

ments. He may have erected thousands of pounds worth of fencing; but, if he got notice, he would have to clear out at the end of twelve months without receiving a single penny of compensation. That is the law

36. You propose to divide the land into three classes: pastoral deferred payments, smaller runs, and then the greater portion of the country into pastoral runs for leasing. You think, with regard to the third class, there would not be fixity of tenure?—There would not by law, but practically there would be. The nature of the country is such that it is almost certain that no Government or Land Board would ever presume to take land for settlement, because it is simply unsuitable for the purpose.

37. Would not that give fixity of tenure without any alteration of the law?—It will.

38. Then what necessity for altering the law, if you have fixity of tenure as it stands?—At the present moment this country is in the occupancy of ninety persons or firms—the whole of this three million acres. They are now on the ground, with all their stock and their station arrangements. They know, from the very nature of the country, that, if they get a re-lease, they will be sure from their arrangements that they will not be disturbed. But any person who contemplates becoming a runholder naturally looks to knowing the nature of the tenure, and says to himself, “I may be dispossessed in a year. True it is that the nature of the country is such it may not be likely, but I may be dispossessed; and I have not sufficient capital and I have to go to the banker, to whom I must show some security.” The banker or other money-lender at once says, “You may be dispossessed in a year; I will not advance you money.” The natural effect is to give very great advantages to the persons now in occupation of the country. If I were the landlord of the country I would make the tenant as secure as possible, and so have more people competing for my land.

39. You think it virtually impossible that the lands will be taken from the lessees for other parties?—I think so.

40. But will not the banks or money institutions consider this?—I scarcely think so; more especially those money institutions in New Zealand represented by agents, who could not be supposed to exercise as much discretion as their principals might.

41. *Mr. Oliver.*] What advantage do you expect by insisting upon residence, in the case of deferred pastoral payments?—By interspersing pastoral deferred-payment sections through the other classes, it would tend effectually to prevent the country from being absorbed by large capitalists.

42. What advantage do you expect to gain by enforced residence on these blocks?—You would get people to reside on the country, and you would prevent the country from being bought up by a few individuals.

43. But, in order to make use of a block of land, would it be necessary that every owner or his agent should live upon it?—Undoubtedly, the owner should live upon it.

44. You think that a greater advantage would be derived, by insisting upon the residence of the owner, than by permitting him to live there by his agent or deputy?—I think so.

45. What are these advantages?—That you will get more people on the country. For instance: take Gellibrand and Smith's run, on the Taieri, which comprises more than 100,000 acres. I do not suppose upon that country there are more than a dozen hands employed, except in shearing time. It pays these capitalists well to keep this land under ring-fences, and to work it with a few shepherds and a few dogs in a comprehensive way. But if you divide it into small blocks, and pin down an energetic man upon each area, the present way of working it will not pay him. He says, “I must increase the carrying capacity.” To do this he would plough the clear spaces among the rocks, grow turnips and oats, and cultivate grasses; nearly one-half the area could be treated in this manner bit by bit, and the carrying capacity immensely increased. But, if you have not some restraining power to compel residence, you will allow men to go in for section after section and shut up a whole valley; and, in the case I instance, the whole of the land might be taken up by one. Take the station next Gellibrand and Smith's; it is called Deep Dell. It consists of 100,000 acres. The principals, I believe, are in Glasgow. The only persons upon the run are the head shepherd and a few other shepherds about on the run. No sentiment attaches to the land when so held. No child says, “This is my home; this is our land, and these my father's sheep.” The whole thing is unnatural.

46. *Mr. Pyke.*] I understand you to say that you do not consider it would be necessary to insist upon residence in the future disposal of the pastoral lands?—Not on the great high runs, away in the interior. I am speaking of the country that is capable of improvement by the plough, for pastoral deferred-payment settlement. There is nothing in the nature of pastoral country which renders personal residence applicable. It is only on country capable of being improved that residence should be insisted on.

47. *Mr. Oliver.*] You mean to accomplish by enforced residence the carrying on of improvements?—Yes.

48. Is not the New Zealand and Australian Land Company, to which you refer, the largest farmer in New Zealand?—Yes, but it is also the fact that it possesses the most valuable land in New Zealand. On flat land like the Levels, near Timaru, and on land in Southland, they have done a great benefit to the country; but in country like the Deep Dell, and other runs of a similar nature, they work them in this way: that they simply gather in the natural fruits of the earth by grazing the land. I ought to add, however, that, except on their pre-emptions, runholders have no right under existing leases of cultivating the land.

49. You do not think that reliance can be placed upon the natural desire of every possessor of land to make the most profit out of it?—No. I think the actual necessity of residence upon the ground would bring about a great improvement of this hill country. I have no doubt of that. But mark this: the evil hitherto in Otago has been the placing of unnecessary restrictions, compelling men to take no more than 320 acres; and relief was sought in the dummymism already referred to. Had I been a settler I should likely have done the same. The necessity was imposed on them. It was illegal, but I do not think it was immoral; because no man could have a proper living off 320 acres of hill land, with bad roads and great distance from market.