

W. Rolleston, Esq.
Continued.

31. Has any question of the legality of such alienation of land arisen, and if so what was the decision, if any?—I am aware that a correspondence was laid upon the Table of the Provincial Council of Canterbury, last session, in which the legality of the alienation was called in question by the General Government.

32. Has the illegality, or supposed illegality of such contract been met by any compromise; and, if so, in what manner?—I have not seen the correspondence, but I am informed that it shows the nature of the compromise, by which the payment is virtually made in land, but ostensibly by other means.

33. What is your opinion of the effect of having such land orders floating about the country, both as regards the sale of Crown Lands, and those in the possession of private individuals?—I think that the system, if persisted in, must end in bringing the Government into competition with private land sellers; and I think it would interfere with the property of private individuals.

34. What would be the effect upon local taxation of such masses of unoccupied Waste Lands?—I think it would be most injurious if they did escape taxation. It appears to depend upon local legislation.

35. *Hon. Mr. Menzies.*] Would the depreciation referred to, in answer to question No. 27, affect the public creditors of the Provinces?—I think the public creditor is injured by any measure which causes uncertainty in the disposal of the property which forms his security, and which prevents the steady influx of population, and interferes with the general prosperity of the country.

36. *Hon. Major Richmond, C.B.*] Are the blocks of land set apart for the contractor always in the vicinity of the work?—The Waste Land Regulations provide that particular blocks are to be set aside for each particular work, but I have every reason to believe that this has not been done in this case. This amounts to giving free selection over the best lands of the Province.

37. *Hon. Mr. Menzies.*] In your reply to question No. 30, you say that the depreciation on the contract would be five per cent. How will you allocate this depreciation over the items of payment, seeing that the payment was partly a cash payment, partly in debentures, partly in land?—I could not make any allocation of the percentage, which I stated it was understood would be lost by the non-payment in cash, nor did I wish to be understood to say that it was my own opinion that the depreciation in the value of the land taken is not greater than five per cent. I believe, as I stated with regard to land orders which are to be bought in the Province of Canterbury, that ten per cent. more nearly represents the depreciation in such transactions.

FRIDAY, 23RD AUGUST, 1867.

W. Wood, Esq., M.G.A., called in and examined.

W. Wood, Esq.
23rd August, 1867.

38. *The Chairman.*] Do you hold any official position in the Province of Southland?—I am a non-official member of the Executive of Southland without salary.

39. Have you had any opportunity of observing the effects arising from the alienation of Crown Lands in payment of public works; if you have, will you state for the information of the Committee, whether you were in any official position at the time, and at what place?—I have not observed any difference in the effects of paying for public works in land, from those caused by payment in cash, at the time I was a member of the Provincial Council, and during a portion of the time a member of the Executive Council of the Province of Southland.

40. *Hon. Mr. Menzies.*] What public works have been constructed for payment in land?—There has been no great expenditure in land on public works, and it has been for the most part for the formation or repairing of roads, amounting to about £2,000. Perhaps from the works being of a limited and simple nature, no disputes have occurred, no compensation been paid, and no difficulties encountered; 25,000 acres have been used for the purpose of completing the Bluff Railway. Although I think the contractor would rather have been paid in cash, I think the Province has not suffered from payment in land.

41. *Hon. Mr. Holmes.*] Are you aware that it was proposed by the Provincial Government to give 210,000 acres of land for railway purposes?—I am aware that such a proposal was made by the Government of Southland to the General Government. I was not a member of the Executive at that time.

42. Are you aware whether any contract was entered into for making the Mataura line, or finishing the Oreti line?—I am not aware of any such conditional contract, and believe that none such has been made.

43. Has the Provincial Council of Southland made any special recommendation such as is required by sub-section two of clause 36 of the Southland Waste Lands Act?—Such a recommendation has been made to the extent of 210,000 acres for completing the Oreti line, and forming the Mataura line.

44. Was the late dissolution at all affected by the question of the alienation of Waste Lands of the Crown for railway works?—Yes, inasmuch as the majority of the Council were agreed upon the expediency of alienating the Waste Lands for such a purpose, but had not sufficient confidence in the existing Executive to entrust them with the carrying out of the work. On this account the Executive resigned their seats, and their successors pledged themselves to forward the railway project.

45. What was the relative strength of those who opposed the principle of giving land for public works at all?—I should think about one-third of the Council, composed principally of pastoral lessees of the Crown.

W. C. Walker, Esq., called in, who presented to the Committee the following written replies to questions forwarded to him.

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23rd August, 1867.

46. *Hon. Mr. Holmes.*] Have you had any opportunity of observing the effects arising from the alienation of Crown Lands in payment of public works? If you have, will you state for the information