

86. Do you think the State has received full payment for its interest in the land?—I do. I might state that there is just one thing which is perhaps responsible for these articles that have appeared in the paper. The ordinary public do not understand the tenant's interest, and when they hear of a case where a section which we have valued at, say, £120 has been purchased for less than £50, they do not know anything about what our value is. They simply know that this man has purchased his section for £50 or less. In the case where I put on an unimproved value of £285, the man was able to purchase at £150. That is all that the general public know—that this man was able to purchase the section worth £285 for £150. That gives a reporter something to go upon, and with the usual exaggerations the outcome is the articles which we see in the papers.

87. Is it not largely a case of the public not being able to realize that the present value of money which is coming in, say, thirty years hence is a very different thing from the amount that will then be received?—That is so. They do not understand the lessee's interest. As soon as ever these lessees take up their land they participate as a right in the increase which takes place. It has been a bit of good luck to them that the increase has taken place.

88. You were speaking of one particular section, the present-day valuation of which is £120. If that had had no lease on it and the State had sold it, what amount of money should they have asked for it?—£120.

89. So that what the State has got for the land is £120, less the tenant's interest?—That is a thing provided for by the Act. It is assumed that this is worked out on a proper 5-per-cent. basis.

90. *Mr. MacDonald.*] What class of settlement was on this land prior to its being purchased by the Crown? What calling were those in occupation following?—Fruitgrowing, I believe. There are the remains of an old orchard with the homestead now.

91. You stated just now that you are not sure whether the land will increase in value or not. Supposing you were making a valuation for the purposes of an advance and you were filling in your report where it says, "Is the land likely to increase or decrease in value," what would you put in your report if you were reporting on New Lynn?—I would put in that it was likely to increase.

92. Some of these tenants have purchased from the Crown?—I understand they have. I know they have received word what it will cost them.

93. You were instructed to value these sections because the owners were making application to purchase?—That is so.

94. *Mr. Witty.*] You say that you would not care to farm on this land?—I said I would not care to go in for general farming, but fruit-farming I would.

95. Is there any bus or tram or anything of the sort at all? What is the nearest point for it?—A bus was running to Avondale, coming to within about two miles. I am not sure whether it is running now.

96. Was the land that was offered at £65 an acre the same class of land as Hetana?—Yes, very much the same.

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FRIDAY, 8TH AUGUST. 1913.

EDWARD MORGAN further examined. (No. 3.)

1. *Mr. Witty.*] What is the average distance from the railway-station of the block that was offered to the Crown at £65 an acre?—The average distance would be about 110 chains.

2. A little further than the Hetana land?—It would average about 30 chains more than the average of Hetana.

3. Was it not because the areas were too small that the land was not taken up originally in the Hetana Hamlet?—I think that must have been one of the factors, because there was an agitation to have the areas made larger. But the other factor was that there was really no particular demand for that class of land at that time.

4. The areas are really too small now, I take it, for farming?—They are too small for ordinary farming, of course. They are all right for suburban homes.

5. Is there not a large prospective value owing to there being clay on this land for brick-making in the future?—No. There is a little portion of the part which is now under lease in perpetuity fronting one of the brick-yards which possibly would have a value, but it would not extend to the part which is under discussion now.

6. Is not the land at Hetana better for workers, seeing that it is close to the brick-yards, than land would be at Ellerslie away from their work?—Of course, it would be better for a man who had permanent employment in one of these brick-yards; but it would not be nearly so good for workers generally.

7. There is no other work about?—The only industry in the neighbourhood of Hetana is in connection with these brick-works, and, of course, a number of the holders of the sections at the present time are not engaged there. Some of them are wharf labourers, carpenters, painters, and tradesmen of various other kinds.

8. I think it was mentioned that there was land advertised at £50 an acre. Of course, in any district the land varies very much?—That is so.

9. And this land offered at £50 might not be nearly so good as that at the hamlet?—It might not be; but knowing the district well I cannot think of any block of a number of acres within the distance stated in that advertisement in which the average quality of the land would be worse than the average of Hetana.

10. Have you a map of the hamlet?—Yes [produced].

11. What I want to get at is the depth of the sections. Every one of these sections [indicated]

3—I. 5A.