

7. Then, the permanent charge will be £12,150, and you will have to cover this first; the proceeds of rate amounting to, at a maximum, how much?—We expect £4,500 per annum.

8. Are you levying up to the full limit?—Yes. Our rate-book shows a larger amount than £4,500, but not all capable of being collected.

9. Then, what about the balance?—There is the land-revenue, which will probably amount to about the same this year as last year. We received £3,238 for the nine months, and the other three months might bring the amount up to £4,500.

10. Then, this would show, in round figures, a deficit of £3,000 per annum?—Yes; £3,150.

11. *Mr. Whyte.*] You have stated that the rate-book shows a larger amount than £4,500. How is it that that has not been collected?—Well, you are aware of the difficulty of collecting such small amounts as 4s. 6d., 2s. 6d., and so on, which they cannot possibly sue for without great trouble and expense.

12. Practically speaking, then, you cannot raise more than the amount you have mentioned?—No; we cannot count on it, and we have to bear in mind that in the future, as soon as property is reassessed, the valuation will go down about 25 per cent. At the next valuation we may expect this deterioration in property, which will leave the Board at least £1,000 worse off than now, and leave a deficit of £4,000 or more for each year. There is a large quantity of land which will become saleable in the future, and the funds from this may or may not increase in consequence of the policy of the new Land Act. One great object for the appointment of the Committee is to bring into prominence the impoverished condition of the settlers in this district, and I think the witnesses will unite in testifying that there is no doubt about that: that the rates pressing so heavily on the people in the district, coupled with the low price of produce, is causing many farms to be thrown up, especially bush farms which have been cleared and partly laid down in grass; many of these are now being thrown up, and the settlers are leaving the district. In the Town of New Plymouth, where the rates are already 4s. in the pound, this extra shilling means crushing a number of the poorer class, who are unable to find remunerative employment, and who are leaving the district or becoming bankrupt, and ceasing to yield revenue to the Board. It would be hard to imagine a district more oppressed with taxation than New Plymouth at the present time. The altered circumstances in connection with the disposition of the waste lands of the Crown have arisen since the loan was authorised. At the time when the loan was raised the people who raised it and took the burden on themselves had a right to expect that the land in their district would be dealt with in the future as it had been in the past, and as it was dealt with at that time, that is to say, be the most part sold for cash. They had also the right to expect that it would be sold in similar quantities as it had been in the past, and that not more land than in the past would be withdrawn for the purposes of reserves, and not sold. From the time of the settling of the district no less than seven-tenths of the whole of the lands dealt with in the district have been reserved and not sold. There have been sold only 182,751 acres, whilst there have been reserved from sale 414,987 acres, making the total land dealt with 597,738 acres. That so very large a proportion of land should be reserved the people of the district could not for a moment anticipate; they had a right to expect that by far the larger part of the land should have been sold; and had this been the case the 25 per cent.—which is the Board's share—would have amounted to a very large sum, and their liability would have been very considerably reduced. These, then, are the reasons why the settlers have been prejudicially affected by the different methods of dealing with the lands of the Crown.

13. *Mr. Jones.*] Do I understand that if more lands had been sold it would have reduced the capital amount of the Board's liabilities?—Yes. There is now in the Sinking Fund Account some £16,818 11s. 10d., but it cannot, of course, be touched except to reduce the capital owing. It is not available for revenue purposes. It has been supplied from land-revenue and the interest which has accrued in the account itself, and would have been larger had there been more land-revenue.

14. *Mr. Whyte.*] Although this land has not been sold, does it not yield any revenue?—No; but had it been sold it would have yielded money, which we would have used partly as sinking fund for buying up debentures, so as to reduce the amount we would have to pay as interest, and partly for the purpose of paying interest and postponing a rate.

15. You complained that the land has not been sold: does it not yield you anything?—No; it has been reserved for the Natives and other purposes, and no revenue has been derived from it.

16. *Mr. Tanner.*] What is the position of the land reserved?—It is principally reserved for Maoris, but a large portion for educational and other general purposes. We have exceptionally large reserves for Natives under the West Coast Settlement Reserves Acts.

17. Was it not reserved at the time the rate was raised?—No; I feel sure that it was then merely confiscated land.

18. *Mr. Whyte.*] Then, your endowment has practically been very largely curtailed?—Yes, very largely indeed. And not only was the mode of dealing with the lands of the Crown in respect of making these large reserves against the interest of the settlers in this respect, but they have still more severely suffered by the policy of the Legislature in reducing the amount of cash sales by bringing into force and encouraging the deferred-payment system and the perpetual-lease system. Though in future there may be a large amount to come in from these comparatively new tenures, at present the instalments and the rents are very small. With regard to what might be recommended by the Committee, it is only right for me to say that there is a very strong feeling that not only might it be better for the district, but that it might cost the colony little or nothing if something should be done in the direction of relieving the settlers from the additional rate, and at the same time relieving the colony from the necessity of giving 25 per cent. of its land revenue in the future, and from paying Crown and Native land rates until the loan is paid off. The land unsold in the District of Taranaki is 669,230 acres. Putting this as worth 15s. an acre the amount will be £501,922 10s. The land sold on deferred payment, the conditions of which are not yet fulfilled, is 78,863 acres, which, at the value of £1 5s. per acre, amounts to £98,578 15s. The perpetual leasehold land is 16,372 acres, which, at £1, is £16,372, making in all £616,873 5s. A quarter of this would come