E.—12.

to the next, and we find the owner or lessee repeatedly trying to get his rent lowered; and he holds this land from the Oamaru Harbour Board. These nine runs would have brought more had there not been piled on improvements of little or no use to the incoming tenants. I hope the Minister of Lands will take a note that in future there shall not be exorbitant prices put on these so-called improvements. I do not blame the landlord or the Government for it, but by hocus-pocus this is done: that when a lessee, especially in higher circles, gets a man to value his improvements, they are put down at double what they are worth. That is generally the case, I think. got the honourable member for Dunedin West in a better frame of mind, and I hope he will report this to the paper he got his statement from. I will now say something with regard to the mismanagement of these educational endowments in the district I come from. A few years ago—I think about four years or so-there was an endowment for sale at Macrewhenua. It was put up in Oamaru, and the lease of this endowment was run up by farmers and sold to the Hon. Robert Campbell at 5s. 10d. an acre rent—I think, for fourteen years. I am subject to correction; but, at any rate, it has been reported to me, and I believe it to be a fact, that the attorney of this company had a seat on this Board of Governors for managing these educational reserves. He is attorney and manager for the Hon. Robert Campbell. After they had held this land for two years it was discovered that he never signed the lease, and he relinquished the land in some way, without any notice being given to the people by the Governors-

Mr. Fulton: The honourable gentleman will perhaps pardon me for interrupting him; but he is using the term "Governors" as if the gentlemen he refers to were Governors of a high school or

university. In point of fact he was a member of the Board of School Commissioners.

Mr. Duncan: I thank the honourable gentleman for putting me right, but it is still a fact, all the same. Well, Sir, the next time this was put up it was put up in Dunedin for sale, with three single advertisements—two in the Daily Times and one in the Witness—that there was a certain reserve for sale. Nobody knew where it was; but everybody understood that this reserve was sold two years before on a fourteen years' lease, and they never thought that could be the one for sale. What was it sold for? On account of non-publication in the district, it was resold to the Hon. R. Campbell for 2s. rent per acre. Now, is that management—

An Hon. Member: To Robert Campbell?

Mr. Duncan: Yes, to the same man—that is, Mr. A. E. Begg, manager for the Hon. R. Campbell, and member of the Commission who managed these reserves. Now, I think these things point to the fact that there is not sufficient attention paid to closer settlement, because those intrusted with the management of these reserves say, "We have a good mark: we will let it in one lot, and have little or no trouble to get our rent."

Mr. G. F. Richardson: Hear, hear.

Mr. Duncan: Evidently the Minister of Lands is of that opinion. I hope he will not say that

same thing again, or I shall not have faith in him as a Minister of Lands.

Mr. G. F. Richardson: I said "Hear, hear," as meaning that was the opinion that actuated

Mr. Duncan: I believe it is. But I hope the Minister of Lands will relinquish that idea, as the closer settlement of the land is of the first importance. There are many of these reserves still for closer settlement; and if we are going to assist the colony out of its difficulties closer settlement we want. You may talk as much as you like about getting industries in the colony: you may do a little that way, but the first thing is close settlement for every piece of land available. Now, if I thought for one moment that this Bill was going to injure these reserves there is not a man in this House who would fight more strongly against it than I would, as I have already done in the past; but when these things are continually cropping up it makes one feel it is time there was some better feeling on the part of these bodies to encourage settlement, and that if they will not act in that direction some means should be taken to force them. Of course such means should not be adopted until it was shown that they would not use their power in the way which the public thinks is for the best. I shall vote for this Bill in the hope that it will make these bodies more alive to the interests of the colony, and that in future when they let the large reserves which are intrusted to their charge they will think more of the good of the colony by encouraging closer · settlement. I shall vote for the second reading.

No. 2.

The Chairman of School Commissioners, Otago, to the Secretary, Education Department.

School Commissioners of Otago, Education Reserves Office, Dunedin, 19th June, 1888.

SIR,-I have the honour to acknowledge receipt of your letter of the 9th instant asking the School Commissioners to furnish the Minister of Education with a statement of the facts connected with the leasing of Section 23, Block V., Maerewhenua District, to Messrs. Robert Campbell and Sons (Limited).

The following are the particulars of the transaction: Section 23, Block V., Maerewhenua District, contains 1,473 acres of what may be described as pastoral land, although small portions of it are fit for cultivation. It was first leased to the Hon. Robert Campbell in September, 1869, for fourteen years at 1s. 4d. per acre per annum. On the expiry of the lease in September, 1883, it was offered for a further term of fourteen years at an upset of 2s. per acre, which was considered its full value, and, after competition, was leased to Messrs. R. Campbell and Sons (Limited) for 5s. 10d. per acre. As there were a number of sections in the neighbourhood of North Otago open for lease at the same time the sale was held at Oamaru, and it was advertised in the Oamaru papers, as well as in the Otago Witness. In October, 1885, Messrs. R. Campbell and Sons