District and including in it all this land which the petitioners represent, and which they now ask to have cut out of the drainage district-that is, all the land on the eastern side of the river. accordance with the provisions of the Act, classifiers were appointed and the lands were classified. Thereupon the settlers took a further opportunity of appealing against being classified into classes in which they would have to pay rates. They objected, and their objection was supported by four leading engineers in Dunedin—the City Engineer (Mr. W. D. R. McCurdie, who is here, Mr. R. S. Allen, Mr. L. O. Beal, and Mr. Williams. Those gentlemen all supported our view of the case, that we should not have been included in the drainage district.

Right Hon. Sir J. G. Ward: Who are "we"? Is that the eastern side?
Witness: Yes; North Taieri and East Taieri. Not only was that view supported by those engineers, but it was supported also by the evidence taken by the Commissioners. In addition to that, two of the classifiers, whose classification was upheld by the Magistrate, admitted in cross-examination that in their opinion North Taieri and Irregular Block, East Taieri, should not have been included in the drainage district. When the matter was before the Assessment Court the Magistrate was considering appeals against the classification of the land. Under the Act the land had to be classified into three or four classes, and rated according to classification. The question before the Magistrate was whether that classification was a correct classification of the lands in the district or not, and, although some alterations were made in it, the general result was that he upheld the classification. But the Magistrate did not go into the question as to whether these lands were properly included in the district or not—that was not the point before him. If I mistake not, what he did say was that because they were included in the district it must have been intended that they should bear some portion of the taxation, and therefore he included them in the classes that were liable to be rated. That really was the ground of his decision. The classification was made by Messrs. O'Neill (Crown Lands Ranger), Craig (Government Valuer), and Couston (County Engineer). The evidence before the Court was that these lands should not have been included in the district; but the Magistrate said he had nothing to do with that; they were included in the district by the Act, and that it was not for him to decide that point. Immediately after the classification, the people occupying lands in East Taieri got up another petition asking that they be cut out of the district, and that is one of the petitions that is being considered to-day. That petition was signed by 230 people in the district, who are nearly all ratepayers. There are on the ratepayers roll, in round figures, about two hundred and fifty names. That petition was presented to every ratepayer, including those opposing it here to-day, and there were only thirteen who refused to sign it. There were a few other names on the roll of people who were not available, because some of them were dead and others were out of the district. But the position is that in East Taieri 230 people out of a total of 250 have asked that they should be cut out, only thirteen refusing to sign. We are not here representing a few agitators: we are here representing a community which is practically unanimous in its desire to get out of the drainage district, After that petition was sent in Sir Joseph Ward visited the district, and was taken round it. a speech which he made in the evening he referred to the matter, and said it was a difficult problem to deal with, but he would send somebody to inquire into it, in order to guide him as to what should be done. He kept that promise, and sent Messrs. Lundius and Buckhurst to inquire into the matter and to report on it. Those gentlemen spent about five or six weeks in the district, and they investigated the matter thoroughly. I believe they visited nearly every property in East Taieri, and they also went over to West Taieri and made a careful investigation there, and the result of their investigations is that they recommend, without any hesitation, the very thing that we are asking to-day—that East Taieri should be cut out of the drainage district; and their report shows that they had a thorough grasp of the situation. Their report says, "That all lands lying east of the Taieri River now included within the district be severed from the same." And again, "After giving the question every consideration, we decided to suggest that the Hon. the Minister of Lands be advised to recommend to His Excellency the Governor the exclusion of all lands east of the Taieri River from the drainage district, for the following reasons: (a.) By far the larger portion of the East Taieri will receive little or no benefit from the proposed or contemplated drainage-works. (b.) Many of the ratepayers whose lands are situated in the lower portions next to the river are doubtful of receiving any benefits, and have expressed themselves as desirous of having their lands excluded from the district; and even some of those whom it is thought would receive the greatest benefit from a drainage scheme have stated that if the dry lands are excluded they would like to be excluded also. (c.) The cost of the proposed work on the eastern side and other works contemplated, together with the maintenance of the same, will be more than the area of land to which drainage is necessary can reasonably afford without contributions from the owners of lands already provided with drainage; and it appears to us unfair to expect owners of the drained lands to consent to be taxed for the benefit of owners of land requiring drainage." That is exactly what we say. The bulk of this land is drained already and is dry, and why should the owners of it be asked to drain swamp land near the river. Messrs. Lundius and Buckhurst agree with us. Their report goes on to say, "(d.) We see no indication of any such drainage schemes as proposed by Messrs. Bell, Higginson, and Blair, in Report E.-6, 1880; Mr. Carruthers, D.-5B, 1871; or Mr. J. T. Thompson, I.-2B, 1877, being adopted. (e.) Until something is done to meet the wishes of the signatories to the petition for exclusion of their lands from the drainage-area, dissatisfaction and agitation for severance will continue; and it is our opinion that it is best to deal with the question at as early a date as possible, so that finality can be secured before any further loans or expenses are incurred by the Board. If the exclusion of the East Taieri lands from the district is decided upon, their share of the liabilities and expenses already incurred by the present Drainage Board can be adjusted as provided by subsection (2) of section 16 of the Taieri Drainage Act." We are quite willing that that should be done: we agree that any expense already incurred should be borne by ratepayers on both sides of the river. Messrs. Lundius and