

purpose. But Government will never need to resume possession in order to sell the land, if it is found to be auriferous; but if it is not auriferous, the land can then be resumed for sale.

249. If it is decided that certain large belts of country are not to be sold because they are not auriferous, would it not be wise to lease that country on a more perfect tenure?—It would, but the fact is that the law, as it now stands, will not permit of this being done.

250. Would it not be advisable to alter that law?—I think I stated in my evidence on a former occasion that, in order to increase the revenue from pastoral lands, it would be advisable to give a better tenure, not only as regards non-interference, but also in the matter of greater length of lease. I think, upon the whole, that the law as it now stands will do very well.

251. *The Chairman.*] In the meantime?—Yes.

252. *Mr. De Lautour.*] But, if we let the country under the law as it now stands, shall we not be giving the present pastoral tenants pastoral rights over the auriferous country for ten years? Shall we not be giving them a hold over it for that term?—No.

253. How do you get rid of that argument?—By this, that the land has to be competed for at auction. The present tenants will only get the country again by offering the highest rentals at auction sale.

254. How are you to avoid the Act which says that you are only to give them notice if the land is required for sale? I understand that the Act means this, that you are to give notice if you require their lands for settlement?—The Act says, in one place, that at least twelve months before the expiry of the present leases the Land Board has to consider what has to be done in the matter of the disposal of the lands. If the run is to be re-leased the tenant is to get notice, and such notice is to be given twelve months before the expiry of the present term: that is the law. But in another portion the Act says that, when the leases come into the hands of the Government, the Government and the Land Board can do with the land as they think fit.

255. But, if it is to be re-leased, it is to be offered by auction twelve months before the expiry of the term of the present lease?—Yes.

256. Then would it not be offered in one run, as it is now?—No, not necessarily.

257. But you cannot compel residence if you cut the runs up?—Not on leases; but you compel it on pastoral deferred payments.

258. Would not the effect be that the present tenant would get it?—That is a matter of opinion. I think that most of them would try to get their run again, if they could manage to do so at a moderate figure. But if any person thinks he can give more for it than the present holder, then whoever pays the highest price will get it.

259. Taking the experience of the past two years, have not the present holders got their runs intact?—That experience is hardly a guide for the future, because the runs that have fallen in are rough high country. These runs were taken up at extravagant prices and then thrown up, because both of rabbit pest and bad winters. These runs were next, as it were, hawked about and offered by the Land Board from time to time at a less and less reduced upset price, till at length most of them have found a purchaser. For instance, Run 436, of 40,000 acres, offered at various rates, finally reduced to an upset price of £20, went at £38 per annum. That is the history of nearly all the runs offered during the past couple of years.

260. Judging by that experience, if you put up high and low country, would you not be giving the present tenants practical pre-emption of the high country at a low rate?—No; because we will offer the country from the valley to the summit of the range. It will be offered in shapely pieces—that is, not in long, narrow strips, but in areas twice the depth to the width; and any one who likes to compete for a lease can do so.

261. But suppose, for instance, that the Serpentine Run is offered at the same time as Blackstone Hill, would the public not prefer to lease pieces of the land at Blackstone Hill?—Yes; and very wisely so too.

262. Then would not the present tenant of the Serpentine get it at his own price?—A fair upset price will be put on every leasehold, and it is not unlikely that in some cases that may be deemed too high by the general public, and no one will come forward to compete. The runholders who are now on the ground know the country; they have all their working plant and stock on the ground, and can afford to give a little more for the lease than a stranger could. But the law gives no advantage to the present lessees which may not be enjoyed by anybody else.

263. Mr. Barron was asked by the Committee about outlets—whether instructions were given to the District Surveyor in laying off blocks of land on gold fields to reserve outlets for tailings. He said no instructions upon it had been given?—I think he must have forgotten that most explicit instructions have been given to reserve auriferous tailings outlets. I think Mr. Barron himself has had instructions from me in my own handwriting. Apart from that, however, the diggers are so much on the alert that if the department failed in its duty they would speedily call attention to the matter.

264. I hardly put that question fairly so far as it concerned Mr. Barron. I should have stated that he said he had no instructions to reserve land invariably along the margins of creeks?—The advisability of making such reserves is partly left to the discretion of the Warden, the Surveyor, and the diggers themselves. In taking the land for settlement, in Ida Valley for instance, the department was very careful in making reserves.

265. But would it not be better to lay down the rule that in all streams and creeks on gold fields reserves should be made?—I do not think so. I may inform the Committee that no evil has resulted from such cause so far.

266. Not on the Maerewhenua?—The land was sold there years before there was a gold diggings in the district. If you were to lay down that rule generally for New Zealand—that no margins of streams be sold—the country would not be habitable: that would not do. Referring to the survey of land in Ida Valley just mentioned, the Survey Department left reserves very carefully along the streams. I was told of the stupidity of the surveyors in leaving this little margin, compelling settlers to fence along the streams, and rendering it so that the place could not be settled, owing to the expense