

and Anderson. I notice that it has been said that land at a certain altitude, say 1,000 or 1,200 feet, is unfit for agricultural settlement. From my own knowledge, this statement is not correct. The Wakatipu district, which contains land at an altitude of from 1,000 to 1,200 feet above the level of the sea, grows the finest wheat in the Colony. It consists of slopes, of hills, and table land. The land sold to Cargill and Anderson is of a warmer nature, the climate being one of the best in the Province of Otago, and far superior for the growth of cereals to the Taieri and Tokomairiro Plains. The following extract from the Bill reported from the Waste Lands Committee makes provision for lands similar to those sold to Clarke, and Cargill and Anderson, being sold at 10s. per acre instead of 20s., as is at present the law:—

*Mr. T. L. Shepherd.*

8th August, 1872.

“Without the consent of the lessee, provided that any general lands which shall be reported by the Chief Commissioner of Crown Lands and the Chief Surveyor as being of a hilly or mountainous character, of the altitude above the level of the sea of not less than 1,200 feet, unsuitable for agriculture and adapted for pastoral purposes only, may from time to time, upon recommendation of the Superintendent and Provincial Council, be offered by the Board for sale by public auction at an upset price of 10s. per acre, in the manner and under the conditions prescribed in the 77th, 78th, 79th, 80th, 81st, 82nd, 83rd, and 84th sections of this Act inclusive: Provided always that when such lands are held under lease, they shall not be offered for sale until the lessee has given his consent by a surrender of his lease of the same.”

After allowing for survey and suspension of the lease, this provision will enable the runholder to purchase the land for about 7s. per acre. If that becomes law, I believe all the runholders in the Province of Otago will desire to purchase their runs. The loss to the Provincial Treasury of Otago will be the revenue at present derived from the runs. Sixty-five thousand pounds per annum will be swept away, and the mining interests will be seriously injured, and agricultural settlement arrested. The land chiefly worked by miners is what is called purely pastoral country, and the proceeds of the sales will I expect, as in the past, be nearly all spent in the more settled districts. Not £500 of the proceeds of the 50,000 acres sold to Mr. Clarke has been expended in the Teviot district, nor do I think that it is proposed to spend £500 of the proceeds of the sale to Messrs. Cargill and Anderson within that district, although the land was situated within it. This I consider most unfair—destroying a district by selling the lands situated therein in large blocks, and spending the proceeds in the settled district where they have less need of assistance. I would not say that it is the interest of the pastoral tenants to purchase their runs if they were sure of retaining possession of them under their leases. It is the fear of hundreds being declared that induces them to purchase.

157. *The Chairman.* You have referred to the land in the Wakatipu district. What is the character of the land in that district?—There is a large proportion of it very mountainous; more so than in the Teviot district.

158. You say it is not to the interest of the runholder to encourage prospecting on his purchased land?—Yes. My reason for saying so is that the miners in working the ground leave holes, and the sheep are apt to be lost in them.

159. Do you know the Clunes district, Victoria?—No.

160. I have been informed that ground which was originally sold by the Crown at £1 an acre is realizing a large annual income from mining?—It is a quartz mining district.

161. Does that not go to prove that it is not to the interest of the purchaser to prohibit prospecting?—It does not. I think that is altogether an exceptional case, and I don't think it can be made to apply to Otago.

162. You say that there is a great demand for agricultural land in this district. Are you aware that some land was lately surveyed and opened up, and no offers were received?—The block of land to which you allude was quite unsuitable for settlement, being chiefly shingle and rocky ground, and should never have been thrown open for agricultural purposes. The people asked for bread, and they had offered to them a stone.

163. In selling these lands, do you think the Waste Lands Board of Otago acted against the spirit of the law?—Yes; and I think the Attorney-General's opinion on the point is perfectly clear.

164. Were you in the Provincial Council last Session? If so, are you aware the estimated expenditure was more than that of the previous year?—I was. Larger sums were voted for expenditure than the estimated revenue, which is the usual thing, the Council invariably voting more money for expenditure than the estimated revenue.

165. Did Mr. Reid, in his statement, mention that fact, and point out that the proposed expenditure was greater than the income, and that, therefore, he could not carry out the proposed works unless more money was supplied?—The way he put it to the Council was in effect this: You have voted large sums of money for the public works of certain districts, which we are unable to execute unless large blocks of land are sold, and the proceeds spent in your district. To which the majority of the Council said: We will authorize you to sell large blocks of land, not exceeding 50,000 acres, for the financial year, to execute works in our district. I was one of a minority who voted against the sale of large blocks. It was clearly understood that the land was to be of inferior quality, purely pastoral country, and that it would not be allowed to interfere with the gold fields or agricultural interests. I understood that no land, either of an auriferous or agricultural character, was to be sold. The witness added,—I think that it is prejudicial to the interests of the Colony to alienate Crown lands, unless population and settlement are secured by such sales. I am opposed to the alienation of Crown lands for mere revenue purposes.

166. *Mr. Murray.* What extent of land did the Provincial Council authorize the Executive to sell upon these conditions?—The aggregate was 50,000 acres this year.

167. Mr. Reid has said that the Government might, without the consent of the Council, dispose of any number of these blocks. Do you think the law permits them to do so?—[The question was objected to and not pressed.]

168. Are you aware of any land belonging to Clarke's run being sold by auction?—Yes.

169. How much did it realize?—It realized an average of 33s. per acre, and I can say, from my