suppose you find that is working against the best interests of the county?—Yes.

101. Are there many leaseholds in the district?—Yes, a great number. Our "thirds" revenue amounts to about £500.

102. Are those settlers fairly prosperous?—Yes.

103. *Mr. Anstey.*] Would it not be possible to individualise the monetary interest of the Natives in their blocks of land, and not divide up the land into small sections, as often occurs at

present?—No, I do not think that would be satisfactory, because, as a rule, the Natives like to hold a particular piece of land because their ancestors lived upon it.

104. Do you consider it would not be wise for the Government to assume control of the Native land?—I would be in favour of asking the Natives to individualise their land, and to assist them in respect to the survey fee, and give them free titles.

105. Do you not think the Government should take over the whole of the Native land and give the Natives Crown grants?—I am afraid that would strike at the root of a Maori's dignity. He would say that the Government had practically confiscated his land and that of his forefathers, and it would mean trouble.

106. You say that the education endowments are a bar to settlement?—Yes.

107. Do you think it would be wise to pass legislation compelling all administrators of reserves to give a secure tenure?—Yes.

108. If such legislation were passed, do you think it would be a satisfactory solution of these difficulties with regard to these reserves?—I believe it would, but I favour the debenture system that has been suggested.

109. Do you think a tenant has a right to his improvements, whether he be a private tenant, the tenant of a local body, or of the State?—Yes.

110. *Mr. McCordle.*] In respect to roading, do you not think it would be a good thing, instead of the present system of special grants, if Parliament granted settlers who were prepared to rate themselves a subsidy of £2 for £1?—Yes, I think so. I may say, however, that one of the main objects of some settlers in going into the back country is the small amount of rates they will have to pay, and they look to the Government helping them in every way.

111. *Mr. Anstey.*] Do you think it would be wise for the Government to adopt a system of graduated subsidies to local bodies on the amount of rate they strike?—Yes, and I think that consideration should be given to districts in which there are large areas of Crown lands.

112. Do you think that Government land should pay rates?—Yes, even if only a small rate.

113. Do you think under some such system the local bodies would be able to do without special grants?—It would come to that in the end.

ROBERT STEVENSON examined.

114. *The Chairman.*] What are you?—I am a settler in this district, and farm 634 acres under occupation with right of purchase. I have held the land for two years. The capital value is £1 an acre. My place is about forty miles from Rawene, and in the Punakitere Survey District.

115. Is there any special matter you wish to bring before the Commission?—Yes; a grievance or disability under which I suffer. It is a grievance which applies to settlers who have taken up land recently. In March, 1903, six months before the new Bush and Swamp Act came into force, the Tehuihui Block was all taken up except one section, and in six months' time the new Act came into force, and all the settlers who had not improved their land threw up their sections. I wrote to the Minister of Lands with a view of coming in under the Act, but he would not grant my request. I asked him to allow me to capitalise my rent and pay it off under the Advances to Settlers Act. He replied that he could not consent to my request, and it was intimated to me practically that I must surrender my land. I consider that the passing of that Act has reduced the value of other land that does not come under it by the amount of the four years' rent and rates, and, besides that, it has ruined the settlement on this block, which would have been a prosperous settlement if it had not been for that Act. Another matter I would like to draw attention to is this: that since I took up my land it has been hedged in by reserves, and that has increased the cost of fencing by about £100. Besides that, this block is loaded in order to pay interest on the amount expended on roads in the district, and yet we have no road, and we are not likely to have any for a very considerable time. With regard to rating for the year 1904-5, I am practically paying on the capital value, and this county is supposed to be rated on the unimproved value.

*The Chairman* said he did not think the Commission could very well intervene in such a case when the Minister of Lands seemed incapable of granting relief.

116. *Mr. Matheson.*] Have you made objection to the Assessment Court with regard to the value at which you are rated?—I am not allowed to object on the 1904-5 valuation.

117. Had you no notice of your valuation before you were rated?—None whatever, except the demand from the County Council.

118. Have you made any use of the Advances to Settlers Department?—No.

119. Would you not by doing so get relief?—Well, the first year I took up my place I did not get a burn, and I have only sown my place down now, and, of course, the valuers will not look at land unless it is grassed. I would also like to say that the Roads Department never sow down the road-lines after they are formed, and the result is that the weeds come up at once and get into the sections adjoining. I am suffering from this myself. I have applied to the Department to sow it, but they have said nothing about it.

120. With regard to loading for roads, do you say that the full amounts have not been expended?—Not for the sections that have been thrown up, and there are only two sections left in the block now.

121. Have the others been forfeited?—Some of them have been forfeited and others are non-resident, and I am certain they are allowing their interests to lapse, because they are doing no improvements.

122. *Mr. McCutchan.*] Have any of the sections which have been forfeited been regazetted under the Bush and Swamp Lands Act?—No.

123. You stated the valuer told you you had no right to appeal against the assessment for the year 1904-5. Was that because your unimproved value was the upset value?—That may be their explanation; but this new Act has altered the value of the land.

124. *Mr. Paul.*] Do you think but for this Bush and Swamp Land Act the settlement would have been a success?—Undoubtedly, it would.

125. *Mr. Anstey.*] Has the Valuer-General reduced the values on sections similar to yours?—I could not say. It is all Crown land around me.

126. Had you anything else you wished to bring before the Commission?—I only wish to say that it should be made compulsory by law for the Roads Department to sow down in grass the road-lines to prevent the weeds from coming up. When they form a road they clear it a chain wide and burn part of the side-lines, but they should sow it in grass.

HANS CHRISTIAN OLSEN examined.

127. *The Chairman.*] What are you? I am a settler residing about twelve miles from here. I have 256 acres under lease in perpetuity, for which I pay a rental of £3 18s. 6d. I have been there ten years.

128. Was your land originally bush?—Part bush and part tea-tree scrub. I have 70 acres in grass now.

129. Are you satisfied with your farm?—To a certain extent; but I am not satisfied with the tenure. I should like the right to purchase.

130. What is your objection to your present tenure?—I am afraid it will be revalued after a short time; perhaps every two or three years.

131. What makes you think that?—I have seen a report that a labour union wants to have all the land revalued.

132. Have you lost faith in the contract the Government entered into with you?—Yes, entirely.

133. *Mr. Hall.*] Do you think you have good ground for fearing that your lease will be revalued?—Yes; it is bound to come, because the labour people in the towns are the biggest number, and they stick together.

134. *Mr. Paul.*] Could you purchase the freehold if you had the option now?—Not at present.

135. Do you not think you have enough to do with the money you have in clearing the remainder of your land without bothering about the freehold?—I do not want to take it just now, but I should like to have it at some future time.

136. If revaluation were embodied in future leases, what do you think the period should be?—It is hard to tell.

137. Do you think it should be something like that of perpetual lease—the first period to be thirty years, and subsequent periods of twenty-one years?

138. You mentioned just now you were afraid it might be revalued in two or three years?—Well, you never know. They could alter it as they like.

139. Do you think it would be workable to have revaluation every two or three years?—It might cost a lot of money; but you never know how things will come out.

140. Do you not think it would be more likely to be twenty or thirty years?—No. I think it would perhaps be, first, ten years, and the next thing we should have it every five years, and there would be no end to it.

141. *Mr. Anstey.*] If you were quite sure that there would be no revaluation on the existing leases, would the conditions then be satisfactory?—No, not even then. I prefer the freehold out-and-out.

142. Suppose all the land in the colony were freehold, do you think you would have the chance now of getting on the land you have had?—If you could not get it here you would have to get it somewhere else. I come from Denmark, where nearly everybody is a freeholder, and they are doing very much better than when most of them were leaseholders.

143. *Mr. Forbes.*] When all the land is freehold the poor men will have to rent their pieces of land from the private landlords, will they not, as they do in England?—At the present time there are millions of acres of Crown land available.

144. What about the future?—That is too far off yet.

145. You think it is too far off to bother about?—Yes.

GEORGE GARDINER MENZIES examined.

146. *The Chairman.*] What are you?—I am Government Road Inspector.

147. I suppose the Government grants for roads in this district are principally under your direction?—Yes.

148. What did they amount to last year?—I could not say exactly; but usually we expend about £500 a month. I have no list of the appropriations for this year. About 75 per cent. of the amount would be in this county.

149. Is there any particular class of roads you expend this money on?—No; wherever the appropriations are made we spend the money on this particular road, to open up new land for settlements and make cart-roads, as we get the funds.

150. Do you have conferences with the County Councils of the counties in which you expend the funds?—Frequently we do. This County Council works very amicably with us, and we always agree together as to the best method of spending the money.

151. I suppose the keeping-up of bridges simply devolved upon what grants are obtained from the Government?—Yes. The jetties and wharves are under the County Council generally, but one or two are owned by private companies.

152. So, in that particular class of work you have no expenditure?—No, not so far.

153. *Mr. McCutchan.*] Do you think this system of dual control is wise?—As far as I know, they have certain portions of roads under their own direct supervision, and the Government have other portions of roads under their direct supervision.

154. Is there any confusion in the Public Works Act as to what roads are under the control of the County Council and what under the Government?—I know some of the roads have been renamed recently, perhaps to lessen the confusion.

155. Are you in the habit of vesting roads under your charge, by *Gazette* notice, as being under the control of the County Council?—We have had instructions recently to that effect, where the roads exceed 10 ft. in width.

156. In the past have you been expending money upon roads which were recognised as being under the control of the County Council?—Yes, occasionally.

157. Then, does not dual control come in?—In does not appear to cause confusion.

158. Does it not increase the cost of administration?—I do not think so.

159. Surely, if there is a stretch of thirty or forty miles of road under your control upon which the County Council is also expending money it must involve two sets of accounts, two engineers, and in nearly every way tend to increase expenses?—It might involve two sets of accounts. When a piece of work on a road like that is to be done the County Council simply subsidises the amount authorised by the Government and we expend it, and the county engineer is perfectly satisfied with our certificate in regard to it; so that there is no extra expense in that way.

160. Would you advocate all roads being placed under the control of the Government or of the County?—I should think all the main roads should be under the special control of the Government until constructed, and when in proper order I think they should be handed over to the county, whose expenditure would be sufficient to keep them in repair. In a county like this it is impossible for them to construct new roads with their revenue.

161. By "construction" do you mean metalling and formation?—Yes.

162. *Mr. Paul.*] Does the expenditure of the Department compare favourably with that of the County Council?—I think so.

163. I have seen the balance-sheet of the county, from which it would appear that the cost of administration by the county is larger than that of the Government?—That is, I think, because of the scarcity of the funds the county has to administer; because if the amount of funds was very much larger the expense of administration would not, I think, be materially increased.

164. What labour do you employ?—Day-labour, co-operative labour, and piecework.

165. Is the co-operative system satisfactory?—I do not think so. That is my personal opinion.

166. What is the objection to co-operative labour?—In the first instance, the men were taken promiscuously in gangs. Some were excellent men, but others were not so good, and the result was there was a great deal of grumbling. The good men naturally did not expend so much exertion after the first week or two as the less competent, and very often when the work was done they grumbled at the prices given. It was not the fault of the price, but of the amount of work done. I have accordingly, as far as possible, instituted the day-labour system, which I have found to be most satisfactory under proper gangers, because we got a better class of work.

167. If you allowed the men to choose their own gangs would it be more satisfactory under the co-operative system?—We have tried it, but it was not always satisfactory. I prefer the day-labour system, because I get a better class of work.

168. Does it require a great deal of supervision?—Under any contract system it requires a good deal of supervision, and it means a certain amount of friction between the men and the officers in charge.

169. *Mr. Anstey.*] Under the day-labour system, suppose you get men who are less competent or efficient?—We pay them on a graduated scale generally, and increase the wages as a man gets better and deserves it, and if after receiving this increase he is not so diligent we can easily make a reduction again. Most of the men recognise the justice of paying according to the value of the work done, as they generally have a pretty good idea of what is right and fair. We cannot pay a higher wage than 8s. a day. We get a better class of work, as it is not in the interests of the men to scamp the work.

170. What is the cost of administering the expenditure of this money?—I should say about 11 per cent.

171. Does that include your own salary?—Yes.

172. Is that after the money reaches here?—Yes. When making up the annual balance-sheet I found it to be a little under 11 per cent.

173. With regard to these Government grants, suppose some year the money was not voted by Parliament, would a number of men be thrown out of employment?—Yes, it would mean a great hardship to the district.

174. Are these votes given from year to year?—They are voted year by year for the different roads. During the last two years the grants have not been quite so large, but they are pretty much about the same. The people about here depend a good deal on the work they get out of the Government.

175. *Mr. Forbes.*] You have heard a previous witness say the Roads Department ought to sow down the road-lines to prevent the weeds from coming up. Do you think that is reasonable?—Yes; we do so whenever there is time; but with regard to this particular block on which Mr. Stevenson resides, we have no further moneys available. Frequently the County Council do that with their "thirds." They co-operate with us when our funds are exhausted.

176. Are the settlers doing fairly well here?—I think they are fairly contented. At all events, they seem to be beyond want.

177. Do you mean they are easy going; because some people have said the climate here has a tendency to make them easy going?—I think they are as diligent as other settlers.

178. Do you think many of them are in the position to buy the freehold?—I think a very small proportion would be able to buy their land, but they would make an effort, no doubt.

179. Do you not think in putting their money into the purchase the improvements would suffer?—I think something would suffer.

180. *Mr. Paul.*] Have the village settlements in this district been successful?—I consider they were. It simply meant the survival of the fittest. These settlements were started to relieve the congested state of labour in the cities. The people were selected promiscuously by ballot, and the greater number of them had never been engaged in such work before. They had little or no capital, and those who came with the idea that the Government was going to be their step-mother soon left and went somewhere else. Those who intended to become settlers are here still, and their sons will make better settlers than their parents. I believe about 50 per cent. remained.

181. *Mr. McCutchan.*] In reference to day-labour, when the men work in gangs do you put one of the workers over the rest and pay him more than the rest?—We cannot pay him more than 8s. a day, but we select a man we know is capable.

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OMAPERE, TUESDAY, 16TH MAY, 1905.

GEORGE WHITE examined.

1. *The Chairman.*] What are you?—I am a settler at Waimamuku, about eleven miles from here. I hold about 184 acres partly under lease in perpetuity and partly under a special village settlement. I have been there about sixteen years.

2. What is it you wish to bring before the Commission?—I have written the following statement: I, George White, being a resident of New Zealand for forty-five years, and a Crown tenant and occupier of lands in Waimamuku for sixteen years, desire to testify before your Commission—first, that it is desirable to grant all Crown tenants holding land under any lease whatsoever the freehold when required, for the following reasons: first, that the freehold tenure is less expensive to the holder than leasehold; second, that the present land laws are too arbitrary and harsh, inasmuch as the Land Board can forfeit a tenant's land, which may be his life's long work, for a few paltry pounds of rent in arrears; third, because Crown tenants holding eternal leases are humbugged with agitations for periodical revaluations, and consequently increase of rents. I would suggest to your Commission that the country is not ready for land-nationalisation or State ownership of all lands, and may not be until all Crown lands and waste lands have become occupied and utilised by the people. I would suggest also to your Commission that any system acceptable to the people and workable for the Land Boards to aid the *bonâ fide* occupation of Crown lands should obtain.

3. Do you feel secure under your present tenures?—No.

4. You are afraid you will be revalued?—Exactly.

5. I may tell you that I do not think there is any chance of that myself?—It ought not to be.

6. Were you one of the settlers who came up from Canterbury?—I was.

7. Have you got on fairly well and made a nice place of your farm?—It has been a slow process; still, we are making headway.

8. *Mr. Matheson.*] You speak of the country not being ready for land-nationalisation. Do you look forward to that some day as a good thing?—I may say, as a matter of opinion, that the country is not ready yet, and probably will not be ready for fifty years.

9. In the meantime you think it is wise that the State should grant the freehold for the settlers' sake?—I do.

10. Do you think also it will be doing justice to the city-dwellers, who have an interest in the lands you occupy?—I do not think the city-dwellers should consider the country people at all. I think we live under altogether different conditions.

11. Have you ever made use of the Advances to Settlers Office?—I have.

12. Did you find it satisfactory?—It was not satisfactory at the beginning. I had made improvements on my place, which, supposing they had been done by contract, would have cost me £160, and they only granted me £40. Of course, I was thankful, because it helped me out of my difficulties, but I think I ought to have had more than that.

13. *Mr. McCurdle.*] I suppose you are aware that the main advantage of the towns is to get the land settled and in a state of productiveness: is that not the share the towns gain from the settlers?—I have not studied the question.

14. How could the towns exist without the country settler?—The towns could not exist without the country settlers.

15. Then, every fresh settler put on the land enriches the towns?—That is so.

16. *Mr. McCutchan.*] You are under Land Board control now?—Yes.

17. Do you think the Land Board control should cease when you have a larger interest in the land than the State has?—Exactly so; and that can be done by giving the freehold tenure.

18. Are your roads in a satisfactory condition?—They are not so, and never will be so.

19. Is the money available not sufficient to make the roads?—I think not; but it cannot be helped. We labour under a disadvantage in that respect at present.

20. Has the land increased in value?—Apparently it has. My valuation was £70, but the County Clerk objects to that, and says it ought to be put up £30 more, and I have received notice to that effect. It may be right or wrong; but I have not thoroughly threshed the matter out in my own mind. I am under the impression that the unimproved value is a fixed value. I cannot for the present conceive that it should be anything else.

21. You think the unimproved value has not gone up?—I think it ought not to.

22. *Mr. McLennan.*] I suppose you are aware that the Government have borrowed a vast sum of money to buy up these estates and settle tenants on them?—Yes, I understand that.

23. Would you grant the same privilege of the freehold to those tenants?—Yes, I would grant the freehold to all who require it.

24. Supposing the tenants are allowed to acquire the freehold, do you know any way in which the colony could get the same interest on the money as the settlers are now paying? Would the colong get  $4\frac{1}{2}$  per cent. for the money that the tenants would pay off the land?—Well, I do not think the question of disposing of the money would trouble most of the settlers. I think we would find ways and means of disposing of the money. But I have never entered into that phase of the question; I consider it out of my sphere.

25. *Mr. Anstey.*] What rent are you paying for your sections?—I am paying about £5 a year for 149 acres. That is about 8d. per acre. I agree the rents are low, and they ought to be.

26. What grounds have you for supposing that these lease-in-perpetuity sections are likely to be revalued?—My ground is the agitation that is at present going on. We read accounts of your Commission meetings, and we see that certain individuals advocate revaluation for Crown tenants.

27. Where did this happen, do you know?—I cannot state exactly, but that is the impression that runs in my mind.

28. Do you not think it is a pity to make a statement like that before you can prove it? I have followed the Commission throughout, and I never heard such a statement?—I know I ought to be able to verify it; but I did not know I was going to be questioned like this by a lot of Commissioners or I should have brought the paper.

29. Are you certain that any man ever came before this Commission representing any responsible body and ever asked for revaluation of existing leases?—I cannot say that it is so.

30. You have entered into a sacred contract with the Government. If they attempted to do that do you not think it would be dishonest?—Most decidedly. That is one reason why I seek the freehold tenure.

31. You say it is dishonest for the Government to break a contract solemnly entered into with their tenants. Do you think it would be dishonest for you to break the contract you have entered into?—Yes.

32. Can you tell me why you have come here to-day and asked for a deliberate breach of the contract the Government have entered into with you?—Yes, the possibility of revaluation taking place.

33. Do you not think it is rather unwise for you to come and say that somebody else is trying to break your contract?—So they are.

34. You say you cannot name any man who has done so?—That is true; but I might have brought the papers along with the speeches of some of these individuals.

35. I can name a man who has tried to break the contract on the other side, and that is yourself?—Yes, and I am not alone. If we have to fight we believe it is necessary to be prepared, and that is what has brought me here to-day.

36. Supposing you were quite sure there is to be no breach of contract, is there anything in the lease in perpetuity which would prevent you properly improving and producing from your land?—There is this drawback: if we wanted to borrow we have not been able to get the loan that ought to have been advanced.

37. Do you think that your security on which you have not paid the capital value is as good a security to borrow upon as land off which the capital value has been paid?—Perhaps not; but that is not as I understand the position. It is said that this lease in perpetuity is as good as a freehold, but when we come to do these little things we find it is not so. Again, if a man finds it necessary to sell his property he will not find a leasehold property sell as well as if it was a freehold. That fact has been brought under my notice several times.

38. Have you the land fully improved now?—I value the improvements on the section of 35 acres on which I am living at £200 at the present time. The whole of the land is not fully improved. It is bush land.

39. When you have all the bush down and the land in grass and fences up, would the land then be worth £4 or £5 per acre to sell?—Yes.

40. On land worth £4 or £5 per acre do you think the small rent you are paying will ever be any serious drawback to your success?—No; but when you take a lease for 999 years it is a lot of money you have to pay in that time, whether you live or whether you do not. If a man, especially one with a large family, wants to study economy, the sooner he gets his rent reduced and his improvements secured the better. To buy the section I live on I would, to use a colonial expression, "sell the shirt off my back."

#### ROBERT PAGE examined.

41. *The Chairman.*] What are you?—I am a settler at Waimamaku. I hold 96 acres under lease in perpetuity. My rent is 4 per cent. on £1 per acre for 46 acres, and 15s. per acre for the remaining 50. I have been there seventeen years—since the beginning of the settlement.

42. Have you felt coming up here to be fairly satisfactory?—Well, I am better off than when I came, as I think all my neighbours are, without exception; but, as George White said, it has been a pretty hard struggle, for the reason that we have no roads. Otherwise, we have very little to complain of.

43. What use are you putting your land to?—Grazing, almost entirely. We are trying to run a cheese-factory, but it is being run at a loss, chiefly because of the absence of roads. I do not know whether we will succeed in keeping it alive.

44. I suppose bad roads prevent people from bringing milk to the factory?—Yes; that is going to kill the industry. Fifty per cent. of the milk that comes to the factory comes on the backs of horses, and accidents happen every day. Some of the roads are not fit even for pack-traffic. I do not know how many of the original settlers there are now in the settlement, but there were

over two hundred people in the settlement two years ago. Only two have died since we came there, and both deaths were caused by accidents. We have a school.

45. Is it beyond your capacity to make roads there with the rates?—Yes. We are talking about trying to borrow under the Loans to Local Bodies Act, but it will be a great burden for a handful of men, and I am afraid we will not be able to do it. We are becoming despondent about getting roads. We have petitioned Parliament for a road every year since we have been there, and at the present time the wheel-traffic from here to the settlement is practically stopped for five months in the year. This is our great complaint. It overshadows all grievances in the way of tenures. I have collected agricultural statistics over the whole county for ten years, and I have visited every section. I have heard very little complaint about tenures, but the complaint about lack of roads is universal.

46. Have you ever tried fruit-growing in the settlement?—Not for the market, because the difficulty of getting the stuff to harbour makes it prohibitive altogether. I tried sending kumaras to Auckland some years ago, and the total charges amounted to £4 16s., and I got £4 for the kumaras. When I came here seventeen years ago cartage to the settlement was £2 per ton. It is now £1 10s. in the summer, and anywhere from £1 15s. to £2 in the winter, so you will see there has not been much improvement in this respect.

47. *Mr. Matheson.*] Have you had any Government grants spent to give you access by roads?—Yes; many of them in small sums.

48. What would they total?—A large sum. We have had Government grants for fifteen years now.

49. How many miles of road-formation would it need to give all your present milk-suppliers a trap-road to your factory?—Not more than fifteen miles.

50. Do you think it would be wise, where the settlers are willing to rate themselves for a loan, to do such work, that the Government should pay one-half the interest on that loan, instead of making grants from time to time?—It probably would be better, because the load is too heavy for the settlers, for instance, in this district, and this is a type of many such districts in the north. If the Government would pay half the interest I am sure the settlers of Waimamaku would jump at it.

51. If the State finds it wise to grant the right of the freehold to those tenants who wish it, and if both parties agree to the alteration, would you call that a breach or an amendment of the contract?—I would not call it a breach if both parties agreed. I am very strongly of opinion, however, that all the land should belong to the State, and that no man should hold a freehold.

52. *Mr. McCardle.*] Have you had any experience of the Advances to Settlers Office?—Yes; I am a Valuer under the Act.

53. Does it work satisfactorily?—Yes, generally, in my experience. There have been one or two cases which, from the point of view of the people borrowing, may not have been satisfactory; but possibly if we knew the other side of the case it might alter that opinion. There has been no difficulty, so far as I know, on the part of leaseholders in procuring advances.

54. I suppose you have seen it proposed in certain quarters to amend the Act in the way of making more liberal advances to the settlers. Do you approve of that?—Yes, I think it is quite safe.

55. What does it cost to put your land properly in grass—clearing, grassing, and fencing?—£3 per acre would cover it.

56. Have you any idea as to the amount of rates collected on your holding?—I cannot tell you.

57. It seems to me that the Government require to be more liberal with you settlers on these small holdings in the matter of roads. Suppose you agree to borrow money, do you not think the Government should give you £2 for every £1 you borrow to complete this much desired work which has been held over so long?—Yes, we want help. We cannot do the work ourselves. There is another way of getting roads. Waimamaku is exporting a large quantity of kauri timber, and a royalty is being paid on that timber.

58. I suppose you are aware that a proposal has been made that the royalty on the timber is to be given to the local bodies to assist in road-making?—I see there is such a proposal. Why this has not been done before I cannot understand. A comparatively small proportion of the royalty on the timber taken from Waimamaku would make our roads. As it is at present, we get no help from the timber traffic which cuts up our roads so much.

59. No doubt yours would be a successful district for dairying if you had good roads?—There is no doubt whatever. It is eminently adapted for dairying. It would mean a great additional export from the colony if the roading was carried out.

60. *Mr. McCutchan.*] You do not believe in the freehold tenure?—I do not.

61. You are a lease-in-perpetuity holder yourself?—Yes.

62. Do you believe in the principle of revaluation?—I do as applied to coming leases.

63. Do you believe that the trades and labour organizations of the colony are justified in asking what their conference in Wellington asked for—namely, revaluation of existing leases upon the transfer of these leases or the death of the lessees?—I do not know. I have seen that, but I am not prepared to express an opinion on it now. But I do think this bargain made by the Government with myself and other lease-in-perpetuity holders is not a fair or reasonable bargain to the State. It is making us a present of the land. At the same time, I am not prepared to advocate a breach of that bargain.

64. How do you get at the apparent fact which you state—namely, that the Government are making you people a present of the land. Illustrate it by your own settlement if you can?—I get 96 acres of land under the lease-in-perpetuity tenure, the average price of which was 17s. 6d. per acre. Just recently the valuer came round and valued one portion of the section on which I live at £3 per acre. Now, that is the unimproved value. I do not think that the unimproved value rightly belongs to me; it belongs to the State.

65. What has the State done in the way of assisting you?—The State has not done much in the way of assisting us just here; but it is the increased population, roading, and the increase of public conveniences, &c., which appear to me to have conferred this increased value on the Crown lands or any lands.

66. If you and your fellow-settlers had not gone into the settlement would there have been any increase in the value of this particular block on which you are located?—Without men and women the value will not increase.

67. Do you think the colony generally is entitled to the difference between the 17s. 6d. per acre you gave for the land and the £3 per acre unimproved value put on it the other day?—Generally, I think it is. In isolated cases, such as ours, it appears to me that the bulk of the increased unimproved value belongs to the people here, and not to the individual generally. But, in regard to Cheviot and other estates, which are better known to you than to me, the increased unimproved value is due chiefly to the works performed by public expenditure, and therefore that increased value belongs to the public.

68. You have started a cheese-factory in your district?—Yes.

69. That factory has given an increased value to your sections?—It would have done so had it been a success.

70. Taking the districts where the factories are successful, suppose you are Government valuer sent along to value these sections, although the dairy factory is not inside the ring-fences of the sections, it gives an added value to the land, and you, as valuer, not seeing the added value of the land in the form of improvements, put it down as unimproved value?—Yes; but I consider that increased value belongs to the community, and not to the individual.

71. The Timaru Harbour Board have spent £400,000 on harbour improvements, and the whole district has been rated to pay for the work, and the whole district has benefited by it?—I admit that has given an increased value to the land, but I should say the increased value belongs to the whole district, and not to any one individual.

72. Do you think in any part of the colony, except in the towns, that this unearned increment of which you speak is any more than the individual share of each person who has helped to make it? We are not communising wealth; we are individualising it?—I think it is a great deal more than the individual share.

73. You think it is. Are you a family man?—I am.

74. Have you ever heard the adage, the purport of which is that "He who cares not for his own is worse than an infidel"?—I have heard it.

75. Do you not think that may be applied to you, a man with a family, who has worked and slaved for years, and who thinks that the increased value of the land does not belong to his children?—I do not think so. It certainly does not apply to my own case. I hold that all I have put upon that land belongs to me.

76. Do you not think that the same applies to all the settlers who are working lands in the back districts?—I think the whole of the value of the improvements which the individual settler places on the land belongs to him.

77. When valuing land, as a practical settler, is it not the case that a great proportion of the improvements made by the occupier are not visible to you when you are going over the land?—Not a great proportion, but part of the improvements are not visible.

78. Is it an instruction to you to take these improvements into consideration?—Oh, yes.

79. Is it not the case that you are instructed to value visible improvements?—I have not read the instructions for a long time; but I value all the improvements I can see, or am satisfied are there. For instance, I value underground drains if I know they are there and doing their work.

80. Are you satisfied with the administration of the Land Board?—I have had a good deal of correspondence with the Auckland Land Board, having been secretary of our association, and I have always been treated with courtesy, promptness, and respect. Personally, I have no complaint whatever to make against the Land Board. I am also very well aware that in a great many cases the Board have been very indulgent. In a great many cases I know of, well, if the letter of the law had been strictly carried out the tenants would have been evicted. Every chance has been given to the tenants where they showed anything like a desire to make a home, even though they were in arrears with their rent and improvements.

81. Are you satisfied that the four members of the Auckland Land Board are sufficient to adequately represent the Auckland Land District?—I do not know. At the same time, I have heard a good many complaints, some of which, I think, were genuine. About others, I do not know. Very often there are delays and difficulties in making the officials of the Land Board understand an apparently simple matter. There is a man present who had a great deal of difficulty in that way. He applied for a section of land, and was informed he could not have it just now, because they said there was valuable building timber on it, and he would have to await a report, though everybody in the district knew there was no valuable timber on it. That man had to wait until he got sick and tired of waiting, and he gave the thing up.

82. *Mr. Anstey.*] Do you think the present constitution of the Land Board satisfactory?—Yes. I am inclined to think there is no more reason for electing the Land Board than for electing Magistrates or Justices of the Peace.

83. Do you think that four members are sufficient to represent the whole of the land district? Do you think it would be wise to increase their number?—It is a large area for four. Possibly more members might be better.

84. Do you think it would be wise to have a separate Land Board for the North of Auckland?—I think probably it would, because the conditions are so different.

85. Do you think any delay in opening up land is due to the Commissioner having too much to do?—It is very likely. The thing is too centralised and too far away.

86. What local body are you under here?—The Hokianga County Council. There is no Road Board here. This is the Omapere riding, and one member represents us.



87. Do you get a fair share of the rates?—Yes, each riding has its own account. Our rates must be expended here, and nowhere else.

88. What share of Government grants have been spent in this riding?—I cannot tell you.

89. Have you any idea how much money has been spent on these fifteen miles of roading to your place?—A large sum; but we have got it in very small sums, and, what is worse, we very seldom get it until the autumn. I know work is being done now which ought to have been done three or four months ago. I think I may say there has been a loss of 25 per cent. of the total money expended through doing work in the winter that ought to have been done in the summer.

90. Do you think the money would be more economically expended by the local body?—I doubt if it would. I do not think it matters much whether the money is spent under the supervision of the Government or the County Council.

91. You think if the local body had it they would spend it at the proper time of the year?—Undoubtedly, and so would the Government officers if they had it.

92. Was your land taken up originally under a thirty-years lease?—No; under perpetual lease, and we have changed it mostly into lease in perpetuity.

93. What was the reason for the change?—It was a better tenure—999 years against thirty years.

94. Did you get a reduction in rent?—Yes, of 1 per cent. That was one of the reasons for the change, but I think the principal one was the lengthened security.

95. Is there anything in your tenure to prevent you fully improving your land?—Nothing whatever.

96. Do you share in the fear expressed by the previous witness that your land is likely to be revalued?—I do not think there is any danger of it, and if it was done I do not think I would have any great cause of complaint.

97. Do you think it would be fair to revalue you?—I hardly think it would, and yet if a bargain is unjust it is a question whether it should not be altered. I do not advocate it.

98. *Mr. McCardle.*] What is the value of your land now if you wanted to sell it?—I hardly know.

99. Would you get £3 above all you have done on the land, including all the labour you have put on it?—For the section upon which I live I could get £5 more than I have put on it.

100. *Mr. Anstey.*] You say you do not think it would be absolutely unjust to revalue these leases if the bargain is unfair?—Yes.

101. Do you think it would be a fair thing to revalue freehold sold too cheaply a few years ago?—The same thing might apply there, but it might be impossible to do either. I do not think it is fair to sell the land at all.

WALTER SCOTT PULLENBURY examined.

102. *The Chairman.*] What are you?—I am a farmer. I hold 240 acres of land, partly under village settlement, partly under freehold, and partly under occupation with right of purchase. My freehold was formerly a perpetual lease.

103. Which tenure do you prefer?—The freehold.

104. What settlement are you in?—It is called the Auckland Settlement, about eight miles from here. The land was originally bush, and it is all cleared but the portion I have recently acquired. I graze it with cattle chiefly.

105. Is there any particular thing you wish to bring before the Commission?—Yes. I have written the following statement: I am a firm believer in absolute freehold, provided the owners are compelled to improve their land, and can at once obtain Crown grant on completion. The threat used by the Premier some months ago—when asked by a deputation of trade-unionists whether he was in favour of periodic revaluation of leaseholds, that he was, but the time was not yet—has done more to frighten the Crown tenants than enough, as we have been told from time to time that the leasehold was equally as good as the freehold. That one of the best schemes for the settlement of land is, without doubt, the old homestead system. That all leaseholders should have the option of acquiring the freehold by a graduated scale of payments on the same basis as the Advances to Settlers Act. The residence clause is a very serious one, as a person having completed improvement to the extent of (at times) ten times the upset value of land is still chained and bound by the residence clause. The individual having so great an interest is he likely to run away? The same clauses prevent business people holding land as in many cases they would, only they must reside, any way, after three or four years. The ambition in all the mechanics in the centres is to own their house and allotment. In fact, it is the ambition of nearly every man. Why, pray, should not the farmer own his, instead of being a species of serf. If the Government were to treat a party of working-men on the same basis, asking them to lease a house and acre of ground on same terms as the leaseholder, and expend their substance in building, improving, &c., it would not be a year before they would be clamouring for the freehold. With regard to occupation-with-right-of-purchase tenure, why should not a man be allowed, on effecting his improvements and proving himself a *bona fide* settler, to purchase at once or at any time. The village-settlement scheme has proved a complete failure owing to the general indebtedness of tenants and the ignorance of Ministers in cutting hilly, rough, slippery country in sections of 25 to 45 acres, and asking carpenters to become orchardists and barbers and sailors to become vine-growers—all to be done with no capital. The scheme proved a failure, and the money advanced and back rent were capitalised on the land (the tenants before paying 5 per cent.), and the lease was turned into a lease in perpetuity. A transfer of a village-settlement title cannot be obtained without a man holds less than 1 acre of land in the colony, and he must alter his title to lease in perpetuity.

106. *Mr. Anstey.*] You say that if working-men are offered small sections in the towns under lease in perpetuity it would not be a year before they were demanding the freehold?—Provided they had to erect their own houses and improve their sections, and so forth.

107. Are you acquainted with any of the working-men's settlements we have around the cities?—No, I am not.

108. Then, would it not just be wise to find out the facts before making such a statement?—I will answer that by asking you if you can show me any place where these same working-men, who took up the land under lease in perpetuity and erected their own houses and other improvements themselves, are not clamouring for the freehold.

109. I think you could be shown dozens of them?—Where they have already done their own improvements?

110. Yes?—Then, I do not know of them.

ALFRED SPRY ANDREWS examined.

111. *The Chairman.*] What are you?—I am a storekeeper. I am a member of the Hokianga County Council for the Omapere riding. I hold about 168 acres of freehold, and a similar quantity of leasehold from the Wesleyan Mission Trustees.

112. What is your view in regard to tenure?—My view is undoubtedly that freehold is the most advantageous to encourage settlement. I think any person applying for land from the Crown should have the option of taking a lease under the different tenures, and at any time should have the right to acquire the freehold. I would suggest that they should have a long period in which to pay off, say, on the same principle as the repayment of loans under the Advances to Settlers Act. I have lived in the district thirty-four years, and, amongst other avocations, I was for nine years county valuer, and for a number of years valuer under the Advances to Settlers Office, and had occasion to visit every section in the county, and I am speaking from the firm conviction I had when I say I believe the real desire of the majority of the people is for the freehold.

113. As a member of the Council, you will be able to tell us something about your roads?—Hokianga is the largest county in the North, and, I think, the most important. It has a ratable value of something like £400,000, and it is the most neglected as regards roads. The area of the Hokianga County may be divided into three parts. One-third is freehold and partly settled; one-third belongs to the Crown, and the remaining third is Native land. Hokianga is in this unfortunate position: although there is a Native Rating Act it is absolutely impossible to collect the money. The county has only a nominal amount of money for the purpose of making roads—only enough to patch up a bit of road here and there. The Crown grants vary from £6,000 to £8,000 a year, but, although that money is voted, there is not 25 per cent. of it expended. I know of roads which have had money voted for them for the last seven years, but the money has not yet been expended on them.

114. We were told to-day by the Road Inspector that he has been expending at the rate of about £500 a month, and that 75 per cent. of that expenditure has been within the Hokianga County—that is, from the Government grant?—The position is this: that until within a month of the end of the financial year very little of these votes is expended. The votes are put on paper, but the money is not expended. The County Council has to publish a detailed balance-sheet of its expenditure, but there is apparently no record kept or published of the expenditure of the Roads Department.

115. *Mr. Matheson.*] Seeing that the local body has all the machinery for road-making and all the officials for looking after the work, do you think it would be an economy if the Government grants for the district were handed over to the local body for expenditure?—Undoubtedly.

116. Do you think the method of expending the money under the supervision of Government officials is unsatisfactory?—I do not think you get the same value as by letting contracts by tender.

117. *Mr. Anstey.*] Do you know what the cost of the County Council administration is?—The County Clerk gets £100 and 10 per cent. for engineering work, and he finds his own horse and feed, but there are other expenses of various kinds which are forced upon the County Council.

118. The amount of rates you collected last year was £778, and the cost of administration £554. Therefore, more than two-thirds of your rates are absorbed by the cost of administration?—A great deal of that expense is forced upon us owing to the Government regulations.

119. Do you not think that the cost of administration in your county is inordinately high?—No. As I have said, we are forced to incur considerable expenditure by the Government regulations.

120. Will you contradict the evidence given to-day by the Government Engineer when he says that his expenditure is about £500 per month?—I will contradict his statement that he expends that amount every month in the year.

121. Will you contradict his statement that he expends about £6,000 in the year?—I say that £4,500 has not been expended in the Hokianga County. I would like to draw the attention of the Commission to the large area of Crown land and of Native land in the county. One-third of the area is Crown land and another third of the land is owned by the Natives. There are two thousand Natives in the Hokianga County—that is, including men, women, and children, and every Maori man, woman, and child owns on an average 100 acres each, and assuming that the average family consists of five that would give each family 500 acres, which, to my mind, is more than their requirements demand. The Natives own the most valuable land in Hokianga. Sufficient land should be reserved for the Natives to live upon, but the remaining Native land should be thrown open for profitable settlement. If that were done it would increase the prosperity of the district very greatly. The Natives are very anxious to deal with their land and sell it, but their hands are practically tied. I would restrict the area of Native land that may be sold to any one individual. The title of the bulk of the Native land has not yet been individualised. In the case of some blocks of Native land there are four or five thousand Natives who are interested. Some of them have only an interest of £10 or £15 each, and that amount is frequently expended before

the title to the piece of land is ascertained. I would like to say this, with respect to the valuation of land: I think the Government should cut up the land into suitable areas, and it should be approximately valued. The land should then be thrown open for selection, and when a person makes an application for a section he should deposit a valuation fee. It should be the duty of the Government Valuer to inspect that section and specially value it.

WALTER SCOTT PULLENBURY further examined.

122. *The Chairman.*] I understand you wish to make a further statement?—Yes; I desire to say that it seems to me a great hardship that a tenant holding a section of land under lease in perpetuity should be debarred from taking up other land under the same tenure. I think in that respect sometimes an injustice is done to holders of these sections.

GEORGE EDWARD HEDGER examined.

123. *The Chairman.*] What are you?—I am a settler, and hold 300 acres under occupation with right of purchase. My land is at Waimamaku, and I pay £10 a year rent. I have been there about eight years. I am quite satisfied with my tenure and with my land. I have cleared about 100 acres. The track to my section is about 2 ft. wide, and I have to send my milk to the factory on a pack-horse. I have to pack it about two miles and a half. I milk about twelve cows. My two neighbours also have to bring in their milk by pack-horse, and one of my neighbour's children has to go over that track to school.

124. *Mr. Matheson.*] Do you think if the Government granted you an amount equal to the amount raised locally you would have good roads?—I think it would be a great help.

125. *Mr. McCardle.*] Have you had any experience of the Advances to Settlers Department?—No.

126. *Mr. Anstey.*] Have you any idea what it would cost to make that track available for wheel traffic?—I do not know.

127. How many settlers would the road serve?—About twenty settlers use the pack-track.

THOMAS MITCHELL examined.

128. *The Chairman.*] What are you?—I am a settler, and hold 90 acres under occupation with right of purchase. My land is six miles from here, and my rent is 5 per cent. on 10s. 6d. per acre. I am quite satisfied with my tenure, but not with my farm. I believe in the lease in perpetuity. I think there should be no freehold. I have noticed that some witnesses who gave evidence before the Commission in the South Island said that the freehold encouraged people to improve their property, but, from what I have seen of freehold land in the North, the owners sit down on it pretty hard. I can show you a lot of freehold land in the Hokianga district that is still covered with bush, and no improvements have been made on it, and if you desire to purchase that land the owners will ask for £12 an acre. Freehold land is the best for speculative purposes. I have been in other countries where there are no Crown tenants. I am quite satisfied with the Crown as a landlord. There is no one who can complain justly against their treatment.

129. *Mr. Anstey.*] You say that numbers of freeholders do not improve their land?—Yes.

130. Do leaseholders improve their land?—They are compelled by the Government to effect a certain amount of improvements.

131. Do you think the freeholders ought to be compelled to improve their land?—I think there ought to be no freehold.

132. In the case of freehold, would you be in favour of enforcing residential and improvement conditions the same as in the case of leaseholders?—Yes.

JEREMIAH LAWRENCE BOURKE examined.

133. *The Chairman.*] What are you?—I am a settler, and hold 80 acres of land—40 acres under lease in perpetuity and 40 acres under perpetual lease.

134. What tenure do you favour?—I favour the lease in perpetuity.

135. What are you paying for your lease in perpetuity?—The capital value is 12s. 6d. an acre. I have been a Crown tenant for eighteen years. The amount advanced to us for improvements has been capitalised, and now that has been added to our rents, and we have to pay on that amount for 999 years. I think we should be given an opportunity of paying off the amount as under the Advances to Settlers Act. Many of us went back in our rents. They treated us very leniently in the past, but it came very hard on us when we changed the tenure from perpetual lease to lease in perpetuity.

136. *Mr. Anstey.*] Is there anything in the conditions of your lease which acts prejudicially to your properly farming and improving your land?—No.

137. You are satisfied?—Yes, thoroughly.

138. Have you any fear of revaluation?—No. I would not mind if they revalued, say, every twenty-five years. With respect to the constitution of the Land Boards, I think if the Chairmen of the County Councils formed the Land Board it would be better than the present system, the Commissioner of Crown Lands to be Chairman. I do not think the expenditure would be very large, and the meetings of the Board might be held every three months.

139. For what period is a Chairman of a County Council appointed?—Twelve months.

140. Experience is very valuable in dealing with land matters?—Yes; but, as a rule, the Chairman of a County Council is an experienced man, and knows the wants of the people of the district.

## EDGAR JAMES HAWKINGS examined.

141. *The Chairman.*] What are you?—I am a settler, and hold 400 acres—200 acres under lease in perpetuity and 200 under occupation with right of purchase.

142. What tenure do you favour?—Occupation with right of purchase or the freehold. I took up the lease-in-perpetuity section first, and the other sections afterwards.

143. How long have you held this land?—One section nearly twelve years, and the other seven years.

144. What is your rent for the lease-in-perpetuity section?—The capital value is 13s. an acre, on which I pay 4 per cent., and I pay 5 per cent. on 12s. on the other section. My land is twenty-five miles from Omapere. It is on the Auckland No. 1 Small Farm Special Settlement Association land. There were thirty-eight original settlers, and I am the only one left. All the rest of the land has been abandoned, and is now growing noxious weeds. The cause of the failure has been, I think, principally owing to the bad roads. I have only a pack-track to my place. The land through which a partial road has been made to a certain point is loaded for roading up to 4s. an acre. There was a settlement three miles from my place that has been altogether abandoned. Some of the settlers spent as much as £700 and then left their holdings.

145. Do you think you will have to retire from your section?—It all depends on what may be done with respect to the road. I run cattle principally on my land. I tried sheep but found it was not suitable for sheep.

146. *Mr. Matheson.*] Can you suggest any way to encourage people to take up such land?—I consider that a settler should have 500 acres of freehold if he lives on it and improves it.

147. If that were done do you think people with some capital might take up the land, and that that settlement would help you to raise money to make a road?—Personally, I would be willing to pay higher rates if I could get a road to my land. I am satisfied with the land itself.

148. *Mr. McCutchan.*] You said thirty-eight sections were originally taken up: how many of those who took up the land resided on it?—I think about twenty. The remainder made improvements on their sections, but they did not come to reside.

149. After spending considerable sums on their sections, did those settlers who resided on the land go away broken in fortune?—Some of them had practically nothing when they went away.

150. Would you say, if the same condition of things exists in other parts of the colony, that these facts are a sweeping condemnation of the present method of constructing roads?—I do not know the methods adopted in other parts of the colony.

151. This question of roading is a very grave question, and there are many other districts in the North Island in which settlers, after years of toil, have had to go out on account of road difficulties. The question I wish to ask you is this: if such things exist in other back blocks of the colony as exist in your particular district would you say that those facts amount to a sweeping condemnation of the present method of road administration?—Yes, if it is so in other places.

152. In the case of land of similar quality, do you think it is the duty of the Government to borrow sufficient money to properly road such districts in which settlers are placed?—Yes.

153. Do you think it is justifiable for the State to charge 5 per cent. for the whole term of 999 years on this loading?—No, I do not.

154. Do you think if the amount for loading is recouped—that is, the principal and interest—in twenty-six years that the interest charge should then cease?—Yes, I think so; but I would not have objected to their loading the land if they had made the roads.

155. Do you say that the amount represented by loading has not been properly spent?—I cannot say.

156. It is not the loading you object to so much as the fact that no roads have been made?—That is so.

157. *Mr. Anstey.*] I understand that there is some broken metal on this road that has not been spread over the road. How much would it cost to spread that metal?—I could not say, but it would not cost a great deal. There is another thing I would like to mention. We have to pay our rent six months in advance, and I do not think, seeing the improvements I have made, that that should be requisite. There is another thing: owing to the bad state of these roads the valuer has valued my land at 8s. an acre for one section and 5s. for the other. I may say I received a letter from the late Commissioner of Crown Lands stating that I had a good road to my place, when such is not the case, and other settlers have received similar letters.

## ANDREW CORFIELD examined.

158. *The Chairman.*] What are you?—I am a farmer in the Waimamaku district. I have 300 acres in grass. Part of my holding is on perpetual lease and the rest lease in perpetuity.

159. Which tenure do you prefer?—The freehold. I think every sane man will uphold that.

160. How long have you been on your place?—Over seventeen years.

161. Do you use your land for sheep and cattle?—Yes, but cattle mostly.

162. Do you dairy?—I have not succeeded in doing much this year.

163. Are you far from a factory?—No; I can get my milk through by dray to the factory.

164. Are you well satisfied with your farm, so far as the land goes?—Yes; but I should like to see a clause put in the Act to allow every Crown tenant to get the freehold at some future time, and I think I speak for the majority of the settlers in regard to that.

165. Do you think the lease is a good system to start people upon the land?—Yes, but they should have the option of the freehold when they have fulfilled the conditions.

166. Is there any other point you wish to bring before the Commission?—I should like to say this about the Noxious Weeds Act: a perpetual-lease man, if a noxious weed is on his land, will probably cut it down and leave the roots in the ground, but a freeholder will take it out at the very root. I think that is a very good argument in point. Some years ago a gentleman showed

me some five or six plants in a paddock of his which he said were very bad weeds. I said, "It is a very bad weed. By all means root it out." I saw the same paddock the other day, and there are now about twenty-five plants of the same weed on his paddock. That man is a leaseholder. That is an argument in favour of the freehold.

167. *Mr. Matheson.*] Was your land bush land?—Part bush and part tea-tree.

168. How long is it since you got this land in grass?—Some fourteen or fifteen years.

169. Is the grass holding well?—Well, it is rather damp up there and part of it has gone into fog, and the rushes have come up very much, but I have dug them up in the last two years. I have also had some trouble with the tea-tree returning, and have sown danthonia to try and get it out. In some parts the grass has held fairly well. I should also like to say this: a part of one of my sections has been slipping down to the lake, and during the last three or four years I have been planting willows on the slopes, and I have also been planting other things to try and hold the land. If I did not think we should eventually get the freehold I should never have gone to that trouble. I have done it in the belief that we shall get it at some future time.

TAHEKE, WEDNESDAY, 17TH MAY, 1905.

JAMES RANDALL WHITE examined.

1. *The Chairman.*] What are you?—I am a settler at Punakitere. I hold 50 acres under village settlement and 122 acres on lease in perpetuity. I have been here nineteen years.

2. Are you satisfied with the land?—Yes, but I think some of the conditions are not quite satisfactory. First, with regard to the lease-in-perpetuity section, I have no complaint to make about it, except that I think there should be a little more leniency shown as to residence. Since my son has taken up his section he has got work away, and I am looking after the section for him. There is only a road between his section and mine, and his home is really with me. He has had the place only six months, and were residence strictly enforced he would be compelled to surrender. He has taken up the land for his own use and benefit, and not for speculative purposes.

3. Have you made application to the Land Board on the subject?—No; he has not been twelve months in occupation yet.

4. Perhaps by that time he may find it convenient to work on his own land?—I do not think he will. I have always been dealt with fairly by the Land Board myself.

5. You recognise that the Land Board is not hard on people when there is a substantial and honest compliance with all the terms?—Yes.

6. Do you approve of the present constitution of the Land Boards?—I have nothing to complain of.

7. Is there any other matter you wish to bring before the Commission?—No, but I am prepared to answer any questions. One of the leases I took up from the Government was an endowment lease, and other settlers here are in the same position. When we took up our leases we believed we were dealing with the Government alone. Owing to the settlement becoming a failure the Government handed over the land and the leases to the Auckland and Parnell Borough Councils without saying anything to us about it. When we heard of this we asked to be allowed to get the option of tenure in some other place, and we thought arrangements had been made by the Government with Mr. Houston to allow us to do so. But nothing has been done. The trouble will commence when the revaluation takes place, because the Council are valuing land about here much higher than we can pay, and then our improvements will be confiscated by the Council. Through this the settlement has gone back, and the land is not worth living upon. The Government reduced the values from £1 5s. to 10s. and 12s. when we were dealing with the Government, and if we had believed that we should have to deal with the Councils we should never have taken the land up.

8. Do you pay rent to the Councils?—Yes, under protest, also the interest on the money we have borrowed from the Government. But we shall never recognise the Councils in the matter, and if they send a valuer along to revalue I shall take him up for trespass. If he comes with the authority of the Government I shall give him all the assistance I can. When I proceed against the valuer that the Councils send along that will no doubt prove the ownership. No doubt the Councils can collect these rents, and can revalue under the Bill which the Government passed through the House, but why should the Government pass a measure like that without consulting us.

9. I understand that these endowments were marked off for the Auckland and Parnell Borough Councils, and the Minister of Lands at that time was Mr. Ballance. He was sure at the time he could make an exchange with the Borough Councils of Auckland and Parnell, and gave them land elsewhere, so that all this land about your settlement would be in the hands of the Government; but Mr. Ballance went out of office very shortly afterwards, and another Government came in, and the matter did not go any further. You say that demands have been made to rectify it, but I believe that to rectify it would really mean an Act of Parliament. Your statement has been taken down, and although we, as a Commission, have no authority to settle these matters, we may draw attention to it in our report?—I hope you will do so, sir. A few years ago we went so far as to ask the Councils whether they would agree to an exchange of land, and they notified us that they were quite willing to take land in exchange, subject to their having some choice of locality. The result of all this has been that we are allowing the land to go back and we want to surrender it.

10. What do you pay for the 50 acres under the village-settlement tenure?—It is valued at 10s., and I pay 5 per cent. on that.

11. What is the rental of 122 acres?—It is also valued at 10s., on which I pay  $4\frac{1}{2}$  per cent. I am quite satisfied with that.

12. How do you use your land?—I simply run a few cattle and crop a little for our own use. There are about eight of the original settlers in the same fix as myself.

13. What, in your opinion, is the best tenure for the advancement of the country?—I, as a poor man, consider the deferred payment the best tenure to give me an opportunity of getting the freehold. Of course, under the leasing system, there are many people on the land who would never have been able to have got there in any other way, and they are quite contented. Many of them seem to want the freehold now, but that, I think, is owing to the cry for land-nationalisation, and so on. I myself think the contract should not be broken without the consent of both parties.

14. Have you any knowledge of advances to settlers?—No. I think to get a mortgage on your place is a very bad idea.

15. *Mr. McCardle.*] Are you making a living entirely from your land?—No, nor is one of my neighbours.

16. If this difficulty you have mentioned were removed could you make a living off your land?—We might attempt to start dairying, but under these conditions we could not attempt it.

17. What about the roads?—They are improving, but there is still much room for improvement.

18. Is there much Government land in the neighbourhood?—Yes, there is a good deal, and there is also a good lot of Native land.

19. *Mr. McCutchan.*] Under what tenure does your son hold his land?—Under a 999-years lease.

20. Has he not four years' exemption under that lease?—No, only one.

21. Is it open land?—Portion of it is. He has been notified to reside within twelve months.

22. Do you think the exemption from residence should be extended?—Yes, because many of us have to work away from our sections to make a living.

23. What rent are you paying on your own lease-in-perpetuity land?—4½ per cent.

24. What is the extra ½ per cent. charge for?—I could not say.

25. Was it virgin bush country when you took it up?—It was mixed fern and light bush.

26. Was the ½ per cent. to cover the survey fees?—There is nothing in my lease regarding it.

27. How much of this endowment land is still unlet?—I suppose half of it.

28. Has there been any further change in the terms of your lease beyond the change of landlords?—No.

29. Then, did you hope, if it was Crown land, that the Crown was going to vary the terms of the lease?—We did not know it was endowment land.

30. But the terms of your lease are not altered?—I understand the Borough Councils will claim all improvements. We consider we should have been consulted before there was any change of landlords. The Councils are valuing the land too high. They are wanting £1 5s. an acre for it.

31. Is there a difference between the Councils' valuation and the Government valuation?—Yes, there is a difference of 15s. an acre, because the Government valued it at only 10s. an acre.

32. Have you made any appeal against your valuation?—No. I am satisfied. The unimproved value I consider fair.

33. *Mr. McLennan.*] Would you be in favour of giving more discretionary power to the Land Board, so that it would not be necessary to apply to the Minister?—No. I would prefer to apply to the Minister. I do not think it would be advisable to leave everything to the Land Boards. I think the Minister should be consulted as he is generally a man of experience in land.

34. But suppose the Land Board could decide the matter without going to the Minister, you could appeal to the Minister?—Well, in that case I would agree to it.

35. *Mr. Paul.*] As regards your future rent, is that fixed by arbitration at the end of the term?—No, the Council fix it themselves.

36. Would you have been quite content to hold your land under these conditions of lease with revaluation, provided the land was still held by the Government?—Yes.

37. In the new leases that the Councils are giving, is there provision for valuation for improvements?—No, they take everything.

38. Do you consider that is just?—No. It is most unjust. It is worse than anything that has happened in Ireland. I think the tenant has every right to his improvements.

39. Is the value of the leases around you increasing?—No; I do not think any leases in the district are increasing in value, simply because we have such bad roads. We are locked in here for about six months in the winter-time.

40. *Mr. Anstey.*] If you are again brought under the Government as the original landlord are you going to ask to be allowed to bring your sections under the lease-in-perpetuity tenure?—Yes.

41. Have other people who took up land under these conditions had that opportunity?—Yes.

42. Suppose the rest of the block were opened under lease in perpetuity, would it be taken up?—Yes, every section.

43. And would the people who took it up consider their security sufficient?—Yes. A reason why these sections have been forfeited is that many of the settlers who came to the district were not fit to take up land anywhere.

44. In your lease there is no mention made about valuation for improvements: are you sure you are not entitled to valuation for improvements?—I do not think we are.

45. Are your leases not governed by the Order in Council mentioned in your lease which you have produced?—I do not know. I have only just taken notice of that.

46. Is it not possible that this Order in Council might grant you more than you know?—It might, but it might be the other way.

47. Does the village-settlement system give you valuation for improvements?—I do not think so; but we have had a solicitor's advice that all our improvements belong to these Councils.

48. What sort of road-access have you to your land?—It is not bad.

49. To whom do you pay rates on your section?—To the Hokianga County Council.

50. *Mr. Hall.*] Do you consider the Parnell Borough Council have treated you unjustly in connection with your leases?—Yes. After the Act was passed through we did not know who was our landlord, and then we were notified by the Borough Council that we would have to pay up within fourteen days or proceedings would be taken. When we did pay under protest, we had a difficulty in getting a return from them.

51. The settlers here would be quite satisfied with their tenure if it was lease in perpetuity?—Yes. We know there has been an agitation to have these leases revalued; the people are somewhat afraid about the security on account of that agitation, but we fail to see how they could be upset.

52. I suppose you refer to the agitation got up by the Hon. Mr. Rigg: do you think an agitation of that sort might cause the leaseholders and the Legislature to break the contract?—It is hard to say what it will lead to in the end.

53. *Mr. Matheson.*] Does your experience of the Land Board lead you to think that if your son applies to have his residence conditions relaxed his application will be granted?—I think so.

54. *Mr. McCardle.*] Did you receive an advance from the Government when you took up your land?—Yes, £20 10s.

55. Well, I think you are entitled to all improvements you put upon your section over that at the end of your lease?—We are entitled to £70 or £75. Our fear is that we shall have to pay on our own improvements.

JOSEPH GORDON JONES examined.

56. *The Chairman.*] What are you?—I am a settler. I was one of the original settlers in the block Mr. White was speaking about.

57. You heard the evidence of the previous witness, Mr. White?—Some of it.

58. Do you object to being under the Parnell Borough Council administration instead of under the Government?—I do. The Borough Council may be very good men, but they cannot be fit to administer land. They are in office for twelve months, and they cannot possibly in that time gain sufficient experience to enable them to deal with things like that.

59. What do you pay in the way of rent?—£1 7s. per annum.

60. Have you in any way kept back your improvements on account of this unfortunate difficulty?—Yes, I begrudge every shilling spent on the place. It is heart-breaking.

61. You reside on your section, I suppose?—I have until lately; but I have moved away from it two or three miles recently. It is merely temporary. I am really past work.

62. Do you agree entirely with what Mr. White said?—Not altogether, because from my bitter experience of the past ten years I do not care about a Government lease at all. I do not think it is worth anything, especially in view of the agitation which is going on. I consider we have been treated in the most outrageous manner by the Government.

63. Are you in favour of the freehold?—Certainly. I favour occupation-with-right-of-purchase tenure, and let those who prefer the leasehold have it. As to the unearned increment, you may talk about it until you are grey; I say it all belongs to the man who goes into the back country. So long as he goes on making improvements you should not begrudge him anything that comes to him. I trust you will mention our matter in your report, because this does not apply merely to ourselves, but it throws a very grave doubt upon all leaseholds, in my opinion. Faith has been broken with us, and without consulting us at all. I cannot get a straightforward answer to my questions from the Government. Our land was taken under the 1885 Act, and they passed a special Act throwing us over. Now they tell us the land never did belong to the Government. If that is so, I say you are on the horns of a dilemma, because the 1885 Act provides that the Government may administer such lands, and that the Commissioner of Crown Lands may sign these documents in the name of and for the persons to whom the land belongs. At the time these lands were taken up we were promised faithfully that we should have an opportunity of getting the freehold. You may remember that at the time Sir George Grey presented a Bill to Parliament he specially mentioned our case—that is, the special settlements generally. He said that on such small holdings they should have the option of the freehold. In order to make a living on a place of that kind you want to do it in the best possible way. As to paying for improvements, it is never done to anything like the extent people suppose. It is difficult to assess what the full value is. I would never have set foot in New Zealand had I known what I had to go through. I have been hammering at this question for the last ten years. I should like to show you my lease, which shows very great carelessness at the very start of things. [Lease produced and read by the Chairman.] You will see there is an indorsement on the lease reducing the rent, but we did not receive that document until the indorsement was on it. Owing to the lease being called a perpetual lease, we understood that that meant it was for ever, and it was not until years afterwards that we discovered that it was not so. It is very misleading to call a lease perpetual when it is not.

64. It has its special meaning in the Act: perpetual right of renewal.

65. *Mr. Matheson.*] Can you tell me what was the object of the Bill you say was passed through Parliament?—I thought I had a copy of it with me. It was a Bill dealing specially with our case. I have here a copy of *Hansard* of the 28th June, 1895, giving a report of the discussion on the Bill when it was introduced. [Report of the discussion read by the Chairman.]

66. Do you know if the Bill passed?—Yes.

67. Your member spoke in favour of it, and Mr. McKenzie assured the House that the tenants' rights would be conserved. What is the chief right which you have lost?—We have no rights at all under the present circumstances.

68. Did the Crown notify you of the change of landlord?—Certainly not. The first intimation I saw of it was in the *Auckland Weekly News*. I wired the next day to Mr. Houston, protesting against it, and I followed that up with a long letter, and we have been all united in petitioning and writing and protesting to all manner of people ever since, and we mean to keep on till it is set right. It must come right.

69. *Mr. Anstey.*] How long had you the land from the Government before you had to pay your rent to the Borough Council?—The Bill passed in 1895, and our leases are dated 1890.

70. You paid five years' rent to the Government first, and since then you have been paying to the Council?—Yes. Our present lease is not satisfactory. We want a lease with the option of purchase. After the experience I have had with my lease for ten years, and in view of the agitation that is going on for revaluation and that sort of thing, I feel a lease in perpetuity is not good enough.

71. *Mr. Hall.*] Do the Parnell Borough Council employ any agency between themselves and their tenants here?—Not that I am aware of. When I saw the thing was inevitable, I wrote to them, asking what my position would be at the end of the lease, and I have never been able to get a reply.

72. Seeing that the members of the Borough Council are city men, and presumably without the necessary knowledge of land or land-settlement, should they not employ an agent who has knowledge of land and settlement as a medium between themselves and their tenants?—My opinion is that they do not care a rap about the thing one way or the other.

73. But should they not do so?—Of course, any reasonable people would employ agents if they were not able to do the work themselves.

74. *Mr. Matheson.*] It seems to me the Crown has power as landlord to hand over its property to somebody else. Is there something in the lease which you wanted altered, or do you find your position under the Borough Council different from the position you were in under the Crown?—There is no difference that I know of.

75. Then, is your chief objection to the change of landlord?—Certainly. I look upon the Borough Council as a vanishing body, without any interest in the land.

ROBERT PROCTER examined.

76. *The Chairman.*] What are you?—A settler at Punakitere, Blocks 1 and 3. I hold 156½ acres under freehold.

77. Do you find the land and your connection with it satisfactory?—Yes; I have nothing to say against the land. I am here to-day to speak principally in reference to the question of freehold, occupation with right of purchase, and lease in perpetuity. I approve of all these tenures, but at the same time I think it is necessary there should be a fresh one added—namely, the home-stead system.

78. Give us your reason?—My reason for that is that a part of the land in this part of the colony is really not worth anything to the purchaser, but would be very valuable to many poor people to settle on. I think it should be given to them on the condition that if they resided on it for a certain number of years and made certain improvements, then the Crown will give them a title on the payment of, say, 2s. 6d. per acre for survey fees. These people would then know they were working for themselves, and land that is now useless to the Crown and likely to remain so would be turned into homes for the settlers. I think that would relieve the overcrowding in the towns. At the same time, I would like to see the law altered so that those under lease in perpetuity who desire to do so may convert to occupation with right of purchase. I think the freehold is the best thing for the country, and I think a free title should at once issue to any one who pays the cash and makes the best use of the land. I think it is unjust to keep them out of their title for seven years. I have been a settler for forty-two years in New Zealand, and during that time wherever I have been I have always found that freeholders succeeded when leaseholders failed. You can witness the settlements round us here. If this land had been leased to the people with the right of purchase, undoubtedly you would not have heard their grievances here to-day, and undoubtedly the original settlers would have made homes for themselves. They have abandoned their allotments, and many of the houses and other improvements erected with the assistance of Government money have fallen into decay. If the Government had given this land to these people the State would not be that money out of pocket, and the settlement would have been going on in a satisfactory way. I do not know whether the Land Boards are now nominated or elected; but I believe in elected Land Boards as the more satisfactory method for the people.

79. *Mr. McCardle.*] What is your opinion of the Advances to Settlers Office?—It is not very good. I think the terms of the loans are too long. Possibly it has done a certain amount of good. I do not know. I think borrowers should be allowed to pay back the money when they think proper.

80. Do you approve of the administration of the Land Board as now constituted?—Yes; but I would prefer election.

81. Failing that as being almost impossible, do you think the number of members should be increased, and that each district should have a member to represent its interests?—I quite believe in each electorate having a member to represent it.

82. Would you approve of the system of nomination on those lines?—It would be much better.

83. *Mr. McCutchan.*] You think that when land is sold for cash a clear title should issue at once?—Yes. It would give more encouragement to the purchaser. If I was a younger man and purchasing land, before I got the title I might die, and my wife and family might not be in a position to carry out the improvement conditions, and therefore the land would not be worth so much in the market as if the title was clear.

84. When land is sold now for cash is not a selling title given?—Yes; but you have to wait a long time before you get the deed.

85. In settling a new country like this should not the chief object of settlement be to make the land reproductive?—It should be.



86. Do you not think if land is sold for cash it leaves the door open for speculation if a free title is given as you advocate, with no compulsion on the purchaser to make improvements?—No; because I think when people have a free title to the land they do their best to make it pay. On the other hand, during the eighteen years I have been here I have seen leaseholders take up a piece of land, and when they got tired of it leave the section and go to a new one, and do that over and over again. The country has no hold on the leaseholders; but that is not the case with the freeholders.

87. If good settlers such as yourself purchased a freehold no doubt they would improve it; but is there not a large body of men with means in the colony who are always looking out for land for speculative purposes, and if you give a clear title at once you have no means of forcing these people to make the land reproductive?—I agree with you, there are a few men of that sort, but very few indeed, and I think it is doing the country far more harm to refuse a title to those who require it than to keep it back for the few who take the land up for speculative purposes.

88. If a man buys a piece of land for cash under the present law is it not a condition of sale that within seven years, if it is first-class land, he has to put £1 per acre improvements on it, and if it is second-class land, 10s. per acre improvements on it, and in consideration of his doing that within seven years a clear Crown grant is issued to him?—Yes.

89. There is no penalty mentioned in the Act for non-fulfilment of the purchase conditions?—No.

90. What do you think is the position of the purchaser, and what is the position of the State with regard to that land?—Well, the purchaser, of course, has got his land; but I consider the State is unnecessarily interfering with the man.

91. A man buys a piece of land subject to certain conditions, and suppose he does not make the improvements specified, then he has violated the conditions under which he bought the land. Do you think the State has a good case against that man for non-fulfilment of the purchase conditions?—Undoubtedly.

92. Do you think the law should be made more specific in regard to penalties for non-fulfillment?—It ought to be, because I think many people are labouring under a misconception as to that part of the law.

93. *Mr. McLennan.*] Are there any absentee owners in this country?—There was one party, but I do not know whether he is still in possession of the land.

94. Is that all?—Yes, to the best of my knowledge.

95. *Mr. Paul.*] What franchise would you elect the Land Board on?—I think, the parliamentary franchise.

96. You believe that if the right of purchase had been given to these Punakitere settlers the difficulty they are in at present would not have arisen?—It would never have arisen.

97. How do you make that out?—To explain, I may say that several people have told me that when they came here at first they were willing to settle any way. They never took into consideration the question as to whether the land would be of any value to them or not, or of a future home. Now they have been on the land eighteen years, and they have grown to be old men, and have made substantial improvements, and they have found out that when their lease goes from them they are not in a position to make a new start in life. Therefore they would like the freehold. If they had had foresight they would have looked after the freehold in the first place.

98. *Mr. White* told us in his evidence that the option of the freehold was of no use to them, because many would not be able to exercise it?—Possibly some could not.

99. Then, the right of the freehold would not have solved the difficulty?—Not all the difficulties, but some. I know some people in the room who are desirous of having the freehold.

100. *Mr. Anstey.*] You wish to see the Land Boards elected on the parliamentary franchise?—Yes.

101. The number of electors in the cities and towns of the colony very largely outnumber the country electors: do you not think it is more than likely that under your scheme you would have nobody but town members on the Land Board, and, if so, do you think they would make a satisfactory Land Board?—I believe in the electors of each electorate sending a member for their own district to the Land Board, the same as they do in Parliament.

102. You would have as many members on the Land Board as there are electorates?—Yes.

103. *Mr. Forbes.*] Do you believe in the homestead system of settling lands?—Very much.

104. Do you think these conditions are necessary to apply?—I think so.

105. You state if the State sells a man a freehold there is no necessity to stipulate any conditions. If the State is going to give a man the freehold do you think he should not have it free of conditions as well?—A man who has worked through life and has a certain amount of money in pocket to buy the freehold is a more substantial tenant than one who has no money. The latter is not so much to be depended on by the State as the man with money. Therefore if they have no money, give them a chance to get on the land. The man who has money can go in for superior land, because the land I ask to be brought under the homestead system is not the best land.

106. Have not a number of men got on the land with very little money under the leasehold system and done very well?—Very well indeed.

107. Do you not think it is a very good thing to get them on the land?—A very good thing.

108. In these bush districts does not a man, especially if he is a man with no great amount of capital, need all his capital to clear and grass his land? Do you not think if he uses a large portion of his capital in buying the freehold he will be hampered in improving his section?—Yes; I quite coincide with your views there.

109. Under these circumstances if you put a man with a freehold and a man with a leasehold side by side with an equal amount of money, is not the leaseholder more likely to get his farm into a productive state sooner, on account of having more money to work with?—Yes; but when a man has money I do not see why the State should prevent him from paying for his title at once.

110. You do not believe in any restrictions about improvements at all on freehold land?—None whatever.

111. Under that system might not a settler who was living on and improving his land be increasing the value of a section alongside him owned by a person living in Auckland City, who was doing nothing with his land? Would not that absentee owner be reaping the benefit of the value created by the settlers living in and improving the district?—That is the unearned increment view, but I do not think there is any such thing. I hold there is no unearned increment in New Zealand, nor in any part of the world. When a man buys a piece of land he buys it, and the rateable value is always there for any Council to rate.

112. Is that not a case which might occur?—It might to a certain extent, but, I think, only to a certain extent.

113. *Mr. Matheson.*] Do you ask the right of purchase for the poor leaseholders in order that after having improved their sections and worked on them for twenty years or more they may be able to purchase the freehold with any savings they have accumulated?—Yes.

114. It is not to encourage them to spend their capital in an immediate purchase?—No.

115. *Mr. Johnston.*] What other parts of the colony have you been in?—I was in South Canterbury about twenty-two years ago.

116. Do you know anything about the land-for-settlements policy there?—No.

117. You do not know that the tenants under the Land for Settlements Act in the South Island are very prosperous?—I do not know much about them.

118. Under what Act did the old settlers you talk about take up their land?—It was on this Parnell endowment.

119. These are the only ones who have complained?—Yes. I would like to say further I think it is necessary that the Government should take over the surplus Native lands and throw them open for European settlement. That would make this part of the colony prosperous. It is practically closed at the present time through the Native lands being shut up.

120. *Mr. Anstey.*] Do you think that the Maori lands when taken over should be offered under the freehold system?—I would offer it under freehold, occupation with right of purchase, or lease in perpetuity, or the homestead system.

121. Without any restrictions as to area?—I would stipulate the quantity of first-, second-, or third-class land a man could hold, and not allow him to hold more than that.

122. What area of first-class land would you fix?—500 acres.

123. Would you allow a man's wife to hold that area also?—No; but if he has a family I would allow each member of the family to do so on becoming of age.

#### HENRY GEORGE FOSTER examined.

124. *The Chairman.*] What are you?—I am a builder and settler. I hold 360 acres under lease in perpetuity on Tutamoe Block, adjoining the Marlborough Special Settlement, about twenty-eight miles from here. It is bush land. I have held it about three years, and I pay £7 4s. rent per year.

125. Have you got any land cleared?—I have 40 acres felled, but I could not get a good burn because the season was too wet. Out of the 40 acres not more than 10 acres is in grass, such as it is.

126. Do you feel satisfied with the land and tenure?—I am satisfied with the tenure, but I am not satisfied with the valuation of the land. I think it is valued rather too high, compared with the surrounding district. The Marlborough Special Settlement was valued at 12s. 6d. per acre, and when I took the land up three years ago it had come down to 10s. per acre. The section adjoining me was taken up under the co-operative system, and 50 acres of bush on the section was felled. The land is equal to mine in quality, and the Government have opened it for selection, with all these improvements thrown in, at 7s. 6d. per acre, which I think is a clear proof that the land is of very little value. We have got no return from our money at all. I may say I am speaking on behalf of the Marlborough special settlers, who have been there ten years. I was on a Marlborough section, but, being on a cross-road, I forfeited it. We are paying too much for our land compared with the surrounding district.

127. Supposing there were no other settlers round you, would you then think you are paying too much?—They have got bargains I admit; but, still, I think we are paying too much. Members who have gone there at different times have said that such heavy bush land should not have been given to the settlers, because it was too heavy for them to make a farm of within a reasonable time. We have got no help at all. My father adjoins me, and he has 50 acres felled. My house is built on his section, and I value it at £100. My father has also a house double the size of mine on the section, and he asked for a grant of £100 from the Advances to Settlers Office, and they came and looked at the land, and the report they gave was that it was in a dying condition. My father has been there ten years, and has felled 50 acres of bush. He wanted the £100 to help my brother, who had become of age, to take up some land.

128. Having lived alongside this land you had a good opportunity of studying it: under the circumstances, why did you bother to take it up?—Simply to be close to my father. Both of us are working together at the building trade. I have to keep at my work to make a living for the farm as well as myself. I employed labour to fell the 40 acres.

129. I am afraid your only relief is to surrender?—Yes, but we cannot risk surrendering a place with so much improvements on it. Of course, the settlers who have not done much have all left. Only about seven are now left of the twenty-seven who took up land there in the Marlborough Settlement.

130. *Mr. McCardle.*] Your father has held the land ten years and has 50 acres of bush felled?—Yes.