

559. *Mr. Bruce.*] That is in both islands?—In both islands, but the majority is in the Middle Island.

560. *Mr. Macandrew.*] Suppose the Legislature declines to give any relief, and the result should be that a large number of runs fall into the hands of the Government, do you think these runs could be readjusted so as to diminish the area, and increase the number, and make the result ultimately come out well, the state being no loser?—Suppose the Legislature refuse to give relief, I do not think that many will be thrown up to begin with.

561. Do you see my idea?—Yes, but to carry out what you say we will have to wait until the leases run out; then we can readjust the boundaries again.

562. *Mr. Bruce.*] Do these leases all expire at the same time?—No. I hope I do not seem to have a feeling towards the Land Board, but I must state that in the subdivision of these runs we were anxious to have the leases coterminous: but for some singular reason this country which you see on the map marked off in these "strips" was leased for different periods; one subdivision was let for five, another for seven, another for three, and another for ten years. The whole thing was made as awkward as it possibly could be. My idea would be to have them all terminating at one time. Ever since the great sales of 1882 and 1883, the Department, as it had the opportunity, has been undoing this irregularity. We have been making leases as far as we could to run out at the same time.

563. *The Chairman.*] Does the Board acquiesce?—Yes; it acquiesces in it now.

564. *Mr. Cowan.*] This Committee has evidence before it that a vast number of the runs are worked at a loss of capital, without mentioning any interest upon capital; that, as a result, a good number of these runs must revert to the Government in a short time; bearing that fact in view, do you still adhere to the answer you gave Mr. Macandrew?—Decidedly.

565. Your answer was to this effect: that the Crown would get as much revenue, if abandoned, as hitherto; that was the effect, that they would get as much rent shortly after as hitherto?—I think not. Suppose the Government or the Legislature were to allow all to throw up their holdings at the present moment, I do not suppose you would get half the rent, because we are now desponding about prices. But I see by this morning's paper that wool has gone up twopence a pound; that alone will be more than half the rent for the Otago runs. Let us go into a calculation as to what that means on 1,620,000 sheep, reckoning 4 lbs. to the fleece. It will come to something like £54,000. The whole of the rents of the Crown lands portion of the Otago runs do not quite come to £100,000, so there is more than half of the rents of these runs, supposing that increase of twopence to continue.

566. Do you think, from the facts adduced in evidence before this Committee, that a large number of pastoral properties will be abandoned?—I do not think that it is very likely. I should not like to say why I think so.

567. Bearing that improbability in mind, is it your opinion that no relief should be given to the present tenants?—The only thing I could suggest in the way of relief, always keeping in mind that I would not recommend breaking the contract, would be simply this: They are entitled, at the end of their lease, to a valuation up to three years' rental—we have it on record in the Department when these runs were offered, and all the improvements that are on each run. This concession might be given, that a rebate in rent might be allowed, as against these improvements, to be put to the debit of the account, bearing interest at 4 or 5 per cent. It could be held as a debit against improvements at the end of the lease. I do not see that there would be any breaking of the contract in doing that. It would be a perfectly legitimate thing that, when the runs should be put up, the Government should recover the value of the improvements, either from the resident tenant, or the incoming tenant.

568. That would be giving them an advance on their improvements?—Simply that.

569. *Hon. Mr. Rolleston.*—Do you say that they had not been prejudicially affected by a lot of this agricultural country being taken away?—No; I think not.

570. Are you aware that when this country was taken away it affected the lambing very seriously?

*Hon. Mr. Rolleston:* It was stated in evidence that some of the country was fenced off, so that it was impossible for the ewes and lambs to get into it.—[The witness pointed out the relative situations of the subdivisions on the map.]

571. *Mr. Bruce.*] Do you still adhere to your statement that a man buying a run and bidding for each of these sections, he would be likely to give less than if it were put up as a whole?—Yes; for the reasons already stated in the evidence given. I certainly agree with you, that it would be a sign of insanity in a man to give a large sum of money for a block of country that he did not know anything about; but in this other respect I cannot agree with your evidence at all.

572. *Mr. McMillan.*] That flat ground was taken before the runs were put up for sale the last time?—Yes.

573. *Mr. W. C. Smith.*] If the present rise in the price of wool keeps up, that will put them in as good a position as when they took up their runs. The petitioners say that the price of wool had gone down 20 per cent. ?—What the papers say to-day, if true, shows that wool has gone up 25 per cent.

574. *Mr. Bruce.*] That is not a merino country, is it?—It is all merino, and no other sheep will do there.

575. *Mr. W. C. Smith.*] Do you suppose it will be sufficient relief, supposing the price of wool to keep up?—That would be the best of all relief; this 25 per cent. will more than pay half the rent.

576. These tenants, under the law as it stands, cannot throw up their leases as long as they have sufficient property to pay for the rents?—They could be sued for the rent; if they abandoned them that fact would compel the Land Board to declare them forfeited. But although that is the law, you must bear in mind that any person who has 20,000 sheep cannot sell his sheep right off. No one would buy. He is virtually in the position that he cannot throw up his run.

577. I notice that this petition is signed by a great many agents: does that mean that there are a great many absentees?