

Mr. Peat asked him if the land he was selling was liable to a rate. He then said, "Officially, I can say nothing; but the land is liable to a rate, but it is not likely to be required for some twenty-six years, and possibly not then." The same question was asked at the December sales in the same year. In 1882 I bought my land, and on that occasion the auctioneer said, "That the land was liable to a rate for the New Plymouth Harbour, but that it was not likely to be required for at least twenty years, and possibly not then." I had made up all my plans as to how much land I would buy, and the price I was prepared to give for it, and what was said about the land being liable to a possible rate at so remote a period did not induce me to alter my plans. No man would have taken into consideration the possibility of a rate being leviable in twenty years' time. I think we were entitled to a voice in the matter as to whether we were to be rendered liable for a rate or not. If there is a question of making a rate on my land I think I should have a voice in the matter. In this case I had no voice at all. In 1881 we had no less an authority than Major Atkinson, who told us that, in his opinion, a rate would not be required for twenty-six years, and after that time it would be at the most 3d. in the pound. That was before I bought my land. Then, I would say that the alteration in the tenure of land has thrust the rate upon us. I had believed Major Atkinson's calculations, which were based upon the system prevailing then of land sales. And I may say that the rate is most oppressive: it is almost impossible for some of the settlers to pay it, some cannot do so without borrowing to do it. I am fortunately in a position to pay it, having other means, but if I had not these other means I could not pay it without borrowing. My farm shows a loss, owing to the drop in the price of cattle; and I know many of the adjacent settlers who cannot afford to pay for the same reason. I happen to live as far off from the New Plymouth Harbour as any of them—four days' drive for fat stock to the harbour; and the trade of the district is done principally with Wellington *via* Patea and the railway, and with Auckland *via* Waitara.

206. *The Chairman.*] Then, your contention is that, as regards many, if not most, of the purchasers of this land, they were under the impression that the liability under which the land lay was only a nominal one, and would only occur, if at all, to a small extent?—Yes; they looked upon the rate in fact as a collateral security, the primary security being the land; and, if the alteration in the method of dealing with it had not been made, the rate would not have been required. Major Atkinson calculated that if thirty-two thousand pounds' worth of land was sold every year a rate would not be required; and this was not an extravagant estimate.

207. *Mr. Samuel.*] When Captain Wray made the statement referred to when he was selling the land, did he give any reasons for anticipating that no rate would be levied?—No; not at the sale at which I was present in 1882: about the other sales I cannot answer. I have not heard from any who were present at the other sales that any such reasons were given.

208. Did he not say that the reason he did not anticipate a rate was that the amount likely to be received from the land fund would be a large one?—I cannot say. [Mr. Bayly here stated: At the sale at which I bought my land Captain Wray was asked about the rate, and he replied that it was the opinion of a very high authority that it would not be required for twenty-six years, if at all, and certainly would not exceed 3d. in the pound. He gave no reason.]

209. *Mr. Jones (to witness).*] If it had not been for the severe fall in the value of produce, stock, and so on, would this difficulty have arisen?—Of course the settlers would have been in a better position if things had continued as prosperous as they were five or six years ago. Now they are in a very bad position at present. The bush-settlers are suffering very severely at the present time; they have had to go to great expense to clear their land, which is yielding them a very small amount. The injustice would have been just as great in any case. The Government altered the system of their land sales, and it is this which has brought on the rate. Most likely in ten years' time they will be in a better position to meet it than they are now.

210. *Mr. Tanner.*] How do you understand that the Government has altered the tenure?—By the deferred-payment system, allowing the capitalisation of land under the deferred-payment system, and by the system of perpetual lease.

211. Both of which came into operation since your purchase of land?—No; but since the harbour loan was raised. Land was sold to a considerable extent on the deferred-payment system in 1882, but the principle allowing the capitalisation of deferred-payment land has come in since.

THOMAS BAYLY examined.

212. *Mr. Samuel.*] You are Chairman of the Clifton County Council, and a large landowner in Taranaki?—Yes.

213. You are a member of an association that have consulted together in respect of this rate of the New Plymouth Harbour Board; and you have been resisting without success the enforcement of the rate, and in doing that your attention has been specially called to the circumstances under which the cause of its being struck arose?—Yes; I with others have consistently opposed the loan of the Harbour Board. Colonel Trimble and I came to Parliament in 1877. He was not a member at that time, but we were deputed by the Waitara people to oppose the loan. We forwarded a petition to the House at that time, and one to the Board; but we were unsuccessful, and the loan was carried out. We have consistently since that period opposed it at every step. We thought that it was involving the country in an unnecessary tax, a tax that we had no opportunity of recording our vote against, which we consider a great grievance. It was forced upon us against our will. Another point is this: when the lands were sold on the Waimate Plains (although I am not a resident, I am a landowner there) the question was put to Captain Wray, who conducted the sale, whether these lands were subject to the New Plymouth Harbour rate. He replied that the lands were subject to the rate, but that there would be no rate levied for at least twenty-six years (this was in 1880), if at all; and if it was then levied it would not exceed 3d. in the pound. We find now that, in place of that, it has been levied within eight years, and that, in place of its being 3d. in the pound, it is 1s. 3d. The settlers were always led to believe that the rate would not