reserved 2,546,616; Hawke's Bay, 1,013,387 sold, and 156,257 reserved; Taranaki, 182,751 sold, and 414,987 reserved; Wellington, 1,666,799 sold, and 537,070 reserved; Nelson, 1,050,527 sold, and 137,003 reserved; Marlborough, 783,948 sold, and 177,933 reserved; Canterbury, 3,011,920 sold, and 571,804 reserved; Westland, 52,394 sold, and 73,408 reserved; Otago, 2,244,501 sold, and 811,956 reserved; Southland, 1,048,399 sold, and 288,893 reserved. The proportion reserved in Westland approaches nearly that in Taranaki, but then Westland is a large mining district, and considerable reserves have been made there for the benefit of that district exclusively, and not for colonial purposes.

154. And especially lately in connection with the Midland Railway?—Yes; a reference to these figures will enable the Committee to see that more than two-thirds of the lands contained in the Taranaki Provincial District have been reserved for colonial purposes.

155. *Mr. Tanner.*] These lands cannot have been alienated if they have been reserved?—They have been alienated from the Crown, set apart, and are not available for sale.

156. But alienation applies to what the Crown has sold; you cannot apply that term to lands reserved by the Crown?—I believe that in the Crown Lands Department all lands are called alienated which have passed from their control. I compiled my figures from the Crown lands returns. If lands are once gone from the control of the department, they are alienated from the Crown.

157. It means, then, that they are no longer available for selection or sale?—Yes; and the Board, therefore, cannot get its proportion of the value of this land.

158. *Mr. Samuel.*] The area reserved includes, does it not, the lands contained in the Native reserves?—Yes.

159. Have you the particulars of these lands as distinguished from the others?—No; it includes also educational reserves, military reserves, and reserves for Volunteers and discharged soldiers.

160. *Mr. Tanner.*] Are there any lists of these reserves?—There are complete lists in the department.

161. *Mr. Samuel.*] Have you any other facts to give the Committee before you come to your proposal which struck you as a feasible one?—These are the principal reasons. I have also ascertained that the area of Crown lands left in Taranaki is 669,230 acres.

162. Have you found out the value of this?—Yes. I put a low value upon it for the reason I have before stated. I value it at 15s. per acre, and that area would therefore realise £501,922 10s.

163. Is not this a somewhat low value?—Yes; but, as I stated, I wished to undervalue rather than overvalue, and I calculated that this was a reasonable value, for the reason that 20s. is the upset price for all agricultural land and 10s. for pastoral. Assuming, then, that this land is of average quality, and I believe that it is fully that, I am quite warranted in believing that it will realise an average of 15s. an acre. This sum added to the other sums—that is to say, the value of deferred-payment land and the perpetual-lease land—brings the amount up to £616,873 5s., 25 per cent. of which we may fairly assume to be the Board's share, namely, £154,218 6s. 3d.

164. There is something else to come in the future, is there not, from the colony—Crown and Native land-rates to the extent of £1,300 a year?—Yes; I make it about £1,318 a year. My idea was that the colony could at once get rid of its liability in respect of rates, and assist the district very considerably, and increase the value of its own estate in the district by almost removing the rate if they would follow this plan: resume their right over the 25 per cent. of the land fund which would accrue from future sales, and, being released from the burden of the Harbour Board's claim to 25 per cent. of deferred-payment and perpetual-lease land, they could then assume at least three-fourths of the responsibility of our loan. As I pointed out to the Committee, the value placed by me upon the land is a low value, yet at that rate it would yield £154,218; and, if the Government adopted this plan, it would at once get rid of their liability for rates year by year; and this would have the effect of at once increasing the value of the undisposed lands, as purchasers would give a much higher price for the land if it was not subject to the harbour rate.

165. I presume you mean this: £154,000 to be paid by the colony for the 25 per cent. of the land fund, with £1,300 to be paid for twenty years, which is the term during which the loan runs; that would make £26,000 more, which, added to the other, would make £180,000? Then you are aware we have now in the hands of the Sinking Fund Commissioners about £17,000, which would make £197,000 as against the loan of £200,000? Your idea is that the colony might free itself from the liability to pay £154,000, and from all charge of unfairness to the Board which might be brought against it in connection with its method of dealing with the lands as it chooses, and also free itself from the necessity to pay £1,300 a year until the loan was determined by taking over the assets of the Board and its debts?—Yes.

166. In addition, then, to this £154,000, and the amount resulting from sale of Crown lands and rates, there are other endowments of the Board?—Yes; it has endowments, but I have not the particulars of them; it has some valuable endowments in the centre of the town.

167. Did you, or the Committee for whom you acted, contemplate the Government taking over the works and the profit which comes yearly from the works?—The Committee did not take that view at all; they never thought of it.

168. Do you think that the people of the district would be favourable to that?—I think so.

169. So that they might supply any deficiency from the profits arising from the harbour?—Yes.

170. *Mr. Tanner.*] Is the deferred-payment land which you valued at £1 5s. bush or open land?—A considerable portion of it is open land.

171. And the perpetual-lease land which you value at £1?—Principally bush-land, but a portion of it is open, so that you see the value I have placed upon it is really considerably less than the market-value.