

view?—The Native sent with Jones was sent simply to give confidence to the general body of Natives. They had been so imposed upon in the past. It was prudent; they might otherwise have resisted my administration. I wanted to show them that everything would be open. This Native communicated everything to them, and satisfied them.

174. With regard to this advertisement calling a meeting of lessees and Natives with regard to the fixing of the rent: how does that work?—I may say that that is largely a matter of form, for I have complete control of the position. I communicate to the lessees and to the Natives the value of the land without the improvements, according to my estimate, against which there is no appeal.

175. What do you consider the meeting is called for really?—Take many of these cases where the rental has been fixed. The lessee is paying £50 a year, the 5 per cent. on the value which I fixed upon the land without improvements will show that the rental should be £100 a year. As the lessee is paying £50 a year for twenty or twenty-one years, an agreement between the lessee and the Native owners for anything over £50 a year I should, of course, approve, in the interest of the trust, because I know the lessee could go back for those twenty or twenty-one years upon his lease of £50. He does not surrender the old lease until he gets the new one, and as the perpetual lease is very much more valuable than the old one of twenty-one years or thirty years, the lessee might consent to accept a lease without any condition as to improvements with a slight addition of rental.

176. You are prepared to give a perpetual lease if they agree to it?—With this reservation, that the agreement must be an improvement for the Natives.

177. Is it more with regard to coming under that extended lease that you give the notice, or, rather, that you call the meeting?—Yes. It was to bring all these old irregular leases into order. Many of the lessees under the old leases have such favourable conditions that they do not apply for the new leases. Elwin has a very good lease, and should stick to it.

178. What I cannot see is the necessity for calling this meeting and charging the lessees with the cost if it is to be of no value of them. You give notice of what the value is before they come together. You invite them to go, and charge them with the cost of the meeting, and tell them in the same notice that you have fixed the rent at a certain sum?—That is required by law.

179. Do you not think the law should be altered in that?—The time is past. The lessees were only given twelve months to apply for a new lease. The time ended some time in 1893.

180. That law, then, is not in operation now?—No.

181. *The Chairman.*] It appears to me that the real cause of the grievance of these settlers is, first, as regards the non-payment of the rates, and as regards the valuations. Now, I am quite satisfied from what you have stated that in refusing to pay rates you have acted strictly within the law; but, as trustee for this property, do you not think that you are placing the settlers in a very unfair position by not paying rates on the land which is not in the occupation of the Natives. Supposing that this land was your own, and that you were not the trustee, would you not, as owner of that land, act differently to these tenants to what you are doing now to them? Do you not think you would consider it to be your duty to pay rates from the moneys you had in hand?—You cannot compare what a trustee ought to do with what an owner might do. The trustee must consider what the law authorises him to do.

182. Would you not act differently if you were the real owner of this land?—If I were not compelled by law to pay these rates it is a question whether I would if I was a private owner. But if you asked me if it was reasonable that these lands should pay rates I should say this: that, where a large block of land is producing income, a portion of that income might reasonably go towards a contribution to the rates; but we must not sweep in the whole country for rates, whether it is producing income or not, when the only alternative can be alienation or payment from the Consolidated Fund. There must be some regard to the proceeds of the land.

183. But if it is not producing income is it not the fault of the Natives? If you had not leased the land, and simply left it lying idle, is it not your fault?—Yes; but we must consider the circumstances of the case. If the Natives could have known that liability after liability was to have been placed on them, I could not have disposed of 40,000 acres of land.

184. By your paying rates on this unoccupied land, with a view of helping to road it, it would be improving it, and the Natives would not lose by it?—I would have to consider every case on its merits; I would have to consider whether by such contribution I would improve the Native estate. I do not know but I should make a contribution, perhaps, of any kind that would certainly improve the estate, whether the law allowed it or not, if by so doing I should improve the property and increase the income of the estate.

185. Dealing with the question of valuations, which I consider the most serious objection in the petition, you have employed Mr. Jones as valuer. You accept his valuation whether it is too low or too high?—No.

186. You have confidence in his judgment, and accept his valuations?—I know the value of the land there myself.

187. Mr. Jones is an insurance agent, I understand, and has been living all his life in cities. Where has he got his experience as a land-valuer?—He has been employed by lending Boards as a valuer. He has travelled through this land in question as an insurance agent. He was an auctioneer and commission agent of very great repute in Auckland. In Wanganui he does a large amount of business as a land agent, and he is a trustee to a large extent of private property.

188. Has he ever had any large transactions in land to enable him to get experience?—I think so. I referred to Mr. Ballance before I appointed him, and Mr. Ballance said there was no more reliable man in his opinion in the colony.

189. I have no doubt Mr. Jones is a very able man as far as business goes?—No; in this work of valuing the leaseholds Mr. Ballance especially approved of my selection of Mr. Jones.

190. I think it is unfortunate that, in selecting a valuer to value a block of land like this, a city man who has had, as far as we can see, very little experience in this land should have been