MINUTES OF EVIDENCE.

WEDNESDAY, 19TH SEPTEMBER, 1906.

J. B. CONNETT, Chairman of the New Plymouth Harbour Board, examined. (No. 1.)

1. *The Chairman.*] The Committee believe you have come to give evidence with regard to the amount of the Crown-land sales set aside on behalf of the New Plymouth Harbour Board. Is that so?—That is what I am summoned for. I may say I had no idea that I was to be called on to give evidence of this sort, or I should have come prepared. What I can give you will simply be from memory. Fortunately, however, the Hon. Mr. Kelly is present. He was the first Chairman of the Board, and is familiar with whole thing from the start. I can speak as to the position of the Land Board. I was a member of the first New Plymouth Harbour Board. I was in the Provincial Council when the Bill was passed through the Council.

2. Will your proceed, please?—I will give you information as far as I can, and leave the details to Mr. Kelly, who has everything at his fingers' ends. I will deal with the present position. I have here the figures showing the land revenue we have been getting for the last fifteen years. I may say that it has been gradually going down, owing to various alterations in the land laws of the colony. As you are aware, the tenure was all freehold, then the leasehold system was adopted, and latterly the Swamp Act has interfered very considerably by giving the settlers four years rent-free. The revenue now is £3,000. That is the lowest amount I think that we have ever had. I may say, however, that the Swamp Lands Act simply affects the revenue for the time being; it will come in later on, when the rents begin to come in. It has meant a sudden drop for us for a time. I think, however, we can fairly reckon that, if the sales go on, we should get at least from £3,000 to £4,000 a year.

3. *Mr. W. Fraser.*] You mean from land?—Yes. I may say that 25 per cent. of the land revenue is applied to this purpose, and goes towards the payment of interest on the loan. The balance has to be made up by striking a rate. Last year there was a rate struck for rather more than was required, so this year a farthing rate will meet it, with the balance that was brought forward.

4. *The Chairman.*] How much was the rate last year?—Five-sixteenths of a penny, and three-eighths the year before. It will probably go up to five-sixteenths again next year. I think the farthing rate will bring in between £8,000 and £9,000. Twelve thousand pounds has to be raised, and there are certain expenses, which brings the amount up to about £12,600. I do not know that I had better go into other points in connection with the matter. As I have said before, Mr. Kelly is in a better position to give you particulars. If there are any questions you would like to ask I am prepared to answer them to the best of my ability.

5. *Mr. Bennet.*] What is the area of your endowment?—I could not say. It embraces pretty well most of the Taranaki District—not all of it, but the greater part. Perhaps Mr. Kelly could acquaint you with the area.

6. *Mr. Flatman.*] Has any other alteration affected your Board other than the Bush and Swamp Lands Act?—That does not affect us except for the time being. We shall get the money when it comes in.

7. But is there any alteration that affects you besides that?—It affects us in this way: if the land is leased we do not get the money just as we should if the land were sold. It affects the revenue for the time being.

8. *Mr. Mills.*] You mentioned £12,500, I think: Is that for this current year, or is it what you expect to get from rating?—No; the land revenue this last year is the lowest we have had, and it has been about £3,000. The reduction has to a certain extent been caused by alteration of the land law—letting of the land for four years rent-free. Another thing that has caused it is the Government being anxious to lease rather than sell the land, and allowing the people who take it up to pay only 4 per cent. instead of 5, as they would do if they purchased the land.

9. What does the £12,500 relate to?—That is the interest on the £200,000 loan. Twelve thousand six hundred is, I think, the amount it really takes. The loan matures in about two years from next May.

10. *Mr. W. Fraser.*] Have you read this Bill?—I have not gone carefully through it.

11. Are you familiar with the endowment part of it?—No. I asked several members of Parliament, and as they were not quite clear upon it I was anxious to find out what the effect would be.

12. You cannot tell the Committee, then, what the effect of passing clause 3 of the Bill would be upon the endowments of the New Plymouth Harbour Board?—As I say, I have asked several members of Parliament, and they could not be quite certain, so I would not profess to say what it means. The only thing is, I want to be very careful we do not lose our endowment.

13. Is there much of the land which yields this revenue that has not been selected?—Yes, a large portion.

14. *Mr. Witty.*] Am I to understand that you get 25 per cent. of the cash received from all lands that are sold?—Yes, in the harbour area. Of course, it does not take in all the Taranaki Province.