

worth the assessed value; secondly, whether, considering all circumstances, you would recommend the Government to purchase the property and dispose of it as might be determined by the Governor in Council, or to reduce the assessment.

C. M. CROMBIE, Commissioner.

J. W. A. Marchant, Esq., Chief Surveyor, Christchurch.

No. 8.

Mr. F. STEPHENSON SMITH to the SURVEYOR-GENERAL.

(Telegram.)

Waiau, 18th November, 1892.

QUITE agree with Mr. Marchant's report, but think his estimate rather low. After making full allowance for the time of year I saw it, and the fact of my coming from a poor back country, I believe it worth fully £285,000 as an upset price on the land alone. Think it would fetch £290,000 if cut up into suitable, not too small, blocks in open market. Never saw so even, easily worked country. No waste. Upon which an immediate return could be made. I understand 10 per cent. allowance was made when the land was sold. This, with the usual good measure given in those days, should give 90,000 acres, notwithstanding loss by rivers. The chief drawback is three miles difficult road to port. Cost probably £2,000 a mile. Level all over estate; too good for roads. Mansion and big stable only improvements cannot be utilised. Dip, woolshed, and yards, sufficient for whole estates; same as shearing reserves and sheds, Marlborough. Port quite up to requirements. Water might be a difficulty if cut up into small holdings. Rainfall said to be much greater than Amuri.

The Surveyor-General, Wellington.

F. STEPHENSON SMITH, District Surveyor.

No. 9.

The SURVEYOR-GENERAL to Mr. F. STEPHENSON SMITH.

(Telegram.)

YOUR valuation at £290,000 is that of land alone; what would you add for improvements? You can, of course, only give approximation.

F. Stephenson Smith, District Surveyor, Waiau.

S. PERCY SMITH.

No. 10.

Mr. J. W. A. MARCHANT to the LAND-TAX COMMISSIONER.

21st November, 1892.

SIR,—

Re *Cheviot Hills Estate*.

I have the honour to inform you that your telegram of the 18th instant only reached me on Saturday night, and I hasten to reply by to-day's mail. You imply,—

- (1.) That my report is hostile to the assessment;
- (2.) That I suggest the valuation should be reduced;
- (3.) That my report is ambiguous;
- (4.) That I am mistaken as to the power under the Act for disposing of the estate in the event of its being taken over.

Allow me, in the first place, to state that, as no rules or principles were laid down for my guidance in framing my report, I necessarily had to define the lines on which to proceed. My replies, shortly, are—

1. I am unconscious of any feeling of hostility towards the assessments or any one connected with it. On the contrary, I entered on the business cordially and in a friendly but independent spirit.

2. I cannot find any suggestion in my report to reduce the valuation as a whole, though I have questioned items, such as £50 per acre for plantations, and as to how far we could utilise the improvements.

3. I do not think that you are justified in the charge of ambiguity; I do not see how to make the report clearer, though I shall be happy to afford you the fullest information on any point you require.

4. As neither your department nor the Government have yet notified the manner in which the estate, if taken over, would be dealt with, I had to consider the question from the two points of view set forth in my report. I fail to see any error in the course adopted.

In reference to your request for clear and definite replies as to the assessment and as to taking the estate over, I have to inform you—

(1.) The assessment of £303,318 is, in my opinion, fair; and the estate is worth that sum.

(2.) As to your request that I shall state, "without ambiguity, whether, considering all the circumstances, you would recommend the Government to purchase the property and dispose of it as might be determined by the Governor in Council, or to reduce the assessment," I have to point out that my report (page 6) answers these questions as plainly as the circumstances permit.

You must admit that to obtain an opinion worth consideration it is imperative that the necessary conditions governing the acquisition of and the disposal of the estate should be stated. In the meantime I must stand by the opinions on this subject expressed on page 6 of my report.

I have, &c.,

J. W. A. MARCHANT,

Commissioner of Crown Lands.

C. M. Crombie, Esq., Land-tax Commissioner, Wellington.