

17. Do you expect the freehold to increase at the end of the period if they had kept their leases?—Possibly there would be an increase, but when the question of the value of money is worked out I doubt very much whether there will be any more value.

18. I think you stated that it had doubled itself in seven years?—No. Since 1899 most of it had been regrouped and put on the market, and the increase is mostly on that part.

19. But it had doubled its value?—A little more than double its value since it was first put up in 1902.

20. Auckland is likely to spread, is it not?—Well, it is spreading in all directions.

21. And spread out towards New Lynn?—Yes, it will get its share.

22. That must give that land an enhanced prospective value?—For building-sites only.

23. Has the freehold given any increased speculative value to the land?—Yes, I should think it has. It enables them to finance better.

24. But most of them already had their improvements, had they not?—Yes.

25. You say that the 39 acres is being cut up?—Yes.

26. *Mr. T. W. Rhodes.*] I think you said that latterly there had been a greater disposition to improve the sections?—Certainly.

27. Do you think the freehold being conceded to the occupiers had any effect in that way?—Well, it is hardly time to tell that. If I may express the opinion, I think that having the right of the freehold in sight for the last twelve months has enabled them to finance a great deal better. They were nearly all poor men, and had to raise the money in some way or another.

28. And as a result they have been able to improve?—Yes. There have been many houses and good additions put on, and there seems to have been an improvement all round.

29. And is it not a fact that the freehold being conceded to them has meant progress in that district?—I should think so, judging from the additions and other things I saw.

30. *Mr. Coates.*] Are the lease-in-perpetuity sections occupied?—Yes, they are all occupied.

31. It is part of the same block, is it not?—Yes.

32. *Hon. Mr. Buddo.*] You mentioned £2,945 as the value of the sections when first offered?—Of the sections dealt with here.

33. Under the renewable lease?—Yes, renewable lease.

34. It is the renewable lease we are now dealing with and no other?—Yes.

35. The value of the sections under renewable lease when first offered was £2,945: they were offered at that price?—Yes.

36. Can you tell me what amount of money the State will receive when those are converted?—Over and above the upset?

37. No, the actual amount of money received. I understand they are converted into the freehold or in the process of being converted?—Twenty are completed and twenty-eight just ready to be completed. The papers are under way.

38. Is that the whole of the sections?—All that have been dealt with up to date.

39. There are no other sections included in the £2,945?—There are other renewable leases they can apply to make freehold.

40. You gave the value of the land when first offered at £2,945, on renewable lease?—Yes.

41. Have the whole of those sections been converted or are they in the process of being converted?—No, only twenty have been converted, of a value of £2,160. There are eight others in process of being converted. The value of the twenty converted is £2,160, and the Valuer-General's value of that lot is £5,200, and the amount received for the twenty sections is £2,878 19s. 8d.

42. And how much more value is there still to convert?—There are eight sections to complete, which is another £800-odd on one side and £1,000 improved value on our side.

43. I only want to know the amount the State will receive?—The State will receive on completion of all transactions £3,898 11s. 6d.

44. Are there any sections still remaining?—Yes.

45. They have not applied to convert?—No. All the hatched red sections on the plan are open for application for conversion now. The deep red sections are those that have been converted, and the blue are the original lease-in-perpetuity.

46. Generally speaking, how much has this land appreciated during the last ten years? It was purchased at £10 an acre, was it not?—Yes. I have not got the figures beyond those we have dealt with.

47. They will probably have increased in value by four times at least?—No, a little over twice—probably two and a quarter. It is £7,000 against £2,945.

48. The total value of the whole of the renewable leases is £7,000?—Yes, those that have been dealt with. We received £3,999, and we have made a profit of almost £1,000 on the transaction.

49. What would be the cost of settling those sections?—The block was all loaded with the cost of settling.

50. Could you approximate the cost of settlement?—I did not go into it.

51. Would the cost of settlement and roading be included in the £2,945?—Yes, everything. They may have been given some grants since.

52. Would those grants amount to £1,000?—No.

53. You are still of the opinion that the State will receive a small amount of profit on those sections?—A good amount of profit.

54. The figures you supplied were £2,945 as the cost, and the Government receives £3,898?—Yes, a profit of almost £1,000.

55. *Hon. Mr. Massey.*] I think you mentioned that there was a speculative value in the neighbourhood of Auckland which had reached New Lynn?—I think so.