

I think we are in a better condition now, and that the colony is progressing. Consequently, I believe that land will rise in value, and that agricultural produce will also bring higher rates. I find that there are 27 persons in arrear, the total amount unpaid being £1,800, or about £66 each. In preparing this statement I have left out one case, that of Mr Mervyn, in which the amount in arrear is £500. He is quite able to pay, I believe; but he is contesting the question with the Department, "whether he should pay at all."

123. Do you think that the exceptional circumstances which justified the Government in acting as they did some time ago, with the 200 petitioners, no longer exist?—Not with the same force.

124. *Mr. Hurst.*] Has the deferred-payment system, in your opinion, been a great success?—Yes, it has fulfilled its object, which was to settle the land, and to prevent it from being taken up in large blocks. I believe that if the law were more strictly administered, and a few persons were evicted, there would be fewer persons complaining.

125. *Mr. Macandrew.*] Do I understand you to say that you consider some of the Dalhousie Hundred land worth £3 an acre when compared with some of the other deferred-payment land in Otago that was sold at 30s. per acre?—Yes; some of it is nice flat slopes, with good soil, producing excellent crops as has been publicly testified to by members of the Land Board and others. There is also light timber in the gullies, and heavy saw-milling timber on the slopes running into the Clutha Gorge.

126. *Mr. J. B. Whyte.*] In your opinion a proper valuation of the land would have done away with most of the evils of the ballot system?—Yes, to a great extent it would.

127. *The Chairman.*] And would have led to the throwing of more land on the market?—Yes.

128. *Hon. Mr. Rolleston.*] Is not the only true test of the value of land the price which the public will give for it?—Yes, to my mind that is the best method of valuing the land. That is my deliberate opinion.

129. *Mr. J. Green.*] In your opinion would it not be better if different prices were fixed for the different sections at the time they are offered for sale?—That is the case now. It is the Minister of Lands who fixes the price. The Act of 1879 fixes the price of deferred-payment land at not less than twenty shillings per acre, but the Minister can fix the price at anything more than that he likes. In Otago the price has been usually fixed at 30s. an acre, and that price has been hitherto adhered to irrespective of the higher value of the land, with the knowledge that when it is put up to auction it will bring its value. On the West Coast of the North Island the land is all under the control of the Minister, and the price fixed for applications has varied from £2 to £6 an acre.

130. *Mr. J. Buchanan.*] In Otago the usual upset price for land is thirty shillings an acre?—Yes.

131. Have you any idea what the cost of that land has been to the colony for survey, departmental charges, &c.? It would be impossible to state what the roads have cost, as they are constantly being repaired, but in regard to the mere opening of the land it varies from 1s. 6d. to 5s. or 6s. per acre. The survey costs 1s. or 1s. 6d. per acre, and then to that there is to be added the roading and sums paid as compensation to squatters for extinction of grazing rights, bringing the total amount frequently up to 5s. or 6s.

132. *Hon. Mr. Rolleston.*] What did the Government expend on the Kairanga Block?—About £5,000 to begin with, and since then about £350 more to complete the drains, &c. I think the Government spent in all about 14s. or 15s. an acre on it in drains, roads, and survey, and the land realized an average of £3 per acre. It was an extremely successful operation, and it realized at auction, in round figures, £20,000; and this sum has since been increased by the sale of the few remaining sections that were not education reserves. One-third of the block was sold on deferred payments, and the other two-thirds were sold for cash.

133. Under the ballot system the country would have lost all this?—Yes.

134. *Mr. J. Buchanan.*] When you spoke of the land costing the Government from 1s. 6d. to 5s. per acre, did you refer to bush land?—No; I was referring to the open country of Otago, whence the petitions came.

135. In timbered country the cost would be greater?—Yes; as in the Kairanga Block.

136. *Mr. J. Green.*] Is it not a fact that in Otago the lands offered to the deferred-payment settlers have been classified?—Yes.

137. Has the Land Board ever recommended that the upset price of that land should be more than £1 10s.?—I think not.

138. Would the value of the Otago land, if it had been sold for cash, be more than £1 10s. an acre?—I am sure that if the sections had been put into the open market, the land would have realized frequently £4 or £5 an acre cash.

139. *Mr. Stevens.*] With regard to the Kairanga Block, you say the original cost to the Government was about 15s. an acre. Have you any idea what it cost, including the amount paid to the Natives and for the negotiations?—No; that cost is not included. I only know of it as Crown lands.

140. *Mr. J. Green.*] Is it not a fact that the Land Board of Otago recommended the Government to throw open the land to cash purchasers?—A man may buy for cash now, but he must be content to take whatever land he can get after the best sections have been selected on deferred payments.

141. Do you think that is injurious to the country?—Yes.

142. *Mr. J. Buchanan.*] If a man with £3,000 or £4,000 wished to buy land on which himself and his family might settle, would not an opportunity be allowed him to acquire the land for cash?—He could not purchase as much land together as he could get for the sum you have named. If he landed here now, he would most likely go to a land agency for the purpose of finding out what private land was open.

143. *Mr. Driver.*] He would get no assistance from the Waste Lands Board?—No.

144. *Mr. Rolleston.*] Would it be possible, in administering the law, to offer inducements in such a manner that outside capitalists would be afforded facilities to purchase without playing into the