

163. All your experience is, that if you went into the Compensation Court instead of buying by private negotiation, it would result in the colony having to pay a higher price?—Yes. As a rule our Land Purchase officers' valuation has turned out uncommonly well. Wherever we have gone into the Compensation Court we have had to pay very largely in excess of their valuation; and, even if they come down to the valuation, the Courts almost invariably put a little on to make the Government pay costs.

164. Do you know anything in connection with the purchase of the railway-station site at Te Aroha referred to in Mr. Mitchelson's letter?—The explanation is that a high value was put upon the land first selected for the station. Mr. Mitchelson's attention was called to the matter. A further valuation was made, and in the end the owner of the land was induced to take a comparatively small sum for a rather smaller area—such area being of altogether different shape from that at first valued—by the threat that, if he did not reduce his price, the railway-station would be placed on the opposite side of the river. The case of the Te Aroha station site and that of the battery-site at Takapuna are in no way to be compared: in the former case a small portion of the land was taken, and the balance very largely improved; whilst in the latter the whole property was injuriously affected.

TUESDAY, 6TH JULY, 1886.

Mr. S. VAILE examined.

165. *The Chairman.*] You are a land-agent, I believe?—Yes; I am the senior partner in the firm of Vaile and Douglas. We carry on one of the principal businesses in Auckland as land-agents.

166. You have been established some years, I think?—I have been connected with properties more or less since the year 1843, in Auckland; but, as a business, I have followed it since 1876.

167. Do you know the property which has been lately bought by the Government from Mr. Stark?—Yes—that is to say, I know it from its location in the district, and from seeing it from the outside, but I have never been over the property to examine it.

168. Do you know the extent of it?—I think it is about twenty-five or twenty-six acres, if my memory serves me right.

169. It is twenty-eight acres. Can you give the Committee any idea as to what the land would be worth without improvements?—If you take its value as for what it is useful now, it is of a very low value indeed. It is too far out to be suitable for the purpose of residential sites in anything like small subdivisions, or even subdivisions of one, two, or three acres. For its present use it would come more under the class of farming-land. Taking it at that, its value would be small; but, of course, you must to some extent take into account its prospective value: its main value consists in what it would be worth to hold as for improved value. My own opinion is that the land has never been worth more than £130 an acre at the outside; and it has never been worth that except for speculative purposes—that is to say, you could not make it pay interest on £130 an acre.

170. But, supposing that land were offered for sale, what do you think it would be likely to bring for speculative purposes?—I do not think it would bring as much.

171. You are giving the value without improvements?—Yes. I am speaking of the land only.

172. Can you give any idea of the value of the improvements on it?—To judge from the outside view of the house, I should say that it was worth from £800 to £1,000; but, of course, the value of the house depends very much upon how it is fitted up inside. That I am not able to speak about.

173. Do you know of any sales effected in the neighbourhood lately?—No, not in that immediate neighbourhood. There are a great many sales, of course, that cannot be said to be *bonâ fide* sales, from the terms upon which the properties are sold.

174. There is a piece of land adjoining Mr. Bailey's property which is known as "Russell's property." It is near the Cheltenham Beach, and was said to be cut up into allotments and selling at £6 per foot. Do you know anything of that?—I do not know the property, but I have no hesitation in saying that it is not worth £6 a foot.

175. Do you know of any land selling at that price in the district?—I very much doubt it.

176. Then there is another sale—of property adjoining Stark's, at £1 15s. and £2 on one side of the road, and £3 on the other?—I very much doubt the fact of their being *bonâ fide* sales.

177. You do not know of any sales to any extent there?—No. I know we had six allotments at Sunnyside, which is much nearer to Auckland than the property in question—near the Calliope Dock. They were under offer for sale for a long time at, I think, 12s. 6d. per foot.

178. *Mr. Ballance.*] When was that?—About a year ago.

179. *The Chairman.*] Did you sell them?—No; we found them unsaleable at that price.

180. But has not some land near the Calliope Dock been sold at a high price?—The way it is sold is this: A certain ring of speculators agree to put the land in the market, and one of the number buys at these high figures; but it is only one of the speculators themselves—it is only a bogus sale: and it is on those figures that these estimates of value have been built. I have known, from being in the Reviewer's Court, that people have been paying taxation on land close to the Calliope Dock valued at £9 per foot. I should say it has never been worth £1.

181. *Mr. Ballance.*] Why is that done?—For the purpose of making a false sale, to catch the unwary.

182. Is that system general?—It has been pretty often done.

183. *The Chairman.*] Do you know of any quantity sold in that way near the Calliope Dock, for instance?—Yes; but there would be a good many bought in. One of the ring would bid up