

able on any run at that time must have been a small amount, as the rental was small. Any person entering upon a run must have yards and put up fencing; if they existed, they must have been seen. If they were there, they would have a value. But, as I tried to explain to Mr. Bruce, there was a great deal of examination of the country. I know that people got the maps—that they were up there traversing the country. If a man is foolish enough to bid for a large property without having seen it, I think such a man must be on the borders of insanity.

538. It was also stated that one of these subdivisions in the Morven Hills country had since been surrendered, and that the Government had accepted the surrender: On what principle was that done?—That was so; the gentleman who took up the run never put a hoof of stock upon it. He regretted having taken up the run, because he found that he was “jammed” in between in such a manner that he discovered he had a piece of country that would not be payable. He was allowed to give it up on paying the rent up to the time of surrender.

539. *Mr. Macandrew.*] How long ago was that?—The occupation began in March, 1883. I think it has been vacant for a year.

540. *Mr. McKenzie.*] It was bought at the 1882 sale?—Yes; but possession was given in 1883.

541. Did you have complaints of the unworkableness of the country; or that you accepted the tenant, knowing that it was unworkable?—No, we found that the man could not pay rent. He was a man without capital; we pushed him as far as we could. We got a half-year's rent, or a year's rent, I forget which at this moment.

542. *Hon. Mr. Rolleston.*] The principle seems to have been whether anything could be got out of him?—That was so. I saw the gentleman whose surrender was accepted. I told him we would have to put him to extremity, and we certainly would have done so, but he made a considerable effort and paid the money. I think that run has been since taken up.

543. *Mr. McKenzie.*] By Dalgety and Company?—I think so.

544. *Hon. Mr. Rolleston.*] It has been stated that at the auction a great deal went on that was improper, to say the least of it. This was asserted: that after one run had been knocked down by the auctioneer, the person to whom it was knocked down went up to sign the auctioneer's book; and that the auctioneer reopened the question and took another bid?—I did not hear anything of that. It was not a professional auctioneer. He was a salaried officer; and it is an instruction by the Department that we do not wish in auction sales to exact the utmost farthing from the people.

545. Was it clearly understood when the runs were put up what land was to be taken for agricultural purposes?—Yes; it was marked on the maps.

546. Was it so taken as to interfere with the working of the runs?—I think not. But virtually the runholders have had the use of a good deal of the country withheld, with or without payment, simply because it had not been settled on.

547. How far do you think those purely agricultural settlements now in the centre of Otago are likely to interfere in the future with pastoral tenants?—I do not think they will interfere at all, unless they are allowed to encroach on the low spurs, the so-called winter country.

548. Do you think it would be wise to take more winter country from the runs?—No; I think generally the limit has been reached.

549. Then practically it has been taken up?—It is marked on the map. It is reserved from the runs.

550. *The Chairman.*] Does that refer to Central Otago?—I am speaking of land about thirty miles from the coast, and inland of that.

551. Do you think that the State could get a greater revenue if the runs had greater carrying power—that is, if a premium were put upon all improvements?—I think it would tend towards that, but as matters stand now, the giving a long lease of twenty-one years was itself a great step towards the improvement of the country. There is another matter which I wish to call attention to—that is, burning the country in the autumn, when the grass is coming up. The fact is, that this great public estate of six million acres is deteriorating.

552. *Hon. Mr. Rolleston.*] From burning off in the autumn?—Yes.

553. *Mr. Bruce.*] Is this country covered with annual native grass?—Yes; and a great variety of them. The country was beautiful with them. There were the annis, the barley grass, and the oat grass once growing in great profusion. Now you can only see them in the chinks of the rock and in side places where the fire did not get at them.

554. Do you think that giving any continuity of tenure of the pastoral country on a system of valuation, instead of putting up to tender or auction—that is, giving to existing tenants at the termination of their leases some continuing right—how do you think that would affect the revenue and the general settlement of the country?—I think it would be favourable both to the revenue and the settlement of the country. The small-grazing-run principle carries that into effect, so far as it goes.

555. Do you think that some modification of the system that has been applied to some of the pastoral country could be beneficially applied upon a larger area?—I think so.

556. What do you think would be the effect on the general land system at the present time, of making concessions in compliance with demands which, as I understand, proceed simply upon the fall of prices, and not upon considerations of special urgency?—I think it would break up the whole system of land settlement on conditions, and seriously affect the future disposal of Crown lands in that manner.

557. *Mr. McKenzie.*] The whole fabric?—Yes. I may state, in order to show the magnitude of that question, that there are at the present moment in connection with the Land Department 6,000 persons who are paying rent and instalments of price, and are in some way or other bound up with the Department for a term of years. If you begin to concede to one class, you must necessarily open the door of concession to all.

558. *The Chairman.*] Does that include deferred-payment settlers?—It includes about 1,000 pastoral tenants, the deferred-payment and perpetual-lease settlers, together with holders of agricultural leases on goldfields and village settlers, in all about 5,000 on settlement conditions.