

80. What would be the effect as regards the Provincial Revenues, present and future, in allowing the sale of choice blocks throughout the runs generally?—The result of the Provincial Revenue can hardly be foreseen with any clearness. It may be taken for granted that if the choicest blocks throughout the runs were now to be sold, the rest would not be saleable for many years. But in Otago nature has pointed out with remarkable distinctness the two classes of land respectively fitted for agricultural and pastoral pursuits. There are millions of acres which, on account of soil and climate, can never be cultivated, but must of necessity remain occupied in depasturing stock. On the other hand there is only a small extent of land suited for agriculture, and under whatever system the latter is brought into the market, it is sure to be sold very rapidly; for the tendency has been, is now, and will necessarily continue, to make whatever land is open for sale fall into the hands of persons of capital. In all the Northern hundreds there are now large estates, and these will become more numerous as fresh land is open for sale. It must be remembered that by far the greater portion of the pastoral land is included within the Gold Fields, and cannot therefore be proclaimed into hundreds at all. The Waste Lands Act has no operation there; and the Committee will no doubt have observed the evidence of Major Richardson as to evading the Gold Fields Act by taking land out of Gold Fields in order to escape the payment of compensation. It has been contended in Otago that if the Province desires to evade payment of any compensation under the Gold Fields Act for land required for settlement, it has only to get the land taken out of the Gold Fields (which can only be done by the General Government, for this power cannot be delegated), and then proclaimed into a hundred under the Waste Lands Act, so that the compensation clauses in the Gold Fields Act should cease to operate in respect to that land. I need not say such an argument is not worth a moment's consideration. I pointed out repeatedly to the House, when the Gold Fields Act was passing through, that by the compromise made with regard to the twenty-eighth clause of the Act of 1862, and the final determination of the principles of compensation to be adopted in future, the Assembly were settling, for the term of the pastoral leases at any rate, the mode in which land within Gold Fields was to be taken, and that no alteration could in good faith be afterwards made except with the runholder's consent in each case. Immediately after "The Gold Fields Act, 1866," was passed, the Gold Fields boundaries were settled by Proclamation.

81. What would be the effect on the runholders who might be unable to compete successfully for the purchase of the blocks?—The result to the runholder of opening blocks for sale on his run which he would be unable to compete successfully for, would of course be to inflict injury upon him; but every owner of a run not situate within Gold Fields, who has good agricultural land on his country, knows that at some time such land will be open for sale; and every runholder within Gold Fields knows that he is liable to have some of his country taken for agricultural leases. Moreover, under the system of blocks opened for sale he retains the pasturage right over the remainder, whereas under the hundred system he loses it.

82. Do you think the Provincial Council in its resolutions, or the General Assembly in its enactments, ever contemplated that nearly 200,000 acres of the choicest lands would be abstracted, as is proposed, from the land under pastoral leases?—I don't think either the Provincial Council or the General Assembly thought this. But, while the Provincial Council proposed resolutions for the Waste Lands Act, it was no party to the Gold Fields Act. The answers of Major Richardson prove that this latter Act was a compromise, and this compromise affected millions of acres with respect to which the Provincial Council were never consulted, nor their wishes or opinions considered. The result of this is that inasmuch as by far the greater part of the Province is within the Gold Fields, and of the residue all the finest portions have already been proclaimed into hundreds, the area of good land over which the opinions of the Provincial Council have to be borne in mind is very limited. In two successive Sessions, however, the question has been raised whether the Provincial Government was right in adopting the system of blocks in lieu of the hundred system, and in both Sessions the party opposed to the Government which adopted this system has failed to obtain a majority. The runholders therefore consider the matter settled, and in many cases have made financial arrangements depending upon the system being maintained. It would obviously be unfair to relegate now to the decision of the Provincial authorities questions on which their opinion was not even sought when the Gold Fields Act was passed. Interests to the extent of hundreds of thousands of pounds have sprung up under that Act. It was in the option of the Superintendent to refuse to grant pastoral leases, but the Provincial Government chose not to refuse, and two years' rents have been actually paid by the squatters. The runholders contend that, during the term of their leases, the mode of occupying land within Gold Fields cannot in good faith be changed without their consent. It would be as just, after issuing the Nelson leases by which the squatters have an unconditional lease for fourteen years, to pass some Act now limiting their term. It would be monstrous, after the Otago runholder had been subjected for years to the operation of the Gold Fields Act, to take land out of the Gold Fields, and proclaim it into hundreds for the mere purpose of evading the payment of compensation to him for it. It was to enable land to be sold, whether in Gold Fields or not, that I moved very careful words in the Act authorizing sales to be made, with the consent of the runholder, in the same way as if such land were within hundreds.

83. Supposing the present lessees were to throw up their runs because the selected blocks did not fall into their hands, would the runs fetch anywhere near the same rental as before?—The runs would not fetch the same amount. The difference in each case would be proportional to the effect upon the working of the run caused by the selected blocks falling into other hands than the existing lessees.

84. What would be the effect as regards rental when the leases expired, and the choice commanding blocks were in the hands of the former lessees?—At the expiration of the leases the result would, as in the preceding question, depend upon the extent to which the working of the run had been affected by the sale of the particular block. If the carrying capacity and working capability of the run had not been materially reduced (beyond, of course, the reduction of the acreage sold), then no great depreciation in the rental would be found; but if the block so affected the working of the run as to alter greatly its carrying power, as in mountainous country would be the case, the rental after the present leases would necessarily be reduced by so much as the carrying power had been diminished.