

13. *Mr. Sheehan.*] Will the sale of this particular block be prejudicial to the settlement of the district?—It will, to a very small extent. *Mr. Murray.*

14. *The Chairman.*] What are your reasons for saying that it will be prejudicial only to a very small extent?—Because the extent of agricultural land in the block is but small. It does not exceed more than 2,000 or 3,000 acres. 6th August, 1872.

15. *Mr. Sheehan.*] Are there any rights of commonage affected by this sale?—There are no rights of commonage existing over this land. These rights can only be given by the Provincial Council proclaiming hundreds.

16. Looking at the sale from a point of view outside of a strictly local one, do you consider the sale has operated against the interests of the Province generally?—I consider the principle of exclusively selling large blocks of land prejudicial to the interest of settlement, and, as such, it operates against the interests of the Colony at large. By these sales small buyers are practically excluded from competition, and *bona fide* settlement of an important character is thereby prevented.

17. Is there any other way in which the Government might have dealt with this land, otherwise than proclaiming it into hundreds?—Yes; they might have got the pastoral tenants to agree to have their licenses cancelled.

18. In reply to other questions put by Mr. Sheehan, the witness said that he did not, looking at the quality of the land, think that the Government would otherwise have realized so much from its sale had other means been taken for its disposal. At Tapanui, about twenty-five miles distant, on Mr. McKellar's run, a block of far superior and really good agricultural land was disposed of, at open competition, to Mr. McKellar for the upset price.

19. *Mr. Sheehan.*] What sum did this 20,000-acre block realize?—After deducting compensation rights, it was 17s. 6d. per acre, I believe.

20. *Mr. Sheehan.*] If a fair proportion of the moneys realized from the sale of these blocks was to find its way back again into the district for, say, public works and improvement purposes, would that compensate the district for the damage done to its settlement?—Yes; if a fair proportion is returned. But mark, I lay great emphasis on the words "If a fair proportion."

21. In reply to other questions put by Mr. Sheehan, the witness said that he did not think that the system in which this land was sold should be continued. He thought it advisable that some alteration should be made in the law, so as to prevent the possibility of "hole and corner" sales being made, where the public had no chance to compete.

22. *The Chairman.*] Are you aware that there has always been a kind of conflict between the agricultural settler and the pastoral tenant?—Yes.

23. Do you know the Strath Taieri Hundreds?—I know Strath Taieri, but do not know the boundaries of the hundreds referred to.

24. Do you know that when that land was thrown into hundreds it was found to contain a great extent of agricultural land?—I cannot say, unless the Chairman will specify the boundary of those hundreds.

25. In reply to further questions by the Chairman, the witness said that he knew Fulton's run; but it is not in Strath Taieri. He also knew Main's, Maitland's, and other runs in Strath Taieri and the Upper Taieri District.

26. *The Chairman.*] Is the country on these runs superior or inferior to the land on this block?—Inferior, as regards pastoral country.

27. As agricultural country?—It is better than the land on Cargill and Anderson's run. There are blocks of agricultural land scattered throughout Cargill and Anderson's block. McKellar's run brought 20s. per acre. I do not know whether or not it was properly submitted to auction. It was advertised open for public application; but I have heard the Provincial Government blamed for not putting up dummies to run McKellar up.

WEDNESDAY, 7TH AUGUST, 1872.

Mr. DONALD REID in attendance, and examined.

Mr. Reid.

28. *The Chairman.*] Do you know the block of land lately sold by the Waste Lands Board of Otago to Kellar and Anderson?—My knowledge of it is confined to a distant view. I never traversed it. I have seen it from the line of road passing through Moa Flat. 7th August, 1872.

29. Does it contain any land suitable for agriculture; and if so, how much?—I do not believe that it contains any. I give that opinion upon the report made by the officer of the Survey Department.

30. Does it, to your knowledge, contain any auriferous land?—No; not to my knowledge.

31. Are there any water races within the block?—I cannot say. If there are, their position will be defined in the survey, and reserved from sale. This is the invariable practice in disposing of land through which water races are constructed or in course of construction.

32. Is the sale injurious to the mining or agricultural interests of the district?—It cannot be injurious to the agricultural interest. As regards its effect upon the mining interest, I cannot take upon myself to say.

33. Are you not a Member of the Provincial Government of Otago and of the Waste Lands Board?—I am a Member of the Provincial Government of Otago. I am also a Member of the Waste Lands Board. The Provincial Council at its last Session passed a resolution authorizing the Government to sell certain lands in large blocks.

34. What quantity of land was so authorized to be disposed of?—50,000 acres.

35. Did the Government ask authority from the Council to enable it to sell the land in large blocks?—The authority of the Council was not necessary for that purpose. It was merely brought before it to obtain an expression of opinion on the subject.

36. Under what particular clause of the Act did the sale of this block take place?—The sale took place by virtue of the powers contained in the Otago Waste Lands Act.