

raised, with regard to land disposition, do you think the settlers have a fair claim for some relief?—Undoubtedly they have within the land fund. The colony having, for reasons of policy, altered the mode of disposing of their lands, within those limits relief ought to be given; and I think it can be given.

279. This Committee is sitting more for the purpose of inquiring into the state of facts than for suggesting a remedy; but do you not think that some remedy might be suggested which would not throw any burden on the colony, and which would yet afford relief?—Yes.

280. *The Chairman.*] Perhaps, from your local knowledge, you might explain this. It has been stated by various witnesses that the Government Agent, at the time that these lands on the Waimate Plains were being sold, on being asked as to whether the lands were liable to a rate, explained that they were liable to a rate, but that it was not likely that such rate would be levied for some twenty-six years; and he also is reported to have said that the rate would not, if levied, exceed 3d. in the pound?—That statement was made by me.

281. It was also stated by witnesses that you had, in addressing your constituents, represented the same thing. Now, what I want to get at is this: It was contemplated that this 3d. in the pound might be necessary at the end of twenty-six years or so; but now, the land sales having ceased, how does it happen that a rate of 1s. 3d. is now required? It would seem that at that period 1s. 3d. would also have been required?—If the 450,000 acres which the colony then had available for sale had been sold at the rate of £32,000 worth a year the Board would have received £8,000 a year available for paying interest, and the land itself would all have been occupied and have become liable to taxation; and therefore on that calculation it was thought that a rate of about 3d. in the pound on the annual value would be sufficient to pay any deficiency there might be in the last two or three years before the loan should run out.

282. It was calculated, then, that the Board's proportion of the land sales would have provided for the liquidation of the capital sum of the loan by means of the sinking fund?—Yes; with the other receipts of the Board.

283. *Mr. Larnach.*] You estimated that £32,000 a year would be the amount of revenue from the land sales?—I did not estimate it; I said we were sure of getting 25 per cent of that sum annually. That was my opinion of the minimum that we should get, and if we got more so much the better, because the Board's land revenue was paid into a fund, and accumulated by interest year by year.

284. Was there any understanding, in selling the land, that a rate would not be levied?—No; I should say not.

285. Then, the purchasers had an idea that there was this possible contingency?—There is no doubt that some of them knew about it; but a large number of them never knew anything about the rate until it was levied, and it is this that makes them so angry.

286. That is to say, just as the settlers who purchased land in the early days could not have anticipated a property-tax?—No; it is more like the case of the Waimea Railway rates. Those men had bought land in the Waimate Railway District not knowing it to be subject to the rating-power.

287. You have no doubt in your mind that the deferred-payment and perpetual-lease systems have affected, in the Taranaki District, the cash sales, as they have done in other parts of the country?—In one sense I have not. I should not like to say there would have been as large a quantity of land disposed of in this district if the land had been sold for cash, because I think the deferred-payment and perpetual-lease systems have been a great boon to the district; but those systems stopped the sales for cash to a certain extent. I do not think that, looking at the district, £32,000 a year is anything but a minimum amount that we should have received, and that would have yielded £8,000 a year to the Board.

288. *Mr. Larnach.*] I understand that no rates have been levied as yet?—Yes; one has lately been levied, and it has been paid by most of the people.

289. You do not attribute the depression to the fact of the rate being levied?—No; but the fact of the rate being levied has tended to intensify the depression.

290. Is it not likely that the continuance of the deferred-payment system and the perpetual-lease system will tend to prevent cash sales in the future?—Yes; but the difficulty could be got over if enough land was sold on deferred payment to bring in £8,000 or £10,000 a year. But we ought to be allowed to capitalise this revenue in some form so as to supply sufficient funds.

291. *The Chairman.*] How would such capitalisation affect it? Would you pay the capital sum into the sinking fund?—Yes. We should capitalise as much per year as would enable us to raise money on its security to pay the interest.

292. *Mr. Larnach.*] You would propose to capitalise what the actual deferred-payment sales would realise each year?—Not so much as that if we could do with less.

293. Would you go back to the first sales?—No; we could not do that, as we have used the money.

294. You have only used what has been paid in cash, not what is to come?—Yes.

295. *Mr. Tanner.*] You estimated £32,000 of land sales yearly, do you mean that for a period of twenty-one years?—For twenty-six years from 1881.

296. And then you said that you had a right to anticipate that your estimate would have been realised had the system of land tenure not been changed?—Yes.

297. Was not the present system in force at the time that the New Plymouth Harbour Act was passed?—No; not for three or four years afterwards.

298. That was passed before the present regulations came into force?—Yes; the date of the enactment which first authorised the loan was 1874.

299. And at the time the Act was passed lands were only sold for cash, not at all on deferred payments or perpetual lease?—I would not say that positively. There was a form of deferred payment under the provincial land law before the provinces were abolished, but it was always looked