

pay, and who would devote his energies not from a money-making point of view, but from a spirit of love to the working of the estate. Then comes the question as to whether we arrived at a right decision. I jotted down last night the prices of some estates in the neighbourhood which have been purchased by the Government, and naturally we know that the Government is always just and never attempts to do anything wrong. The Elsthorpe Estate, which I venture to say, though not so well situated, is a richer property than Te Aute, the Government bought and paid for at the rate of £4 9s. 1½d. per acre. I may say these calculations are my own from the Government's figures. Then the Hatuma Estate, which was fought in all the Courts and was the subject of litigation for three years, and in regard to which presumably a true valuation was arrived at, cost the Government £5 6s. 7½d. per acre. The Argyll Estate, which adjoins the estate we are now discussing, was purchased by the Government in the year 1892-3—at the very period when we were dealing with the lease of the Te Aute Estate—at £4 13s. 9d. per acre. Mind, I am speaking of estates which were all somewhat similar in character to the Te Aute Estate—some as well situated and some not so well situated. I come next to the St. Lawrence Estate, a neighbouring property, and here I can speak with absolute certainty, because I am a trustee, and we were able to obtain from Mr. Fred Williams, of Williams and Kettle, a portion from the Bishopric endowment amounting to 2,000 acres at a cost of £5 per acre—a very good piece of property. Well, this is evidence that we were fairly right in our judgment. The Kauranaki Estate, which is a remarkably good piece of land of a similar quality to the St. Lawrence Estate, and in my opinion superior in quality to the great portion of the Te Aute Estate, was sold in the year 1904—mind, after property had commenced to rise again—in the open market to Mr. Chadwick for £5 per acre. Next, at the request of the trustees, a valuation was placed on Te Aute by Mr. Baker, because we thought it was right we should call in an expert. Mr. Baker has been Commissioner of Crown Lands in this district, and has been a very old public servant, and since then he has engaged in the business of land-valuing for a considerable number of years. He gave us the valuation of the Te Aute Estate which has been before you, and I think it makes the rental 6s. 3d. per acre, although I do not remember the exact figures, and our rent is based on 5 per cent. on the capital value; so on this calculation you will see that we get a higher rent for this property than the Government do for any similar property acquired after litigation or purchased in the open market. There is another point: if the trustees let the estate to several persons, we should have in some way or another to make a sinking fund to provide for the taking-over of the buildings erected under the leases, or else we should have to give inordinately long leases, which we did not think advisable. If we were to make that sinking fund we should have to deduct it from the rent which is being handed over for the management of the Te Aute and Hukarere Schools, and which is now hardly sufficient. Therefore, on that ground, we thought we were doing wisely in letting to Archdeacon Williams. I might say that the idea of comparing land-valuations of the present day with the valuations of 1901-2-3, and during which period the negotiations were going on for a renewal of the lease, is simply absurd, for, speaking of my own experience as a farmer, I was getting under 4d. per lb. for wool in those days, and the whole of the New Zealand farmers were, in fact, as near as could be going "up the spout."

254. Do you say, then, in granting this lease to the Archdeacon you honestly believed that it was to the best advantage having regard to the whole of the circumstances?—I am sure it was.

255. Did the trust estate have money in hand which the trustees could have expended in roading or subdividing or preparing the estate for closer settlement?—None at all.

256. And you had a constant drain upon your income for the maintenance of the school, and to keep the school going?—Yes; we had the responsibility of seeing there was sufficient money to carry on the school, or, rather, that the money did not fall short.

257. Do you wish to say anything in regard to the system of education?—No, I do not. I am quite convinced the gentlemen in charge are more competent than myself to give an opinion on that point.

258. *Mr. Hogg.*] Are you aware of any movement on the part of the people here to get this estate as well as others cut up?—Not this estate. I have seen anonymous articles in the Press, but nobody has ever come near me in my capacity as trustee or in my individual capacity.

259. The trustees have had no applications made to them?—None.

260. Apart from the question of rent and value, do you think it is suitable for cutting up in order to enable a number of families to make a good livelihood on it?—I should think so.

261. Into how many divisions do you think it could be cut?—You know I do not believe in very small farms. I believe a man could do very well on a 500-acre farm.

262. I believe some comment has been made on the fact that the trustees did not invite tenders or expose the estate to public auction: do you know if the process followed was the usual one in connection with endowments of the kind?—I should think so. I am, of course, only familiar with the trusts I have to do with, and we have never departed from such a course; and, again, being a worshipper of the law, I recognise if the Government will not submit the leases of land for settlement to public auction, you will, of course, approve of the trustees following the policy of the Government in that.

263. Do you know what method is pursued by the School Commissioners generally in dealing with education reserves, for instance?—I think they call tenders. I really cannot say.

264. *Mr. Lee.*] I see a sum of £500 was expended in sheep in the early history of this estate, and that the sheep grew to 6,000 in 1870, and since then I can find nothing further about them?—That is long before I had anything to do with the estate.

265. *Mr. Ngata.*] You are aware of the division of the trust, that a portion was given by the Natives and a portion by the Crown?—Yes.

266. Would it be fair for the Land Purchase Board to take over for close settlement the portion given by the Natives towards the institution?—I think it would be extremely wrong to interfere with the trust at all under the provisions of the Land for Settlements Act. I think the trustees,