

310. And was it in consequence of that that the Commissioners acted?—That was one of the main reasons.

311. Have there been any complaints made by the public as to the management of the Commissioners?—There have been complaints made frequently by a body calling itself, I believe, “The Waikāia Progress Committee;” but at the last meeting of the Commissioners we had a long memorial, signed by nearly all the *bonâ fide* settlers in that neighbourhood, stating that this body did not represent their opinions at all, and requesting us to take no notice of its communications, but they (the settlers) would appoint a committee to watch their interests and communicate with us.

312. Has settlement in the districts not been successful?—Well, it has not within the last two or three years. There are a large number of settlers there now; but in consequence of the low prices of produce the settlers have been very poor all over Otago.

313. Were the prices obtained by the Commissioners high, as compared with the prices obtained by Government?—Yes, they were good prices: a good deal higher than the average prices.

314. How do you account for that?—The land was good.

315. And would the terms be any inducement?—The terms were good, no doubt. We offered to advance a certain proportion of the amount paid on mortgage, at a low interest.

316. There seemed to be some doubt in the minds of the members of the Committee when a Commissioner was giving evidence previously, as to the investment of all the money which is obtained from these sales, in real securities. Is it a fact, or is it not, that all the money is invested?—All except the floating balance.

317. I mean none of it is appropriated for any other purposes?—I think there is an amount of 5s. an acre deducted by the Minister of Lands for roads. The sales have taken place through the Land Office, and a certain amount is deducted.

318. None of the proceeds of sales have been appropriated for current expenses or for buildings?—No.

319. *Mr. J. McKenzie.*] You say that you, as Commissioner, preferred to sell, either for cash or on deferred payments, to letting on perpetual lease?—Yes.

320. What were your reasons for thinking that this was the best course to pursue?—The reasons were that we were personally aware that the great bulk of intending settlers wanted freehold lands, either immediate or on deferred payment.

321. Can you tell the Committee the circumstances under which Mr. James Gall, a tenant of the Commissioners, has been enabled to purchase the freehold of his land?—He bought it at auction.

322. Had he any right to purchase land without it being put up to auction?—I would not state positively; because I have a faint recollection of a very small piece of land fronting the river, adjoining his land; but I think very nearly all the land was bought at auction.

323. Were there not 800 acres he was in treaty with the Commissioners for which the Government prevented the sale of?—I do not think so; I cannot recollect.

324. *Hon. Mr. Rolleston.*] You have a good many dealings in land?—Yes.

325. What is your calling?—Well, I have been twenty-six years in Otago, and I have been a settler.

326. But what is your present calling?—I am a sheep-farmer and station agent.

327. And you have a good many transactions in land pass through your hands?—Not a great many, but I know of a great many.

328. Is it not a fact that the system of perpetual leasing is looked upon as deleterious to the landowners?—No, I think not.

329. Is there not a feeling among men engaged as land agents that a leasehold system is one which should not be encouraged?—Well, I cannot say that there is amongst the agents simply: but amongst most of the people.

330. That is, the owners of land?—Yes, and settlers, and all sorts of people.

331. Are there a number of these mortgages given by the Commissioners on lands outside the Education Trust?—Yes, there are some.

332. Do you think it advisable that men engaged in dealing with land outside should be dealing with trust properties?—I do not understand your meaning exactly. If you mean to say that the Commissioners deal with the trust funds in the way of lending to their friends, it has never been done.

333. *The Chairman.*] Could you tell us the approximate rate of interest?—Well, the average rate is 6 or 7 per cent. The present is, I think, 6 per cent. To the purchasers of the endowment we have made it a condition of the terms to advance a certain proportion at the rate of 6 per cent. as an inducement.

334. And you charge a higher rate to people outside?—Yes.

335. An estimate is made here that the total cost of your management of the lands was about 3½ per cent. on your income for last year?—Well, I have not looked into that, but it is very small.

336. You derived about £20,000 from sales of land, so that the actual amount would come to about 7 per cent. on the cost of management?—No; a considerable amount of that expenditure cannot occur again. There was commission to the auctioneer in the case of sales. There were expenses in connection with the sales of land which cannot be considered as expenses of managing. The only expenses in the management are the secretary's and clerk's salaries, and advertising, and travelling expenses—about £50 a year, I think. Perhaps you would permit me to say that in my opinion, from what I have seen, there are two classes of people who take up land under perpetual lease. One class is comprised of *bonâ fide* settlers, who invariably expect to make a freehold of their land, either through new legislation or in some other way, at a small