

mutton trade could not affect the price agreed on in this lease?—At that time the land in the market was much more limited; for people wanting land there was more competition. Independently of the frozen mutton trade, times were much better in 1877 than they were in 1887: land was bringing £8, £10, and £12 an acre that would not bring more than £6 or £7 now. Some land that was sold then at £15 an acre would not bring more than £8 at present.

68. In reference to the costs of the arbitration, do you remember how long the arbitration on which you sat lasted—how many days?—Two days; I think we finished the sitting in one day; I took one day to examine the property.

69. You charged a guinea a day?—Yes.

70. The others two or three guineas?—Three, I think; I only wanted a fair remuneration.

71. *Mr. Sinclair.*] The rent under the lease is 8s. an acre for the first five years, 8s. 6d. an acre for the second five years, and 11s. per acre for the remaining eleven years?—I believe that is correct. I have seen the lease, but I cannot say at present what it was; but as an arbitrator I did not consider what the rent was under a previous arbitration or lease, nor whether the rent under the old lease was too much or too little; if it had been less my award would have been just the same.

72. Would that be a fair rent at the time the lease was settled, in December, 1878?—I am not prepared to answer whether it would or not; I was not in the district at that time. I did not know the state of the land when Mr. Caverhill took up his lease, but I know he has been too sanguine; he laid out a great deal of money on the land. He is not now worth a penny; in fact, he has ruined himself, partly with high rents.

73. You might know whether the Maoris cut cocksfoot for seed over this land?—I know there was cocksfoot there in patches. The land was principally fern and tutu land; there was cocksfoot in patches all over the district.

74. Do you know that cocksfoot was cut in this particular place?—Yes, quite likely—over some portions of it, I should say.

75. *Mr. Levi.*] There is the question of improvements. I wish to know whether Mr. Hislop, in determining the rent, considered the improvements or the unimproved portion?—We arrived at the value the day we looked at it; we made an allowance for improvements and deducted that from the total value; we then based the rent upon a fair percentage of the capital value.

76. Do you remember the total value with the improvements?—£8, as lands are now, with improvements.

77. That is the capital value?—Yes; as land is now.

78. How much did you take off for improvements?—At 5 per cent. it would be 8s.; that would be 1s 3d. per acre at the rate of 5 per cent.: that would be about £1 5s. deducted for improvements.

79. What were the improvements?—Fencing, ploughing, grassing, and such like.

80. Was there a house on it?—There is a woolshed on it, but it is not of much value.

81. *Mr. Peacock.*] Do I understand you to say that you came to a conclusion as to the value of the land per acre by taking as the basis of your estimate the capital value of the land as a whole?—Yes.

82. Would it not be the more natural way to take into consideration the yielding capacity of the land, and upon that to consider what rent might be got for it, rather than to estimate the capital value and then make deductions for improvements?—I looked upon this as the fairest way, to value the land as it was.

83. In order to enable you to come to a just conclusion, do you not think it important to take the capacity of the land in the way of yielding into your estimate first; or do I understand you that you would value land without taking into account its yielding capacity?—You consider that in the capital value.

84. But in fixing the capital value would you not require the settlers' estimate upon the yielding value of the land?—The yielding value, and all other things connected with the land, is in your mind when you make the valuation: you must consider all these points if you want to get at the fair rent.

85. *Hon. Captain Kenny.*] You say you have been a settler for eighteen years?—For more than that in the colony; that is on the West Coast: previous to that I was in Hawke's Bay. I landed in Wellington in 1857. After twelve months at the Hutt we went from there to Hawke's Bay. In 1873 we went to Wanganui.

86. Then you have had considerable experience on both coasts?—Yes.

87. The West Coast is more of a cattle country?—Yes; but sheep do fairly well on it; but not so well as on the other coast.

88. When you went to the West Coast had you experience in cattle farming?—Yes; my father had a cattle farm for twenty-five years in Hawke's Bay—sheep and cattle both.

89. When you took up this lease it was for the purpose of breeding and rearing cattle?—I did not know as much about the climate then as I do now. As I said, sheep do fairly well, but not so well as in Hawke's Bay.

90. What is the character of the country; is it heavy bush?—In some parts there is slight bush and fern, in other parts there is a lot of heavy bush: it varies very much; but the Waimate Plains are principally fern land.

91. When laid down in grass what is its carrying capacity for sheep?—About three sheep to the acre. It suits cattle best.

92. Three sheep to the acre?—That is the average; some seasons of the year it will carry twice as many as at others.

93. And cattle?—About two acres to a bullock—that is, to fatten; for store cattle it is different.