

it, and ran it up. They did not know that there was that value upon it; it has never been stated; the whole value of the improvements has not been stated. Nobody knew except ourselves what the value was. It was not stated in regard to any one run; in fact, it was not decided until nearly a year afterwards. After this run was put up they went across the river to 236. They then went down to 236A, and left all the intervening pieces. They then dodged about to 236B, 236C, 236D, 236E, 236F, and 236G. Then they came from 236G to 236H, 237, 237A, and 237B; and they then worked down to the end. I may mention that, previous to these runs being altered, we had notice through the *Gazette* and other papers of all the low land being taken away—shut out, in fact. Pembroke was an old boundary on the river; and Gladstone was another. They took all the land coloured dark-red on the map from us. All the land coloured white had been taken previously to 1882. The McLeans, and some others, had the land coloured white; it was taken up for settlement. I had no idea myself of the disastrous effect the absence of this low country would have. All the lower part of the Clutha River bounds it. It has since been a very serious matter to us in regard to lambing. I can show you from figures the number of sheep we used to be able to carry, the number of sheep we can carry now, and the difference in the lambing. At the auction, of course, like many others, we were foolishly excited, and anxious to get back our living, so to speak. We had our improvements on the freeholds at different places. People were competing recklessly against us, and we had to pay very highly for the station. I would like to submit a statement of figures showing the results on the Morven Hills Station from March, 1884, to March, 1885.

304. Why do you commence at 1884?—I have taken two years back.

305. Are you going to contrast the two years?—I am going to show the result of two years:—

Result of Morven Hills Station.—Year 1884–1885.

Sheep shorn : 98,000.	£	s.	d.	
Rental paid	10,888	=	2 2½	per sheep.
Rabbiting expenses, gross	£3,415			
Proceeds of skins	1,805			
Actual loss	1,610	=	0 4	„
Taxes and County rates	810	=	0 2	„
Working expenses	8,450	=	1 8½	„
Expenditure	£21,758	=	4 5½	„
REVENUE—				
1,122 bales greasy and scoured wool realised	£			
in London	14,470			
Surplus stock sold for	366			
	£14,836	=	3 0	„
Loss on year	£6,922	=	1 5½	„

This is without any interest, either on expenditure or on original capital.

Result of Morven Hills Station.—Year 1885–1886.

Sheep shorn : 95,000.	£	s.	d.	
Rental paid	10,510	=	2 2½	per sheep.
Taxes and County rates	810	=	0 2	„
Rabbiting expenses, gross	£4,585			
Estimated proceeds of skins	1,585			
Net cost	3,000	=	0 8	„
General working expenses	7,140	=	1 6	„
Total expenses	21,460	=	4 6½	„
ESTIMATED REVENUE—				
548 bales greasy, at 6d. per lb.	6,058			
500 bales scoured, at 1s. per lb.	6,357			
	£12,415	=	2 6½	„
Estimated loss for year	£8,945	=	2 0	„

No surplus stock have been sold, and neither interest on disbursements in colony nor on capital charged. I would like now to show the difference that has been made on account of the rabbits. In 1880–81, we had 125,000 sheep on the same country; 1881–82, 133,100; 1882–83, 126,912; 1883–84, 115,175; that was a drop of 10,000. In 1884–85 we had 97,937 sheep; another drop of 17,000. The last year we had 95,000 sheep. I am afraid we can only put our carrying capacity at 95,000 sheep. When we bought the runs from Messrs. McLean, the former lessees, it was sold with 140,000 sheep. That was in 1875.

306. *Mr. Fulton.*] Were none of these drops the result of sales?—No; we have sold from time to time.

307. *The Chairman.*] Has the drop been gradual?—The drop has been since 1882 to 1883. We leased the land in March, 1883.

308. *Hon. Mr. Rolleston.*] Is the land occupied now?—A good deal of it. It is fenced off.

309. It is actually occupied now?—Yes. At the large sale in 1882, sections 236H and 236E were bought by a gentleman and taken away from us. He paid a rental for them of £1,030.