

99. I find a pencil note on the Government papers: I do not know whether it is Mr. Frankland's writing or Mr. O'Connor's. This note says that 6 per cent. is too high to assume for forty-eight years. The calculations were made on that basis because those were the data supplied; but, in the opinion of the writer of this pencil note, it was too high. You cannot give a positive opinion about that?—No; it may seem a little high, but it is very hard to tell what money is going to be worth any more than land. I think that on good freehold security 6 per cent. will always be obtainable, as far as we can see at present.

100. What is your business, Mr. Cochrane?—I am a partner in the firm of Cochrane and Son, auctioneers and land agents.

101. You have had some experience in these matters?—I have had a good deal to do with land.

102. I asked you as to this £6,000 with reference to the value at the end of forty-eight years, but I did not ask you the question whether you think the sum of £6,000 was a fair value at that time?—I think it was a fair value, taking the land compulsorily from a party who did not want to part with it.

103. You think it would not have fetched so much in the market?—If forced into the market it might not have fetched quite so much; although it was at that time and is at present a very favourable place of residence, and it would have fetched very close on to that, at any rate.

104. *Mr. Brewer.*] The members of the Board, I suppose, were perfectly aware that if my offer was not satisfactory they had the machinery of the Compensation Court at their disposal?—Yes; you told them so in your letter.

105. They knew all about that?—Yes; they were quite aware of that.

MONDAY, 8TH OCTOBER, 1888.

WILLIAM STEPHEN COCHRANE further examined.

106. *Mr. Hesketh.*] I believe it has fallen to your lot to give evidence on compensation cases?—Yes; several cases.

107. Compensation cases under the Public Works Act?—Yes.

108. When you formed the estimate you did as to the value of the land, did you proceed on the same principle that those Courts proceeded on, to your knowledge—that is, deal with the present value and not with the prospective value?—Undoubtedly.

109. Then, that you took as your guide or basis?—Yes.

110. *Mr. Mahony.*] I believe the whole block of which this is a portion is held similarly as a Church of England leasehold property?—Yes.

111. And, in connection with all those leaseholds, I think there are restrictive covenants—first, that the buildings must be private dwellings; and, secondly, that there must not be more than one on each lot?—Yes, that is so.

112. So that, therefore, this place, for, at any rate, from forty to sixty years, cannot be other than a place for a private residence of a superior kind?—Yes.

113. Would you say from your knowledge of things in the past as a valuer, if this projected loop-line should be carried out and that place reclaimed within that forty-eight years—would you say whether that would have a beneficial effect or otherwise on this property and the surrounding ones, having all those restrictions in view?—An embankment or any filling-in of that bay would have anything but a beneficial effect, to my mind.

114. So that, would that not be one of the chief reasons which might at the end of forty-eight years considerably deteriorate the value of this property?—It might, possibly.

115. As to those two particular properties, do you know as a fact that there is a minimum amount of £225 as to one of the lots, and a minimum amount of £100 as to the other, which the lessee must have expended on buildings?—Yes; that is the least sum that must be expended.

116. Is it not a fact that the amount expended has been far in excess of that?—Yes, considerably.

117. So that at the end of forty-eight years it might so happen that, instead of being, as it then was, improved to the extent of thousands, it might only be improved to the extent of £325?—That would be all that would be necessary to comply with the covenant of the lease.

118. Was that £632, the figure mentioned to the Trustees—was that fixed upon and assessed irrespective of any question, as far as they were concerned, as to who was to get the freehold or not?—I think so.

119. Did it affect you who was to get the freehold?—No; they thought if the Government wanted it they considered £632 was fair compensation.

120. Irrespective of any other consideration?—Yes.

121. Do you know of a Proclamation which was issued relative to this property in January, 1886, at the beginning of the year on which the settlement took place? Did you hear of that Proclamation?—We had a copy of it sent to us.

122. Do you remember whether that Proclamation was before the Board about February, 1886?—It was before the Board, but not in connection with this matter.

123. But, at any rate, the Trustees present at the Board meetings knew of that, and had it before them about February, 1886?—I think that was about the date.

124. I understood you in your former evidence to state that the best part of a year elapsed between the Trustees' preliminary consideration of the matter and the final paying-over to them of the money?—Yes.

125. And this particular Proclamation I speak of would have taken place about midway between the first date and the last?—Yes.