Name of Purchaser or Borrower.	Area.	Original Price per Acre.	Amount of Commissioners' Valuation per Acre.
	A. R. P.	£ s. d.	£ s. d.
M. A. A. Maher	274 0 22	2 0 0	2 0 0
J Henderson	276 2 28	1 10 0	1 5 0
R. Walker	246 1 11	2 5 0	2 0 0
James Watt	219 2 23	3 5 0	3 5 0
H. Jones	183 1 21	2 10 0	2 0 0
H. McGregor	216 0 35	2 10 0	2 5 0
A. Roy ..	363 2 18	1 15 0	1 10 0
G Aitken	299 1 23	2 0 0	1 10 0
Barclay Bros.	252 2 4	4 7 3	3 10 0
James White	217 3 11	2 7 6	2 0 0
Emma Cross	154 2 33	2 2 6	2 0 0
John Keown	110 2 0	5 2 6	5 0 0
George Stuart	197 3 2	2 10 0	3 10 0
D. L. Fraser	245 1 18	2 0 0	2 0 0
J D. Hoops	268 2 28	1 15 0	1 12 6
M. Miles	294 2 1	1 10 0	1 15 0
F Collins	200 0 0	2 10 0	2 5 0
J Butel ..	195 2 16	3 15 0	3 0 0
J H. Wilson	234 2 8	2 0 0	1 10 0
James Blaikie ..	281 0 0	1 15 0	1 10 0
F Davys	183 0 27	2 0 0	1 15 0

After careful consideration of the committee's report, which was most exhaustive and comprehensive, the Commissioners decided to offer the mortgagors a reduction on the basis of the foregoing valuation, the existing mortgages of those who should elect to take advantage of the reduction to be cancelled, and new mortgage deeds to be signed for the reduced amounts, the term of the new loans being for a period of seven years, and the rate of interest 6 per cent., interest to be charged at 6 per cent. on the original mortgage amount until the exchanges shall be completed. The amount of the new loans would thus be the price of the land at the reduced rate, less payments already made. The cost of the new mortgages was fixed at the low figure of £1 11s. 6d. each, exclusive of charges such as registration, &c. A circular was sent to each cash purchaser or mortgagor whose section was valued under cost-price, giving him the option of determining whether he would accept the reduction in the amount of mortgage or remain under the existing arrangement of paying 4 per cent. interest on the original amount but so far only two have accepted the offer

A number of the mortgagors, no doubt, find on calculation that the reduction of interest is a greater concession than the reduction of principal, while the interest of others is so far in arrear that, were it raised to the rate of 6 per cent., it would be impossible for them to take advantage of the reduced amount of principal by paying up interest to date.

The School Commissioners have devoted a great deal of time and trouble to the consideration of the circumstances of the cash purchasers on terms, or more correctly speaking, mortgagors, and have been actuated throughout by a desire to assist them as much as possible. At the same time, they consider that they would not be justified in reducing the price of the land to a lower figure than what they now value it at. In dealing with this question they have always felt a difficulty in regard to those who have paid up their purchase-money in full, and who may possibly make a claim for the refund of part of what they have paid, even though the Commissioners have no power to make such a refund.

In adopting the before-mentioned resolution the School Commissioners resolved that their decision on the subject of reducing the amounts owing by the cash purchasers on terms should be final, and they have accordingly declined to consider any further applications for reductions.

The foregoing explanation is perhaps somewhat long and minute, but, as a charge of dealing harshly with the settlers has been brought against the School Commissioners, it is desirable that the whole matter should be fully explained to the Government.

I may say that three of the mortgagors mentioned in the foregoing table—namely, Messrs. Wilson, Blaikie, and Aitken—have accepted the reductions offered, and that the whole of the others, with the exception of Messrs. White, Maher, Watt, Walker, McGregor, Henderson, and Jones, are paying their interest regularly

It will thus be seen that there is not the amount of hardship in the case that the petitioners would lead you to believe. Some of the seven mortgagors last mentioned are in arrear to the extent of from three to four years' interest, and in one instance the Commissioners have been compelled to pay £11 19s. 7d. to the Registrar of the Supreme Court to satisfy a judgment obtained against the mortgagor by the County Council for rates.

The School Commissioners think it only right that you should hear both sides of the case, and they feel confident that a perusal of the foregoing facts will refute the incorrect statement made at the meeting that the Commissioners had ignored all applications for redress, and will disabuse your mind as to the alleged harsh treatment of the mortgagors referred to in the petition.

I have, &c.,

The Hon. the Minister of Lands. J P Maitland, Chairman.