

—My first estimate was that there were 900 applications scattered over the district, and that that number would fairly represent the amount of land which would be taken up; and then, when I went through the details on the following day, I found that it showed a very close agreement.

25. *Dr. Findlay.*] Is that on the assumption that the line would be completed?

26. *Mr. Bell.*] No. It has nothing to do with it. Mr. Humphries was asked to give us an estimate of the number of selections, and he finds, when he goes into the applications, that his estimate was very nearly right. (To witness): You might proceed with the other portion of your evidence. What would be the improvement to the land?—I estimate that out of this 200,000 acres of land three-fourths of it, or 150,000 acres, would now be producing. I mean that there would be cattle and sheep, and other sources of return. To bring that 150,000 acres into a producing condition I estimate that there would have to be £3 or £3 10s. an acre expended on it, and that would have made the capital value of it about £500,000, inclusive of £90,000, the unimproved value of the 200,000 acres.

27. Is that estimate made on your experience as Commissioner of Crown Lands?—Yes.

28. Now, proceeding to the question of revenue?—I value the land at an average of 9s. an acre. In arriving at this value it has not been guessed at, but values were placed on each individual block that was likely to be selected, and in that way an average value of 9s. an acre was arrived at.

29. *Dr. Findlay.*] Over what area?—On the 200,000 acres. I estimated that a certain portion of that would be dealt with as ordinary leasehold at 5 per cent., and that another portion would be grazing-land at 3 per cent. That would bring in an annual income of £4,300. Multiplied by seven, the half of the fourteen years, it shows a loss of, say, £30,000 in the seven years. If we take the B1 values it would be rather more.

30. Can you give us the figures of the B1 value?—About £40,000.

31. *Mr. Bell.*] Then that is the actual loss of revenue annually?—Yes.

32. In this part of the district?—Yes.

33. In what other respects, in your opinion, has the colony suffered in consequence of this reservation?—I consider that the producing-power of the country should be taken into consideration. I estimate that these 150,000 acres if cleared and grassed would have an average capacity of a sheep to an acre, and some consider that they would bear a good deal more. I have reckoned them at 5s. a sheep for wool and increase in that part of the country. I made several inquiries about the matter in the district, and the result is that during the fourteen years—allowing that the country was gradually brought into a state of grazing capacity—it would have yielded £200,000—that is, bringing it up to the present date; but to my mind there is more in the future than there has been in the past. It is in this way: If this was a going concern—i.e., the result of 150,000 acres being cleared and in grass—the people would be receiving £40,000 per annum from now onwards. That would be the producing-power of the land, and it would have yielded £40,000 next year, whereas now nothing will be received. That is a direct loss.

34. *Dr. Findlay.*] For how many years in the future?—This would go on until it overtook the £40,000. Working on the same basis as the £200,000 was arrived at, it would bring it to £300,000 before the £40,000 per annum was overtaken. Of course, if you alter the basis and lessen this, you must increase the £200,000; so it does not matter which way you work it, it comes out about the same in the aggregate.

35. Is that £300,000 in addition to the £200,000?—Yes; it is £200,000 up to date, so that makes it £500,000 in all.

36. *Mr. Bell.*] I should like to ask you, before you go further, whether you have had any guide whatsoever as to your evidence, or whether these are your own calculations made entirely independently and from your own view?—They are entirely my own opinions, and no suggestion has been made to me with regard to them.

37. You may pass to the next subject, taking it in your own way?—I was going to touch on the loss of population next. It is very evident that the population has drifted away from that part of the country—from Belgrove right through to Greymouth—and there has been a pretty steady drift. I have worked this out principally on the census of 1891 to 1896, which is about the middle of the period. I may say that what I have taken is not the whole of the district—the Towns of Nelson and Westport, and the whole of the Westport district which is effected by the mining, are left out. I take the Waimea, the Inangahua, and the Grey Counties. During the five years the Waimea County lost 1,109 of population, taking into account the natural increase; the Inangahua County lost 744, and the Grey County about 63. In adopting the natural increase I allowed a little in the case of the Inangahua and Grey Counties, on account of the mining population there. That brings it practically to a loss of 1,900 in five years—that is the loss allowing for the natural increase. I found from the Year-book that births exceeded deaths by about seventeen per thousand annually. Working on the same basis the three counties lost 3,137 of population from 1886 to 1896.

38. Have you made any estimate of the loss of Customs revenue?—No. I wish it understood that I do not look upon the whole of the £500,000 as being loss. You have to take into consideration the amount of outlay there was in producing that.

39. Can you give us the dead loss?—I have not got that. I have given these figures and thought the Committee would use their own judgment in arriving at that.

40. You have given us the loss of settlement, the loss of revenue, and a calculation of the loss in the improvement of land, the loss in the grazing of stock and the carrying capacity of the land. Then you gave us the loss of population. You say you have not estimated the trade and Customs. There is one point I want to know from you: Is it a fact that men have left the Nelson District who would be suitable settlers, from your own knowledge?—Undoubtedly they have. I have been told that many sons of the settlers of Tadmor Valley, Takaka, and Sherry have left, and others from my own knowledge have left the district; I have heard it also from my own officers. Only last