

ency of Mr. Jones. If he is to be judged by his works, if his values stand the test of the market—the test which justifies my acceptance of them—he comes up to the standard by which he is justified in my sight. The case on which the petitioners appear to dwell with the greatest confidence that their case against Mr. Jones is triumphant, the case, indeed, out of which the petition would appear to have arisen, is that of Mr. Elwin himself. Let me then put this case to the test. The report of Mr. Jones was made in October, 1893, or about two years ago. Mr. Elwin or Mr. Wells has stated in his evidence that the land-values have fallen considerably during the last two years, and Mr. John Hislop, whose reputation as a valuer stands deservedly high in the opinion of all the lending Boards of the colony, and high in the estimation of the people of his own district, telegraphed to me on Monday last—

146. *Mr. Elwin.*] Who is Mr. Hislop?—He is a member of the Land Board of Taranaki, and he was Mayor of Hawera. We are fifty miles from Hawera.

147. *Mr. Duncan.*] Was he connected with these values?—No; I am now speaking of the fall in land-values generally. Mr Hislop, as I was saying, telegraphed to me on Monday last, in reply to an inquiry from myself how much he considers the value of land to have fallen during the last two years, that the fall has been from 10 to 15 per cent. The following is my inquiry and Mr. Hislop's telegram: [Appendix D]. I will take the fall at $\frac{1}{2}$ per cent. below the mean fall, and put it at 12 per cent. Mr. Jones stated the land, without improvements, to be worth £2,160. Of this amount, 12 per cent. would be £259, and his valuation would be proved to be accurate by a competent valuation at £1,901 at the present moment. Now, a valuation made for loan of money, and for the purpose of loan for mortgage, would be, in ordinary course, a low valuation; and of low valuations none have been lower, I think, or more careful than those made for the purpose of loans under the Advances to Settlers Act. Mr. Elwin quoted that valuation, or, rather, gave his estimate of it, and on Saturday last I telegraphed to Mr. Shaw as follows: "Kindly authorise me to show Committee on West Coast leases petition your valuation of Mr. Elwin's leasehold, if you have no objection. I propose asking Mr. Elwin's consent." To that, Mr. Shaw telegraphed in reply: "Am quite agreeable for valuation of Mr Elwin's leasehold to be exhibited to Committee."

148. *Mr. Duncan.*] Who is Mr. Shaw?—He is a valuer employed by the Public Trust Office Lending Board, the Government Insurance Office Lending Board, and by the Advances to Settlers Office, and he is also agent for the Public Trustee in New Plymouth. These are the questions: Rental at which the land, if in the same state in which it was at the commencement of the existing lease, could be now leased—3s. to 3s. 6d. per acre. How the rent compares with the estimated present market rental—favourably, say 2s. 11d., present rental, to 3s. 6d. Now, 3s. 6d. an acre on 634 acres would produce a rental of £110. Mr. Jones's valuation of this 634 acres was £2,160, a rental of 5 per cent. on which comes to £108, or £2 less than that given by the valuation for the purposes of the Advances to Settlers Act. In repeating that a valuation like this is a very low valuation, I will state what Mr. Shaw gives as the present capital value of the land without improvements. According to the instructions issued, the capital value is the present realisable value, and Mr. Shaw states the realisable value at this day to be £3 per acre, or £1,902, or £1 more than the value reported by Mr. Jones in 1893, after allowing for the fall of 12 per cent. which is estimated to have taken place in the interval. And this case will be found, I believe, to be a fair example of the work of Mr. Jones, which has been proved competent according to the only test to which I care to put it. It is mere assumption on the part of witnesses to say that I know nothing about land and its value in that district. Mr. Elwin's land would lease to-morrow at 4s. per acre at least.

Then, with regard to the cases of the ejectment of trespassers from the reserves, the few cases in which the petitioners would represent me to have acted with a severity not in the interest of the trust, and in oppression of deserving pioneers of settlement, I will answer by taking the celebrated case of McCullum. This is the case where proceedings were taken by me. But first of all I should state that in my report of 1893, from which I have already quoted, I wrote as follows: "In ascertaining, with a view to an efficient and regular administration of the settlement reserves, how they are occupied, what area is leased, and what portions of the unleased lands must be allotted to the Natives for the purposes of their own residence and cultivation, several persons have been found to be in unlawful occupation under some direct agreement or arrangement with one or more of the Native owners. In some cases the terms of the occupation have been a regular payment of money by way of rent, in others the improvement of the land. Where money has been paid, there is reason to believe that the amount in some cases has not been distributed, or fairly distributed, among the Native owners, though in a few instances these unlawful occupations exist on terms which do not appear, so far as can be gathered, to be inequitable. The occupations which are described as unlawful were no more so under the Act of 1892 than under the Acts which it repealed. The provisions of the Act of 1892 are, however, such that the reserves not occupied by the Natives themselves can now be leased on terms more satisfactory to the Natives than formerly, and the inquiry and inspection necessary to carrying out the provisions of the Act have, as a natural consequence, disclosed the cases of unlawful occupation. The ejectment of these trespassers will be distressing to a few of them, but any consideration shown to them not authorised by the law, or any proposal for legislation to give them a right to continue in occupation, or to grant a compensation, would be fraught with the obvious objection that the consequences, which would be far-reaching, cannot all be foreseen, and that among these consequences would be the risk of the recurrence of difficulties such as those which have only just been removed by the Act of last session, and which alienated the confidence of the Natives, retarded settlement, and entailed for many years great losses on both races of the people. The trespassers have each received a notice to quit at once, but I have, in every case where immediate removal would entail a severe loss in the transfer or disposal of stock, or reaping of crops, allowed the occupation to continue for a few months; and there may be a case where a tenancy from year to year, terminable by three months' notice on either side, may be desired by the occupier, and could be granted in the interest of the Native owners. The