

3. *Hon. Mr. Domett.*] How would the Government get this money back again?—The compensation paid for the Wakatipu run amounted to £8,500 (about 300,000 acres). The town of Queenstown was included in this, and it realised £5,000. At the present time the occupiers of land there are paying 2s. 6d. an acre rent on 15,000 or 20,000 acres. This is about 12½ per cent on the price of £1 per acre. If the assessment on stock was collected, it would amount to at least from £1,000 to £1,200 a year, and this is daily growing larger. These amounts are not applied as outside Gold Fields for the benefit of the block, but become part of the general land revenue of the Province. The same results might be produced at Lawrence. The town of Arrow is also being sold. The Wakatipu district contains now about 130 farms producing grain and cattle. They have been for the last year producing sufficient flour for the whole district. Last year, £12,000 worth of wheat was grown there. The same result with respect to revenue might be applied to Lawrence.

4. *Mr. Reid.*] In disposing of the block of 15,000 acres under the private compact, have the ordinary purchasers the same privileges as the runholder?—No; of course not. The runholder has the exclusive privilege of pasture on the whole unsold portion.

5. If the best parts of the run are thus sold, will it virtually secure the remainder to the runholder for all time?—Yes, entirely; because no one will buy land in Otago for farming unless he has some run for his cattle outside of what he purchases.

6. *Hon. Mr. Domett.*] What system do you recommend?—I recommend the occupation system before purchase, as at present established by law. In order to prevent inordinate speculation, I recommend that the whole of the freehold lands of the Province should be subject to a state tax per acre—whether improved or not. I can produce papers to show the amount of revenue collected during the time I was the Agent for the Gold Fields, in the districts acquired by compensation, and which was collected under the most unfavourable circumstances, there being no Collectors of Revenue. What I recommended to the Government very strongly was that this should be done. The following shows the amount of revenue collected during the time the Gold Fields were under the control of the Colonial Government, viz., from 1st April to 31st October, 1867.

<i>Lawrence and Tuapeka.</i>				£	s.	d.	£	s.	d.
Agricultural rents	...	...	...	46	6	3			
"	"	...	...	26	6	0			
"	"	...	...	3	2	6			
							75	14	9
Deposits which were subsequently brought to account of Revenue, being at the rate of 4s. per acre for the past six months	...			474	15	0			
To assessment on stock	...	...	...	429	18	8			
							£979	18	5

This amount was collected without the assistance of Inspectors of Licenses, and at a time when few persons were paying agricultural rents, in consequence of the non-issue of agricultural leases by Government.

<i>Wakatipu.</i>				£	s.	d.
To rents on agricultural leases	...	...	...	89	1	3
To deposits which subsequently were brought to Revenue at the rate of 4s. per acre	...	...	...	929	5	6
Assessment on stock	...	...	...	397	10	2
				£1,415	16	11

This amount was collected during seven months without the assistance of Inspectors. Some deduction must be made from the amount of deposits when brought to Revenue Account, but then a much larger amount is due for rents which were not paid in consequence of the delay in issuing leases by Government; and a still further amount must be added for assessment on stock, which was evaded for the want of the appointment of proper officers to see that it was paid.

James Macandrew, Esq., M.H.R., Superintendent of the Province of Otago, was then examined, and gave the following evidence:—

I am not aware of any such covenant as that alluded to by Mr. Bradshaw having been made between the Government and runholders, that the runs of the latter shall not be declared into hundreds, but on the contrary, in one or two cases in which renewals of lease have been granted, with the right to the Government to reserve a given portion, an application is now before the Government to declare the whole run into hundreds. The same answer applies to blocks for agricultural leases. Whether the application to declare the run a hundred is granted or not, rests with the Colonial Executive. There is no engagement on the part of the Government which prevents it recommending that such a course be adopted. The agreements between the Government and the runholders are all the same, and are on a printed form.

7. *The Chairman.*] Do you find that persons who might be expected to buy land in blocks thus set apart, abstain from doing so in consequence of not having the right of pasturage over the unsold portion?—Fifty acres of land are of no use to persons who want to depasture stock. Many who have that object in view are deterred from leasing (with the right of purchase) on account of the want of pasturage. The engagement is that the runholder has the right of pasturage over all the unfenced portion of the block. With regard to this particular petition, I do not think that the petitioners are interested in that question. Their great complaint is, that the hundreds in which they have hitherto enjoyed the right of pasturage are being sold at ten shillings an acre. The land they allude to has been open for sale for a long time—over seven years. They complain of the law which allows this