Hon. Major ATKINSON examined.

266. *The Chairman.*] You are aware of the scope of the present inquiry, and we have been informed that you would like to give the Committee some information that might be of value; and we would like to hear what you have to say on the matter under consideration?—I do not know that I can give you any information that will be of any value, further than a statement of my own opinion as to the question in hand.

267. *Mr. Samuel.*] You have not heard the evidence that has been given. Evidence has been given by some of these settlers who purchased land in the district that they did so under the supposition that no rate would be required to be levied for a long time to come; and that that supposition was gathered from the words of the Government Agent, who sold the lands, and from your own remarks made on one or more occasions when you were addressing your constituents. Can you give us any explanation of the grounds which led you to make such remarks?—I did not know that the Government Agent had made any such statement which could induce the purchasers to believe that. That is new to me, as far as my memory serves me; but I made a statement on several occasions when I was addressing my constituents, based on official figures, and grounded on what I believed was the amount of Crown land—or, rather, I should say, the acreage of Crown land—which was at that time available for sale within the Provincial District of Taranaki, one-quarter of the selling value of which is secured to the Harbour Board by Act; and the estimate I made was based upon the amount of land still unsold in 1881; and I estimated that, if land to the value of £32,000 was sold in each year—and my own opinion was that a considerably larger quantity than that would be sold—the quarter of that amount, which the Board would be entitled to, would be sufficient, with the income of the Board, to protect us against a rate until the whole of the land was sold, which would not be for a period of somewhere about twenty-six years. And, as member for the district, I gave my opinion, based upon this calculation, that there would be no fear of a rate within that time; and I think that, had land sales continued—which I had at that time every reason to expect—there is no reason to doubt that there would have been no rate for about that period. It is simply a matter of calculation; there would have been no rate wanted to make up the difference. But the deferred-payment system has since come into force, and it has gradually grown to such an extent that the whole of the sum realised by land sales during the last year only amounts to a few pounds. The perpetual-lease system also came into operation as well; and the consequence is that, as in the Taranaki District the latter tenures seem to be preferred, the Board has been put into the position of being obliged to strike a rate.

268. It has been represented by all the witnesses that there is great depression throughout the district, and that a great many of the settlers are quite unable to pay the rate which is now levied, on account of the market-price of produce being very low, and a number of other causes. Do you know anything about the matter with regard to the settlers' ability to pay this harbour rate, in addition to their other taxes?—I am not intimately acquainted with the personal affairs of the settlers, but there is no doubt that there is great depression. These settlers, many of them, bought land at a very high price, and stock and produce are now practically worth nothing, so that I should think that it is quite true that they would have enormous difficulty in paying the rate, if they could do it at all. But I am not prepared to give evidence on this point, except in so far as I have received it from others.

269. This is also serious, is it not, in respect of depriving the district of good settlers?—I should think so; it makes the rate fall very heavily.

270. We have it in evidence that 616,000 acres of land in Taranaki are now the property of the Government, and available for sale: is that the case?—That was not my estimate, speaking from memory; it is larger than my estimate.

271. The figures were given by Mr. George, who said that he had obtained them from official sources?—But that is not all agricultural land. My figures, which I gave in 1881, speaking from memory, were based on 450,000 acres of really good agricultural land.

272. But there have been large acquisitions since then, have there not?—Perhaps; I cannot charge my memory with the amount.

273. *The Chairman.*] Although Mr. George gave the larger area, he only calculated it as being worth an average of 15s. an acre owing to some of it being of an inferior quality?—Then, possibly, our calculations would amount to the same thing.

274. *Mr. Samuel.*] You are aware that the colony is liable to the Board for rates under the Crown and Native Lands Rating Act?—So I understand; it is a lawyers' question.

275. It is the case, is it not, that all lands which may be purchased in the district from Natives in the future will become liable to the Board's claim for 25 per cent. of the proceeds of such lands? Yes; that is so.

276. Do you not think that it would be advantageous to the colony if it were to assist the Board to meet its engagements: to make such arrangements as may relieve the colony from the Board's claim of 25 per cent. on the lands now possessed by the Crown, and which the Crown may hereafter acquire?—I should not, as Colonial Treasurer, like to answer that question until I saw the proposal and could fully consider it.

277. But does it not seem to you worthy of consideration?—I should have great doubt about it in this form. My own opinion is that, if it is necessary, authority should be given to capitalise a certain portion of the deferred-payment receipts, and so raise sufficient money to meet the deficiency. That is the form I, as Colonial Treasurer, should prefer; and I take it that the settlers would not care, so long as they were relieved. I could not, as Colonial Treasurer, entertain any proposal which implied that the Government were prepared to take over local liabilities.

278. From what you know of the circumstances of the raising of the loan, and of the state of affairs at the time the loan was raised, and of the alteration in the state of affairs since it was