is very light, and we have had great difficulty with our burns. Bushfelling is a very expensive item; we have been paying £2 an acre. I am paying that this year, and could only get a small area cleared.

16. The Chairman.] What do you pay for your fencing?—I have not paid more than £1 a chain

16. The Chairman.] What do you pay for your fencing ?—I have not paid more than £1 a chain for the actual erection of the fence, but we have to provide the wire. I have paid up to as much as £3 an acre for clearing fence-lines.

17. And what do you pay for grassing?—It costs me about 15s. an acre for grassing. When we took up the sections we looked on the timber as a contingent asset. We knew that the half-royalty clause was there, but we were not aware that it would be considered an absolute bar by timber companies in dealing with us, and we made considerable efforts to sell the timber, because, having no road, we thought that if we could get a tramway in we should be able to get our provisions in, and our wool and other produce out, very much cheaper

and other produce out, very much cheaper.

18. Hon. Mr. Ngata.] Who has to fix the royalty?—The clause says, "one-half of the royalty rates then current in the district for all marketable timber," fixed by the Timber Regulations for the Crown. In some of the leases issued subsequently the Board have inserted a clause limiting the amount payable to the lessors in any one year to £50, and in some cases to £25; but the sections affected are further away from the railway, and the timber is not so marketable. A sawmiller took up a section next to us, with a view to holding the section for a number of years and utilizing the timber.

19. Hon. Sir J. Carroll.] What is his name?—Wilson is the name of the sawmiller. I think the section is in the name of Coogan. He was forced to sell it, but he said it would not pay him to put a mill in. Of course, some of the lessees have been able to borrow on their leases; but the legal expenses are high, and the rate of interest, of course, is much higher than the Advances to Settlers Department charge.

charge.

20. You refer to loans from private sources?—Yes. The lessees cannot get them from any other surces.

21. If these securities were entertainable by the Advances to Settlers Department, for instance, you would be better satisfied?—It would be much more satisfactory. The heavy nature of the timber on this land has made it very much more expensive to farm than the ordinary light bush country.

22. That only applies to the northern part, I presume ?—I understand the bush is lighter as you get down towards the Wanganui River. Of course, we have no road at the present time—all we have

is a pack-track. I have bridged two of the creeks at my own expense.

23. The Chairman.] What do you pay per acre in rent ?—I pay 2s. 3d.; my brother pays 1s. 6d. 24. Is there any other point you wish to touch upon ?—Of course, we are applying for the freehold. Mr. Pemberton was asked how he thought the price should be arrived at. My own idea was that it should be assessed on the present value. The money might be paid to the President of the Board, and invested by him for the Natives. The present position is such that the Natives cannot possibly benefit under it. What is the freehold worth, subject to a forty-two-years lease, the purchase being something like fourteen years' rent? The Natives would not be giving up anything that was of any great advantage to them. I do not see what benefit they will get from the land; and if things go on as they are, who is to find the money to pay for our improvements? If you place the improvements at £4 an acre over the block, a sum in excess of £200,000 will be needed; and, as I point out to you, we have a legal opinion that our improvements under these original leases are not vested on the land, and that the Board have no power to do it without legislation. They have given us a lease purporting to give us this right of improvement, but when we come to borrow this thing is dug up against us. I may say that one of the sections next to us was originally taken up by a Native. Of course, he did not farm it in any way—he never occupied it. It was a nuisance to us because the land was allowed to become overrum with rabbits and noxious weeds. I had to make representations to the Rabbit Inspector about the section not being properly poisoned; the rabbits were coming in on to our country. To finish with, I had to sue the Native for half-cost of a boundary-fence, and he sold the section to somebody else. It is now in the hands of a white man, and he is farming it.

25. Hon. Sir J. Carroll.] A very small percentage was reserved for the Natives?—Yes. That particular section was 756 acres in area. I have had the same difficulty as Mr. Pemberton in regard to fencing. I cannot get paid for one boundary-fence that I put up, and the felling cost me £3 an acre. The valuation of the block seems very peculiar. Some of the lessees are paying as little as 6d. an acre for country which is very much better than some other country which has been let for 2s. 3d. I do not know what basis the valuation was made on. A lot of the land is let for 9d. an acre. Well, the Natives, you see, would get a considerable advantage in respect of that, because the Government valuation, I feel sure, would not be less than £2 an acre for that country, unimproved value. The Natives themselves would be benefited if the freehold were conceded to us, and the tenants are looking with alarm on this position: white people are being allowed to acquire land direct from the Natives without the intervention of the Board. The Natives apparently will be allowed to divest themselves of these other lands, and then the argument will be used against us that these lands leased by us are the only lands the Natives have got left, and therefore they should not be allowed to sell them. The tenants are very much alarmed by that position—that they should not be allowed to purchase the lands they hold, which they have spent a large sum in improving, while other people can purchase.

26. Hon. Mr. Ngata.] Going back to the matter of borrowing from the State-guaranteed Advances Department: I take it you made application under paragraph (q) of section 39. I will read it. This is one of the classes of land on which the Advances to Settlers Office is authorized to lend money: "Maori lands which have been transferred in trust for leasing to and are held under leases from a Maori Land Board under the powers contained in the Maori Lands Administration Act, 1900, and its amendments, and which have been granted for terms of not less than twenty-one years, with right of renewal for another term of twenty-one years, or for further terms of twenty-one years, and which contain the provisions set out in the regulations under the last-mentioned Act for valuation for improvements." That covers the class of lease that you hold?—Yes. The leases were not eligible when we first took them up. We made representations to the Minister and he made them eligible.