

but owing to the graduated tax, and partly owing to the rabbits, the larger estates have been broken up. I have no fear of any aggregation taking place so long as the graduated tax is properly used.

208. You are in favour of the freehold on the optional system in regard to Crown lands?—Yes.

209. But you are not in favour of the freehold in regard to land for settlements?—Certainly not.

210. The tenor of your other remarks is that there is no aggregation of estates here?—No. There is this other thing: Those who wish Crown lands to be held over do not seem to be aware that the Crown lands are always deteriorating in value owing to weeds and rabbits, and that the Crown is put to considerable expense every year in keeping them down. If they were occupied now and improved our successors in the future would get the land improved and ready for occupation, instead of getting it in an inferior state and covered with weeds and rabbits.

211. Have you anything to say in regard to the question as to whether Crown tenants labour under restrictions?—I think Mr. Hay dealt fully with that.

212. Mr. Hay dealt very fully also with the question of residence, and he did not want so much an alteration of the law, but a certain amount of discretion for the Land Boards, which I think is a very wise thing: do you wish to make any remark in regard to that?—I quite agree with that. By my reading of the Act, by subsection (4) of clause 143 of "The Land Act, 1892," we have a large amount of discretion at the present time. I think that clause provides for everything. It leaves the matter entirely optional with the Boards, and I construe the section in this way: If I think a person is a *bonâ fide* settler who wishes to make his home on a section, although he may go away to work somewhere else for a length of time, or if he cannot get access to it and comes to the Board and gives us some sufficient reason, I say, "All right," and support a further extension of time. I think this clause gives us ample power.

213. What are your views about homestead settlement: Having heard Mr. Hay, do you think the system could be applied very well in Stewart Island?—In some cases it could be applied. I think a person who actually brought some land into cultivation would well deserve a Crown grant to it. It would be a matter for selection.

214. Do you wish to say anything about the ballot system?—That is a question to which I have given a great deal of attention. Under our first colonial Crown Land Act, passed in 1877 by Donald Reid, the then Minister of Lands, two systems of settlement were provided by law—viz., partly by cash, and partly on deferred payment—but all the land went up to auction.

215. *Mr. McCardle.*] I would like to draw your attention to an error in history. Donald Reid passed a provincial Act somewhere about 1868 or 1870, but the general Act that you refer to was passed in 1877, and was amended in 1879 not by Donald Reid, but by Mr. Ballance. Is not that so?—I think you are mistaken.

*Mr. McCardle:* The Atkinson Government went out in 1877, and the new Government came in in the same year, and I presented a petition to Parliament praying that the deferred-payment system should be brought into operation.

*Witness:* Mr. Ballance was Minister of Lands in 1877 and 1878. In 1878 I was first appointed by Mr. Ballance, but prior to that date I am under the impression that a colonial Act was passed by Mr. Donald Reid. However, under that Act, by whomsoever it was passed, it was provided that rural land could be sold partly on cash and partly on deferred payment. The deferred-payment land was to be paid by twenty half-yearly instalments, and for that concession the deferred-payment land was to be charged one-half more than cash land. For instance, if cash land was £1 per acre, deferred-payment land was to be £1 10s. per acre. In 1884 Mr. Rolleston was Minister of Lands, and an amending Act was passed which brought the perpetual lease into force. That, of course, was something like occupation with right of purchase. A man paid 5 per cent., and he bought at the end of a certain term. In 1885 Mr. Ballance passed an Act, and, so far as my knowledge goes, that was the first Act ever passed by Mr. Ballance. Under that Act land was open for selection partly for cash, partly on deferred payment, and partly on perpetual lease, and the extra payment on the deferred-payment land was reduced from one-half to one-quarter. As I said, under Mr. Donald Reid's Act the land went up to auction; but under Mr. Ballance's Act of 1885 it was open for tender. Under the auction system there were thousands of settlers who had run the land up to a price far above its value, and who were quite unable to pay. Consequently, in 1889, the Hon. G. F. Richardson brought in a revaluation Act empowering the Land Boards to revalue all the deferred-payment and perpetual-lease lands. In conjunction with the Ranger, I revalued every perpetual-lease and deferred-payment section in Southland, and we made considerable reductions. Of course, that proved that the auction and tender systems did not work well. Mr. Richardson introduced an amending Act in 1887 which provided for the ballot, and that ballot system has been the law ever since. In Southland the single ballot has always worked very well. I have never heard any complaints about it. Every one was satisfied, and settlement went on extremely well. The only mistake made sometimes was that allotments were valued rather highly by the surveyors, but the settlers afterwards got some reductions under the law. I have never heard any one propose a better substitute for the ballot system. I read *Hansard* carefully, and I observe that many members of the House have brought certain charges against members of Land Boards—I cannot say which—of administering the land in an improper manner. Some members asserted that under the ballot system there is as much gambling and speculation as under the auction system. I cannot see how that could possibly take place. It has been asserted by some that after the sections have been drawn a successful applicant has been offered hundreds of pounds to transfer the section to some one else, and that such transactions have taken place. I cannot see how any Land Board could agree to such a state of things as that. The Act says that no one shall be allowed to transfer a section until he has occupied it for a year and complied with certain conditions. Nothing of that sort has ever taken place in Southland. I think