

TUESDAY, 24TH JULY, 1888.

Mr. JAMES MCKERROW, Surveyor-General, examined.

298. *The Chairman.*] The Committee wish you to give, Mr. McKerrow, what you consider to be the value of certain lands upon which the Gisborne Harbour Board have lent moneys?—I may say that I have gone over the papers and looked up the maps; but I do not know the properties particularly: I only know the district generally. Very many of the properties are town sections, with houses, of which I know nothing at all.

299. First, there is £8,000 at 6 per cent. on 1,470 acres of freehold land in Whataupako Block, valued at £14,000: what do you estimate the value of that?—That is Mr. _____ property. I rode past it once eight or ten years ago. It was a very nice place; but I really could not pretend to know the value of it. The property consists of flat land and hilly land combined.

300. *Mr. Ross.*] Is it worth £10 per acre?—The flat land would be worth more than that; but the hilly land would not be worth more than £2 per acre.

301. *The Chairman.*] Do you know the proportion of hilly land to flat land?—No, I do not. Mr. Sperrey got the particulars of the properties after I had done with them. I fancy he will be able to tell you.

302. Can you tell us the value of any of these lands? Here is, for instance, Town Section 51, containing 1 rood, with buildings, valued at £5,000?—It is in a very good position—the very best in the township.

303. What do you think land in that position would be worth per acre?—I really could not say.

304. Would it be worth £12,000 an acre?—I should think that would be a very high price indeed.

305. You do not know anything as to the building there?—It is a hotel, and is a very fine building.

306. Have you any idea at all as to the average price per acre of the land in the blocks mentioned—approximately, say?—No, I have not. As I have said, I only rode through the district some eight or ten years ago, and I would not like to mislead you in any way. I may say I notice there are two sections in the Patutahi Block mentioned amongst the securities. The upset price of the unsold Crown lands around is 10s. per acre, and these sections were sold at that, I think.

307. *Mr. Allen.*] How long ago was that?—I could not say exactly.

308. Has it been improved?—I do not know whether it has been improved or not. It is a purely pastoral country: the land is hilly and very poor. The level land in this District of Gisborne is very good, and the hilly land is all very poor.

Hon. Sir GEORGE WHITMORE, M.L.C., examined.

309. *The Chairman.*] You reside in Gisborne, or, rather, have property there, Sir George?—I have property about eighty miles north of Gisborne.

310. You are well acquainted with the district?—Yes.

311. The Committee desire to obtain your opinion, as a settler of the district, as to the prospects of the district as a result of the work proposed by the Gisborne Harbour Board being carried out?—The original proposal for a harbour, which was agreed to by Parliament in the Act of 1884, stated that the Gisborne Harbour Board were to carry out the work in accordance with the plan laid down by Sir John Coode, which provided for a harbour of refuge for vessels of large tonnage; and the loan for this was to be secured by rates levied throughout the whole of the Cook County, at the rate of 1d. in the pound in the town, $\frac{1}{2}$ d. in the country.

312. *Mr. Allen.*] Are you clear about the rate being $\frac{1}{2}$ d. and 1d.?—Yes; I have got the Act here.

313. We have read the clauses of the Act, and there is a little doubt about it. The Harbour Board obtained two legal opinions on the question, and they differed?—I know, because I was on a Committee sitting seven weeks on the subject in 1884, and the particular bargain was, in the Legislative Council at any rate, that the rates should be $\frac{1}{2}$ d. and 1d. and no more.

314. That was your idea, I take it?—Yes; and that was explained, I believe, in inviting the country district to poll in favour of the work; and Mr. Graham, the then Chairman of the Harbour Board, published an address to the ratepayers of the district in which he promised them they would not have to pay more than $\frac{1}{2}$ d. and 1d.

315. *The Chairman.*] Are you aware that the Board, in its prospectus to the money-lenders at Home, stated that they were authorised to levy a rate of 1d. and 2d.?—No; nor had the country district anything at all to do with it. With reference to the work now under construction, that was arranged with the Government in some way, and the people who had to pay rates were never again called upon to say whether they were willing or not to pay rates towards the construction of a totally different work, and a work which, according to the statements of captains of ocean-going steamers, would be absolutely of no use whatever to vessels of large tonnage. Consequently the interests of the town and country are totally different in any further extension. Mr. Graham, in giving evidence before the Committee of the Legislative Council, stated that the proposed extension would be of no possible benefit except to the inhabitants of Gisborne and those people around the town; consequently the people of the coast district have no possible interest in further expenditure which can only bring in small craft, and not vessels of large tonnage at all. Mr. Graham stated in his evidence the other day that the harbour which originally existed was improved rather than otherwise by the works already carried out, and, further, if the works were stopped now Gisborne would be no worse off—rather better—than before; whereas an expenditure of another £40,000, in giving them a few improvements, would put a considerable liability on the country district, which would derive no benefit in any way from it. Consequently the country settlers object, and object