368. *Mr. Bruce.*] Over how many years?—Eight years. The thing was not very profitable after all.

369. *The Chairman.*] Will you now deal with the other case?—The other case to which I wish to call your attention refers to the Mount Pisa Run; it has been leased by Messrs. Howell and Cocks. About 10,000 acres of the low land has been taken for settlement along the Clutha River. The following is a statement of results:—

Mount Pisa Station.—1885-1886.

Sheep shorn: 38,000.		£		s. d.		
Rental		2,560	=	1 4	per sheep.
Rabbiting expenses, gross ...	... £3,137				
Estimated proceeds	... 1,137				
		2,000	=	1 0	„
Working expenses		2,850	=	1 6	„
		£7,410	=	3 10	„
Revenue—		£			
Estimated value of 274 bales greasy wool ...		2,150			
„ „ 188 bales scoured ...		2,317			
		£4,467	=	2 4	„
Loss for year		£2,943	=	1 6	„

There have been no surplus stock sales, and neither interest on working expenses nor capital charged in above. The lambing in this country has been something terrible; we cannot get any lambing there.

370. *Mr. Ormond.*] What has been the usual lambing?—We used to get 65 per cent. This year we only got 28½ per cent.

371. *The Chairman.*] In consequence of its being cold country?—Yes; owing to the traffic up to Pembroke, and further up the river, the sheep are disturbed. We have got very little lambing country there.

372. *Mr. Macandrew.*] Have you any land on the flat?—The flat land is all in sections.

373. Mr. Howell does not hold any?—No; the whole of the freehold on the run is about 640 acres.

374. *The Chairman.*] When you said 65 per cent., was that before the low country was taken from you?—Yes; from 60 to 65 per cent.

375. *Hon. Mr. Rolleston.*] With a better tenure, could improvements be carried out upon these runs to an extent which would bring up the carrying power at all, and enable higher rents to be maintained?—A long tenure would cause that. We could cultivate them for turnips. We can grow turnips up there. We have had as fine a crop of turnips near there as you would see anywhere.

376. You consider that the uncertainty of tenure operates badly in relation to the rabbits?—Shortness of tenure would. You have to keep them down.

377. Have you heard it said that the rabbits had been allowed to increase towards the termination of the lease with the view of keeping down the price at auction; or, if you heard it said that such was the case, you would not think that was correct?—I should not think it was the correct thing to do.

378. I do not suppose you would. Do you think it is correct that such a thing has been done or not?—Not in our case.

379. *Mr. Macandrew.*] Your firm has for many years acted to a very large extent as agents for the runholders, and is now acting as agents to a very large extent?—Not to a very large extent. We are almost the smallest in Dunedin, I am sorry to say.

380. You are the largest exporters of wool into the London market?—Yes; but not from New Zealand.

381. What is your rate of interest and charges to your clients?—We have been charging 7 per cent.

382. And commission on advances?—No; not for years.

383. Not commission on sales?—If we sell stuff we have commission.

384. What has been the commission on sales?—3¾ per cent.

385. That, of course, was the prevailing rate during the rosy times. Have you reduced those rates at all?—We do not charge it: it is the auctioneers who charge it. We are not auctioneers. They charge us.

386. The rates have not been reduced?—No. There is a charge of 2½ per cent. on some things; on skins, &c.

387. What I wanted to bring out is this: As the runholders are suffering from the depressed price of produce, might you not expect the loss to be shared in by others as well as the State?—I may say, in regard to that, that in some cases I have lowered the rate of interest voluntarily without being asked to do it, but simply to help them. That has been done where there has been fixed mortgages.

388. To meet the times?—Yes.

389. *Mr. McKenzie.*] Are these mortgages on squatting property or on freeholds?—Freeholds.

390. *Mr. Bruce.*] Did I understand you to say that you sustained a loss during the last financial year of 1s. 6d. a sheep, without reckoning the interest on the money?—1s. 6d. on the Mount Pisa Run, and 2s. on the Morven Hills Run.

391. Without reckoning interest?—Without a penny of interest.