

56. And speculative prices being obtained for the land?—I think so.

57. You mean by that prices which are not justified by ordinary conditions?—I think not.

58. You are acquainted with the whole history of the Hetana Settlement?—Yes.

59. It was opened in 1902?—Yes.

60. Did it go off well at the time?—No, it was a failure; and it was not until 1909, when the sections were grouped and put under renewable lease, that it started to go off, and it has been going off gradually till completion. There are two we held back that were forfeited. The sections went off originally under lease in perpetuity from 1902 to 1909.

61. How long since is it since the last sections were forfeited?—Within the last twelve months—forfeited in my time.

62. For what reason?—The conditions were not fulfilled.

63. Is it within your knowledge that the Government Pomologist reported on these sections as being unfit for fruitgrowing?—It is not within my knowledge, but I can understand it. The orchard on the homestead has not been a success.

64. It is within your knowledge that the Government Department of Agriculture refused to take it over for experiments?—No.

65. I think you referred to a property adjoining Hetana that was offered to the Government within the last month or two for workers' homes?—Yes.

66. You know that?—Yes.

67. Do you remember the price asked for it?—£65 per acre.

68. Do you think it was worth that?—No.

69. What do you think it was worth?—We did not put a price on it. We found we could not get anywhere near that, so we did not make a recommendation.

70. Do you know what was paid for it by the people who offered it to the Government?—Yes, they gave £38 for some and £25 an acre for the balance.

71. Do you think that was the value at the time?—Yes. That is what I am informed they gave.

72. Can you state the number of forfeitures or surrenders that have taken place on the Hetana Settlement since it was first opened in 1902?—Fifteen forfeitures.

73. You know what values have been placed upon these properties by the Valuer-General and his staff?—Yes.

74. Do you think they were fair?—Yes.

75. *The Chairman.*] What is the character of the land?—Stiff clay.

76. Is there any manuka scrub on it?—Yes, there was some, and there is still some on a good many of the sections. It is not first-class soil.

77. Is it second class?—It would be called "second class" by some people, and called "no class" by others.

78. For grazing purposes would it have any value?—Not until it was well worked up, and that would cost up to £8 an acre.

79. Are the improvements substantial on the sections?—In nearly all cases.

80. *Mr. Coates.*] Was a portion of this block sold by the lessees who had purchased it?—Yes, the homestead-site has been sold to a firm of speculators. It has not been sold again yet—it is being subdivided for sale.

81. Did the owner—the lessee—who purchased the land under last year's Act make a loss or a profit when he sold to the speculators?—I cannot say that. He gave the State £976 5s. 2d., and he sold for £1,970-odd. There are a lot of improvements which he put on himself. What he gave us was only for the unimproved value. If you add on the £434 15s. for improvements he would be making £500 out of it, but there are a lot of other improvements that you could hardly count in a man improving a place.

82. How long has he held this land?—He has not held it very long. He got it from some one else. That section has had a chequered career.

83. How many sections will it cut up into?—I do not know. It is being cut up now.

84. *Hon. Mr. Massey.*] Do you know the capital value placed on this section by the Valuation Department?—Yes. The unimproved value placed upon the section is £1,570.

85. Are you aware that the value of the improvements was £560?—Yes.

86. If that is so that would make the capital value of the place £2,130?—Yes.

87. Do you know what Mr. Bird got for it?—£1,772.

88. So that he got less than the capital value?—Yes.

89. *Mr. Forbes.*] What was the price he gave the Land Board for this homestead section?—£976 5s. 2d., unimproved value. That was the State's interest, and £560 was the Valuation Department's value of improvements.

90. He sold it for £1,972-odd?—Yes.

91. Then he made a profit of about £400 on the sale?—Yes; but he held it two or three years and put a lot of improvements on it which we do not know of, such as clearing furze.

92. Would not the valuer give any value for that?—He may not. In all those cases when a man stays on a place for two or three years there is always a lot of improvements which the valuer can hardly assess. That is our experience.

93. *Hon. Mr. Buddo.*] What was the original value of this section of 39 acres?—£790, unimproved value.

94. Was that what it was taken up at seven years ago?—It had a chequered career. It was forfeited once and put up again on renewable lease. The renewable-lease price was £790, and the improvements on top of that would be several hundred pounds.

95. That is not the price it was offered at in 1902?—I am not quite sure about that.