

490. Did the Government subdivision of the runs at all affect you—was your run put up as a whole?—No; they cut off some portion, and put it into another man's run adjoining.

491. Did not the subdivision prejudicially affect you by causing unfair competition?—I think they made me bid more for my run. I had to bid for it piecemeal, and I have had to pay for it piecemeal. The run for which I am now paying £415 a year, I have since been offered £100 a year. It had been previously let for £80 a year to the same man.

492. Do you know who ran up the rental?—The bidder for this run was Mr. Robert Wilson. He bid for it in mistake, and was thankful that he did not get it. He expressed his thankfulness that he did not get it.

493. *The Chairman.*] You are apparently blaming the auctioneer. In what way was he to blame?—The run was knocked down to me. I complied with the whole of the conditions. I had the pen in my hand. I walked from the body of the hall to the little place in front of his desk, and was prepared to write my name, as required by him, that I had purchased it. It had been knocked down to me, when somebody in the body of the hall called out, "Oh, you fool, I would have given you more than that for it." Wilson, thinking it was another run, sung out, "I will give £400 a year for it." He thought it was the run which I afterwards bought at £1,075 per annum, and which I bought at the same sale.

494. *Hon. Mr. Rolleston.*] What increase in the value of wool would make your investment reasonably profitable?—I should get back my own money if wool went up 8d. per lb., but I should not get any interest on my money. It will affect the working men very severely. I have had to dismiss several of my men.

495. Would the question be met by a remission of rent, or in any other way?—The way I would prefer would be for them to allow me to surrender the leases altogether and let them now be put up to auction. I think it would be fair not only to do that, but to make a bargain that if the wool went up the rents were to be increased by a certain amount; and if it went down they ought to be decreased. The new purchaser, whoever he might be, might very fairly say, "There is your rental, based on the present prices of wool." The rents might be arranged for three years at a time.

496. Would your advice be that the rental be adjusted from time to time upon the value of the wool?—It would come virtually to that.

497. *The Chairman.*] A suggestion has been made that a Commission should be appointed to inquire into the present position of the different runs, and that the rentals should be so arranged for the present on the recommendation of that Commission. Do you think that would meet the case?—It will in some cases; but, to speak honestly, I am afraid it is too late. So far as I can see, a large number of the runholders must fail.

498. A reduction of rent would not save many of them?—In some instances it will, of course.

499. *Hon. Mr. Rolleston.*] What fairer way of arriving at the values can you suggest than auction?—Unless they were put up by tender. I think tender would be better than auction. I think men lose their heads at auction sales. I am quite sure I did. I was surprised that that Run 259 had been knocked down to me.

500. *The Chairman.*] You think that the difficulties that are in the way of tender are not so great as those in the way of auction?—No; I do not think there is the same excitement as when a number of men are urging each other on.

501. How would you get over the difficulty of auction—by persons tendering for different portions not knowing which they were going to get, and acting in a haphazard way?—Unless you put them up continuously, not all on the same day, but as the leases fall in. It would increase the work a little. That is only a suggestion, as I have not thought it out at all.

502. *Hon. Mr. Rolleston.*] Do the present subdivisions not represent such a size of pastoral country as can be advantageously occupied by one man?—Well, I do not know enough about them.

503. *Mr. Lake.*] As regards tendering, we have it in evidence in several cases, probably the majority of them, that the subdivision has been carried out in a very unintelligent manner, leaving summer country by itself and winter country by itself. Would not the result of tendering be this: that persons tendering for six or seven runs, one might get a piece of summer country and someone else a piece of winter country, without which he could not work the summer country?—If one person was likely to take up a number of runs that difficulty would exist, but if the runs were cut up intelligently, so as to include both summer and winter country, then each run would be by itself sufficient to carry both winter and summer stock.

504. A great number of runs are not capable of being subdivided in small sections, so as to have a fair proportion of each sort of country?—No; some of them are too large.

505. *Hon. Mr. Rolleston.*] Can you give us the runs that are not properly cut up? I would hardly like to do that; I do not know them sufficiently. I can only judge from what I hear from others. I may say that Run 259 is summer country, and would not carry sheep in the winter. It would be useless to put them on it.

506. Had you not been in possession of the run you would have been sorry to have given so much for it?—I would have been very sorry to have given more than £100 a year for it,

FRIDAY, 18TH JUNE, 1886.

MR. JAMES MCKERROW, Surveyor-General, examined.

507. *The Chairman.*] The Committee desires to obtain your evidence with respect to some statements made in this petition of the Otago runholders. I will ask the Clerk to read the particular clauses of the petition to which I refer. [Clauses 4 and 5 of the petition read.] Those are the two clauses in respect to which the Committee desires to have your evidence: First, as to how the Crown