

if unfit, ought to be removed and replaced, but I do not think the estate ought to be taken out of the hands of trustees and merged into some general Government land scheme.

267. *Mr. Elliott.*] The term of the present lease is for twelve years: was there any reason for fixing that unusual period?—I am not really quite sure, but I think it rose from the fact that the negotiations had been going on for some time.

268. The Archdeacon told us it was fixed to fall in with other Native leases he held?—I did not know that. I think the term was a mutual agreement.

269. There is a new house going up: can you tell us anything about that?—We had an exchange of land between the estate and the Archdeacon during the previous lease, and the Archdeacon acted very generously by us. We conceive we got a benefit by that exchange, and I as a trustee was willing to consent to a further exchange. Remembering how well treated we were before, I said I was perfectly willing to enter into negotiations for a further exchange. It is an exchange of a portion of the private estate of the Archdeacon's for a part of the trust estate. At any rate, we know this, we have the advantage, whatever happens, because the Archdeacon is putting up a good building on our land, and therefore we have the whip hand.

270. It rather surprised us to see such a good building going up on such a lease?—That is the spirit in which we have been treated all along.

271. *Mr. Ellison.*] The Natives have expressed a desire to have one or two representatives appointed as trustees: what is your opinion on that point?—I should be very happy to act with any gentleman selected from the Maori race to act as trustee.

ALFRED DILLON examined.

272. You are a member of the House of Representatives for Hawke's Bay?—Yes.

273. You are also a sheep-farmer?—Yes.

274. How long have you been in the district?—I came at the end of 1857.

275. You have heard the evidence given by Mr. Donnelly and the other witnesses?—Yes.

276. Do you corroborate their evidence as to the state of the country in the early days?—Yes, there is no doubt about that.

277. To bring you up to the time when the last lease was executed in 1903, you have heard the circumstances under which the lease was executed: are you in a position to give an opinion as to whether the trustees acted with caution and care in that lease?—I think at the time the lease was executed a fair honest value was given for the land, for the simple reason that everything was in a very depressed state then, and when the prices of wool and stock were very low. There is a vast deal of difference at the present moment, when wool is selling at 1s. 1d. per pound, and then, when it sold at 4d. per pound. Sir William Russell made a remark about the Kauranaki Estate. That was in my possession at the time under a lease, and I was offered the right of purchase at £5 per acre. I can corroborate all that Sir William Russell said in regard to values. There have been big jumps in prices in the last few years.

278. As regards the capacity of the land for dairying purposes, do you think it is suited for dairy-farming?—Well, a quantity of it is fit for dairy farms. There is a man alongside of us who is carrying on a successful dairy farm; but there is land near the Kaikora that is very dry in the summer-time. There are several different qualities of land on the estate; there are some very good portions and some very dry portions.

279. *Archdeacon Williams.*] Are you aware that Mr. Priest tried to sell his stock off because it did not suit for dairying purposes?—I know the land is good for dairying purposes.

280. Do you know that he advertised the sale of his stock, and hired brakes to bring the purchasers to the sale, and that he did not get a bid?—I would not be surprised, because at the present prices of wool and stock anybody would give up the hard graft of dairy-farming for the easier work of sheep-farming. A sheep-farm pays much better than dairying.

281. *Mr. Hogg.*] You know this Te Aute property pretty well?—I think I know it very well. I do not know its exact boundaries.

282. Do you think it would cut up into a number of dairy farms and sheep-farms?—I think it could, and I hope some day it will be cut up into dairy and sheep farms.

283. If it was desired to plant homes there, how many do you think could be planted on 7,000 acres?—I do not believe in too small areas. I think the land could be cut up into 400- and 500- and 600-acre blocks, according to the quality of the land. A great quantity would not be agricultural land.

284. Near the railway-line, where the land is of exceptionally good quality, it could be cut into smaller areas?—Yes, into from fourteen to twenty homesteads.

285. *Mr. Ngata.*] With regard to subdivision into small farms, you say that a certain portion of the estate would be suitable for dairy farms: do you think the trustees could get as much out of the estate on an average as is got from the Archdeacon if the eyes of the block were taken out for dairy farms, because the rest would only be decent sheep country?—It is unfair to ask me that question, for the simple reason that the lease was made four years back. If the lease expired at the present moment no doubt more money could be got for it.

286. *Mr. Elliott.*] You have been employed on the estate?—Not on the estate, but adjoining the estate, years ago.

287. So you have an intimate knowledge generally of the locality?—Yes, I have lived in the vicinity.

288. You heard Sir William Russell, as a trustee, say that he considered the estate up to the present time had been worked to the best advantage?—Yes, and I strongly corroborate the statement.

289. In regard to the clause of the Commission, "Whereas it is alleged that the lands have not been let by public tender or otherwise to the best advantage": do you consider that the lands