

1913.
NEW ZEALAND.

LANDS COMMITTEE

(REPORT OF) ON PARLIAMENTARY PAPER NO. 98 C, REGARDING THE SALE BY PUBLIC AUCTION OF SECTION 20, BLOCK IX, CHEVIOT SURVEY DISTRICT, CONTAINING 8 ACRES 2 ROODS 12 PERCHES.

(MR. E. NEWMAN, CHAIRMAN.)

Report brought up on the 22nd October, and, together with the minutes of proceedings and evidence, brought up on the 15th December, 1913, and ordered to be printed.

ORDERS OF REFERENCE.

Extracts from the Journals of the House of Representatives.

THURSDAY, THE 3RD DAY OF JULY, 1913.

Ordered, "That Standing Order No. 219 be suspended, and that a Committee be appointed, consisting of fourteen members, to whom shall stand referred after the first reading of all Bills affecting or in any way relating to the lands of the Crown, or educational or other public reserves; the Committee to have power to make such amendments therein as they think proper, and to report generally when necessary upon the principles and provisions of the Bill; the Committee to have power to call for persons, papers, and records; three to be a quorum; the Committee to consist of Mr. Anderson, Hon. Mr. Buddo, Mr. Coates, Mr. Forbes, Mr. Guthrie, Mr. MacDonald, Mr. E. Newman, Mr. Nosworthy, Mr. T. W. Rhodes, Mr. Robertson, Mr. R. W. Smith, Mr. Statham, Mr. Witty, and the mover."—(Hon. Mr. MASSEY.)

THURSDAY, THE 15TH DAY OF JULY, 1913.

Ordered, "That Paper No. 98 C, 'Correspondence relating to the Sale by Public Auction of a Small Area of Land in the Cheviot District,' be referred to the Lands Committee."—(Hon. Mr. MASSEY.)

REPORT.

THE Lands Committee, to whom was referred the above-mentioned paper, has the honour to report that it has carefully considered the same, and during the course of the inquiry has examined the following witnesses: J. Strauchan, Under-Secretary for Crown Lands; C. R. Pollen, Commissioner of Crown Lands, Canterbury District; J. Gibson, an ex-member of the Canterbury Land Board; T. Gee, member of the Canterbury Land Board; J. Rentoul, bee-farmer, Cheviot; E. R. Holton, sheep-farmer, Cheviot.

That, having heard the evidence of the witnesses above mentioned, the Committee is of opinion that there is not the slightest evidence to support the suggestion that either the Minister of Lands or the Lands Department was actuated or influenced by political motives in deciding to offer the section by auction under the conditions of the Cheviot Estate Disposition Act, 1893, and that the statement made by Mr. Gibson in his letter quoted by Mr. G. W. Forbes, M.P., which reads as follows—"Mr. Massey's supporters had approached him to allow the section to remain in possession of the previous tenant who farms the adjoining land"—was without foundation in fact.

A copy of the minutes of proceedings and evidence taken is attached hereto.

22nd October, 1913.

E. NEWMAN, Chairman.

MINUTES OF PROCEEDINGS.

THURSDAY 31ST JULY, 1913.

The Committee met at 10.30 a.m. pursuant to notice.

Present: Mr. E. Newman (Chairman), Mr. Anderson, Hon. Mr. Buddo, Mr. Coates, Mr. Forbes, Mr. Guthrie, Mr. MacDonald, Hon. Mr. Massey, Mr. Nosworthy, Mr. T. W. Rhodes, Mr. R. W. Smith, Mr. Statham, Mr. Witty.

The minutes of the previous meeting were read and confirmed.

Paper 98 C, relating to the Sale by Public Auction of a Small Area of Land in the Cheviot District.—The order of reference referring Paper 98 C to the Committee was read by the clerk.

Resolved, That consideration of this paper be deferred pending the attendance of the following witnesses: Commissioner of Canterbury Land Board, Mr. Holton, Mr. Rentoul, Mr. Gee, and Mr. J. Gibson. Such witnesses to be summoned to attend on Thursday, the 14th August, 1913, at 10.30 a.m.

The Committee then adjourned.

THURSDAY, 14TH AUGUST, 1913.

The Committee met at 10.30 a.m. pursuant to notice.

Present: Mr. Guthrie (Chairman), Mr. Anderson, Hon. Mr. Buddo, Mr. Coates, Mr. Forbes, Mr. MacDonald, Hon. Mr. Massey, Mr. Nosworthy, Mr. T. W. Rhodes, Mr. R. W. Smith, Mr. Statham, Mr. Witty.

The minutes of the previous meeting were read and confirmed.

Paper No. 98 C.—Resolved, on motion of Mr. T. W. Rhodes, That the Committee call only one witness at a time, such witness to retire as soon as he has tendered his evidence.

The Committee then proceeded to hear the evidence on the paper.

Mr. John Strauchan, Under-Secretary for Lands, was examined by members of the Committee.

Mr. C. R. Pollen, Commissioner for the Canterbury Land Board, was also examined by members of the Committee.

The Committee then adjourned.

FRIDAY, 15TH AUGUST, 1913.

The Committee met at 10 a.m. pursuant to notice.

Present: Mr. Guthrie (Chairman), Mr. Anderson, Hon. Mr. Buddo, Mr. Coates, Mr. Forbes, Mr. MacDonald, Hon. Mr. Massey, Mr. Nosworthy, Mr. T. W. Rhodes, Mr. Robertson, Mr. R. W. Smith, Mr. Statham, Mr. Witty.

The minutes of the previous meeting were read and confirmed.

Paper 98 C.—The Committee proceeded to hear further evidence on this paper.

Mr. J. Gibson, farmer, Cheviot, and late member of the Canterbury Land Board, made a statement, and was examined by members of the Committee.

Mr. John Rentoul, bee-farmer, Cheviot, made a statement, and was examined by members of the Committee.

Mr. E. R. Holton, farmer, Cheviot, made a statement, and was examined by members of the Committee.

Mr. Thomas Gee, farmer, Cheviot, and also a member of the Canterbury Land Board, made a statement, and was examined by certain members.

Resolved, on motion of Mr. Coates, That further examination of Mr. Gee be postponed until Wednesday next, the 20th instant, at 10 a.m.

The Committee then adjourned.

WEDNESDAY, 20TH AUGUST, 1913.

The Committee met at 10 a.m. pursuant to notice.

Present: Mr. Guthrie (Chairman), Mr. Anderson, Hon. Mr. Buddo, Mr. Coates, Mr. Forbes, Hon. Mr. Massey, Mr. Nosworthy, Mr. T. W. Rhodes, Mr. Robertson, Mr. R. W. Smith, Mr. Statham, Mr. Witty.

The minutes of the previous meeting were read and confirmed.

Paper 98 C.—The Committee proceeded to hear further evidence on this paper.

Mr. Thomas Gee, farmer, Cheviot, was further examined by members.

Mr. John Strauchan, Under-Secretary for Lands, read a statement, and was examined by certain members.

The Committee then adjourned.

THURSDAY, 21ST AUGUST, 1913.

The Committee met at 10 a.m. pursuant to notice.

Present: Mr. Guthrie (Chairman), Mr. Anderson, Hon. Mr. Buddo, Mr. Coates, Mr. Forbes, Mr. Macdonald, Mr. Nosworthy, Mr. T. W. Rhodes, Mr. Robertson, Mr. Statham, Mr. Witty.

The minutes of the previous meeting were read and confirmed.

Paper No. 98 C.—Resolved, on motion of Mr. Nosworthy, That the evidence in connection with this paper be printed.

The Committee then adjourned.

THURSDAY, 2ND OCTOBER, 1913.

The Committee met at 10.30 a.m. pursuant to notice.

Present: Mr. E. Newman (Chairman), Mr. Anderson, Hon. Mr. Buddo, Mr. Coates, Mr. Forbes, Mr. Guthrie, Mr. MacDonald, Hon. Mr. Massey, Mr. Nosworthy, Mr. T. W. Rhodes, Mr. R. W. Smith, Mr. Statham, Mr. Witty.

The minutes of the previous meeting were read and confirmed.

Paper No. 98 C.—Deliberation.

Resolved, on motion of Hon. Mr. Massey, That the following report be adopted:—

“That the Lands Committee, to whom the paper dealing with the proposed sale of a small section at Cheviot was referred, has examined a number of witnesses, including the Under-Secretary for Lands; the Commissioner of Crown Lands, Canterbury; Mr. Gibson, an ex-member of the Canterbury Land Board; Mr. Gee, a resident of Cheviot and a member of the Land Board; and others, and have to report that there is not the slightest evidence to support the suggestion that either the Minister of Lands or the Lands Department was actuated or influenced by political motives in deciding to offer the section by auction under the conditions of the Cheviot Estate Disposition Act, 1893, and that in the opinion of this Committee the statement made by Mr. Gibson in his letter quoted by Mr. Forbes, M.P., which reads as follows—‘Mr. Massey’s supporters had approached him to allow the section to remain in possession of the previous tenant who farms the adjoining land’—was without foundation in fact.”

Mr. Forbes moved the following resolution:—

“That, after hearing the evidence on the subject, and in view of the fact that the Canterbury Land Board, acting on the report of its Rangers, recommended the offering for selection on renewable lease, Section 20, Block IX, Cheviot Survey District, this Committee is of opinion that such recommendation should be given effect to.”

On the question being put, the Committee divided, and the names were taken down as follows:—

Ayes, 5: Hon. Mr. Buddo, Mr. Forbes, Mr. MacDonald, Mr. R. W. Smith, Mr. Witty.

Noes, 8: Mr. Anderson, Mr. Coates, Mr. Guthrie, Hon. Mr. Massey, Mr. E. Newman, Mr. Nosworthy, Mr. T. W. Rhodes, Mr. Statham.

So it passed in the negative.

Resolved, on motion of Mr. E. Newman, That the resolutions of the Committee be reported to the House.

MINUTES OF EVIDENCE.

THURSDAY, 14TH AUGUST, 1913.

JOHN STRAUCHON examined. (No. 1.)

1. *Mr. Guthrie* (Acting-Chairman).] What are you?—Under-Secretary for Crown Lands.

2. The question before the Committee is the matter relating to the sale of a small area of land in the Cheviot District?—Yes.

3. The Committee would like to have any information you can give on the matter?—I have not seen the file for a very long time. [File produced to witness.] It is a small area of about 7½ acres, and was originally 8½ acres. There is a road through it.

4. *Hon. Mr. Massey*.] We want you to give us as much information as you possibly can, and particularly as to what led up to the present position?—Well, it was sent up, so far as I recollect, by the Land Board to be disposed of on the renewable-lease system.

5. It would be just as well to be perfectly candid and know where we are. The suggestion is that influence was brought to bear on the Minister of Lands in favour of somebody who desired to obtain the section, and that he influenced the Department in favour of offering the land by auction?—I can answer that straight out that to my knowledge I do not think the Minister knew anything about it. The Minister did not bring it under my notice—it was simply done in the course of my departmental duty. The Minister never spoke to me about it till long after this trouble arose, nor did I speak to him about it. That is the position so far as I remember.

6. Do you remember some months ago, Mr. Strauchon, a recommendation coming to the Department from the Commissioner of Crown Lands at Christchurch or the Land Board suggesting that it should be disposed of by way of renewable lease?—I do.

7. And do you remember the correspondence on the point in answer to your suggestion to the effect that it would be very much better, considering the size of the land and the number of applicants therefore, to dispose of it by public auction?—That was my suggestion. I am perfectly clear about that and about the general features, but as to the details I have not seen the papers for a long time.

8. Is it usual to dispose of these small pieces of land by public auction?—Yes, we have frequently done it in regard to these little bits.

9. Can you remember that parts of Cheviot have already been disposed of in the same way years ago?—I do not know that, but I know that the small sections adjoining that are freehold. I have a plan here showing the tenure. [Plan produced and explained.] The adjoining small section is lease in perpetuity and the rest is freehold.

10. Have you any recollection of this letter, written over the signature of F. T. O'Neill, Assistant Under-Secretary, addressed to the Commissioner of Crown Lands at Christchurch, dated 29th January, 1913: "Referring to your memo. of the 17th instant, No. 3713, I have to state that it is not considered advisable to offer such a small section as the above on renewable lease. If it is to be disposed of it should be sold for cash. The better plan would be to treat it as a reserve and offer it for lease for a term of seven or ten years"?—Yes, I recollect that.

11. That was forwarded from your Department?—Yes, to the Commissioner in Christchurch.

12. Then, do you remember this letter being forwarded to me, dated 26th February, 1913: "Memo. for the Hon. Minister of Lands.—Section 20, Block IX, Cheviot Survey District, 8 acres 2 roods 12 poles: The Canterbury Land Board has recommended that the above section be offered for selection on renewable lease." In making the recommendation the Board has apparently been influenced by the fact that three local people applied for the land on that tenure. The section is not large enough to maintain a settler, who under renewable lease would be required to reside on the holding. Recommended therefore that you approve of the land being offered for sale by public auction for cash, and not of its being opened for selection on renewable lease"?—Yes, that is correct.

13. Prior to your writing that letter to me did I at any time approach you with regard to this section or express any opinion thereon?—None whatever. As I have said, I had no communication with you at all prior to this being recommended to you.

14. Did we have any conversation on the subject?—No, we had no conversation at all on the subject until after this question arose. I am perfectly satisfied on that point.

15. Then, again, do you recollect this letter written by yourself to me on the 2nd June, 1913: "Referring to the attached letter from Mr. G. W. Forbes, M.P., I have to inform you that the above area has been withheld from sale hitherto on account of its containing limestone deposits. It has not, however, been formerly reserved, and may therefore be disposed of under Part IX of the Land Act, 1908, which deals with the Cheviot Estate. There is a permanent reserve of 3 acres of limestone land adjoining Section 20, which is considered by the Crown Lands Ranger to be ample for any requirements for lime in that part of the district. The section consists of land of special value and will be keenly competed for. I have therefore to recommend that it be sold for cash by public auction instead of on renewable lease as suggested by the Canterbury Land Board, and that Mr. Forbes be informed accordingly"?—Yes, that is my letter.

16. Did I send along Mr. Forbes's letter to you for your remarks thereon [letter handed to witness]?—Yes, that letter came to my office; there is a minute on it

17. Then, taking the transaction as a whole, do you know of any improper influence being brought to bear in connection with it?—Absolutely none.

18. You asked me for my approval to its being sold, and I put my initials to the document?—Yes.

19. *Mr. Forbes.*] In coming to a decision about the selling or letting of land do you have to get the approval of the Minister of Lands or do you act on your own authority?—I acted on my own, but I make final recommendation to the Minister for his approval.

20. You do not, then, have to receive the approval of the Minister of Lands for altering or for deciding about the tenure?—Not in the ordinary course of procedure until we have fixed the matter up. If the Minister does not approve we do not sell it.

21. You have to get the approval of the Minister finally?—Yes, we take all the steps before we go to the Minister.

22. Do you know personally anything about this piece of land?—I never saw it. I was never on the Cheviot Estate.

23. Can you tell us on what lines you go in connection with letting these pieces of land—what information you take?—We take the Commissioner's. We first of all ask for a report from the Department, and in this case it would be the Commissioner in Christchurch. If we approve of his suggestions we immediately advise him to that effect. If not, we suggest something else, as we did in this case.

24. Do you follow the decision of the Commissioner and the Lands Boards in relation to letting this land?—Yes, as a rule, unless we see something to the contrary.

25. What sized areas of land have you been letting under the renewable-lease system—have you been letting areas so small as 8 acres?—I could not say.

26. With the estates that have been purchased?—I could not absolutely say.

27. You would have the fixing up of those things?—Yes, thousands of things.

28. With the estates that have been purchased recently throughout Canterbury and other parts have there been no smaller areas than 8½ acres let on renewable lease?—I could not say without looking it up.

29. You stated that the reason that this was going to be let on renewable lease was on account of its smallness?—Yes.

30. You had no other information about it?—No.

31. Excepting the smallness?—Yes.

32. Did you take any notice of the recommendation of the two Crown Lands Rangers in reference to it, which is on the file?—I do not remember at the present moment what the Crown Land Rangers say.

33. Would the Commissioner of Crown Lands at Christchurch forward that on to you?—Yes, if it is on the file.

34. I will read it. The letter is dated 13th March, 1913: "Commissioner of Crown Lands, Christchurch.—Sir,—The 8½ acres proposed to be let under renewable lease in Block IX, Cheviot S.D., has no reservation over it, though 3 acres of limestone land adjoining is reserved as a limestone reserve and will be ample for any requirements for lime that may arise in this part of the district, which will not be effected in any way by the leasing of the 8½ acres. At present there is no demand, and no appearance of any demand, in the immediate future for lime-workings. Sections 10 and 22 adjoining, containing 10 acres, now held by Mr. Wilkinson, who is a professional fruitgrower, and for which he paid £300 in goodwill in 1910—the then-existing improvements on the 10 acres being valued at £160. The 8 acres under question is similarly situated and equal in class of soil, being sheltered and close to the sea and very little subject to the frosts; about 5½ miles metalled road to a railway-station. From information received there is no doubt that there are several men who would become applicants for this land if the opportunity were offered to them. Therefore we respectfully recommend that the land in question be offered on a renewable tenure." In view of that report did you think you were justified in refusing to have it let on that tenure?—Yes, I did. I thought I was quite justified and entitled to use my own discretion in regard to obtaining revenue for this land, and another thing which I had to consider was that any one of those men would naturally have a very faint chance of getting it in the ballot.

35. There were three men?—There may have been fifty-three outside, and their chances are simply infinitesimal.

36. Is that the way you look at it in connection with balloting?—Yes, I consider it is a very small chance a man has of winning a ballot.

37. And you think it better to do away with the ballot?—[Question objected to by the Hon. Mr. Massey, and ruled out of order by the Chairman, on the ground that the witness appeared as head of the Department.]

38. Was the fact that you thought those people would have no chance at the ballot the reason that you recommended this piece of land for sale?—That was one of the reasons. I said their chance would be infinitesimal. I declined to answer the question about the ballot before the question was raised.

39. Your answer was that you did that because you thought they had no chance at the ballot?—That was not the only reason—I wanted the revenue.

40. The reason given on the file is that it is too small?—Yes. And there was another reason also in my mind, and that was the limestone.

41. If you go through the file you will find the position is made very clear about the lime. The lime is not on that reserve?—There is lime on that reserve, according to the information I have in front of me. The adjoining 3 acres is reserved for lime, and I thought this would be valuable also for lime. That was one of the reasons.

42. That was why you considered it was better to sell it for cash?—Yes.

43. There was valuable lime on it, and it was better to dispose of it for cash?—Yes, that was one reason.

44. You say you do not know whether smaller areas have been let under renewable lease?—I do not know. I cannot recollect any in the meantime. There may or may not be.

45. Have you received any letters on the matter outside the reports from the Commissioner?—Nothing that I know of. Any letter I have received will be on the file.

46. You saw a letter from Mr. Holton which was sent to the Minister of Lands in connection with the matter?—Yes.

47. In that letter, dated 23rd December, 1912, it states, "I venture to appeal to you to ask if you could advise the Land Board to allow me to retain possession of this section of 8½ acres on any lease they choose to give, and I am willing to pay an increased rent for it, or to allow it to be transferred to my son, Charles Holton, who is landless." Would he have a better chance or opportunity of getting it for cash than if let on renewable lease?—He would have a better chance for cash because he could go as far as he liked.

48. In letting land on lease, do you try and give every advantage to the small man?—Yes, we always consider the small man as well as the big man.

49. In your opinion do you think selling for cash is giving the small man an equal chance with the man in better circumstances?—Yes, I do not see what is to prevent him, especially under the Cheviot auctions, where he only pays one-quarter down, a quarter in a month, and the balance remains for five years. I think the poor man has a very good chance.

50. At auction do you think a man has got the chance of getting land at as reasonable a price as he would under the renewable lease?—I do not think he would get it at just as low a price. The object of auction is to get a fair price for the land, and that is all we want.

51. Was it your idea to get a higher price for the land?—I wanted to get a fair price for the land.

52. Is that one of the things that guides you in connection with the administration of the Lands Department?—Yes, to get a fair value.

53. To get a high price or a fair price for the land, is that the first consideration?—That is one consideration.

54. You wrote this letter to the Minister of Lands, dated 2nd June, 1913: "Referring to the attached letter from Mr. G. W. Forbes, M.P., I have to inform you that the above area has been withheld from sale hitherto on account of its containing limestone-deposits; it has not, however, been formally reserved, and may therefore be disposed of under Part IX of the Land Act, 1908, which deals with the Cheviot Estate. There is a permanent reserve of 3 acres of limestone land adjoining Section 20, which is considered by the Crown Lands Ranger to be ample for any requirements for lime in that part of the district. The section consists of land of special value and will be keenly competed for. I have therefore to recommend that it be sold for cash by public auction instead of on renewable lease as suggested by the Canterbury Land Board, and that Mr. Forbes be informed accordingly." In that letter you give one of the reasons for the sale of this land?—I have already answered that question.

55. You understand clearly that there is plenty of limestone for all requirements?—I understand there are 3 acres of limestone.

56. You would not claim to have any local knowledge at all?—No.

57. And you would take the Crown Land Ranger's decision on the matter as being quite enough to go on?—It might be sufficient for a number of years, but not enough for all time.

58. You would not know that from your own knowledge?—I would know it from the area.

59. When you have the Crown Lands Ranger, but it might be a mountain?—Not in 3 acres.

60. When you have the report of the Crown Lands Ranger and he says it is ample and you have no local knowledge yourself, you evidently think that is sufficient to put in the letter to the Minister of Lands, "There is a permanent reserve of 3 acres of limestone land adjoining Section 20 which is considered by the Crown Lands Ranger to be ample for any requirements for lime in that part of the district." You further say, "The section consists of land of special value, and will be keenly competed for"?—Yes.

61. You further say, "I have therefore to recommend that it be sold for cash by public auction instead of on renewable lease"?—Yes.

62. Do you think it is in the interests of the small man to deal with that piece of land in that way?—I do not think I am tied to the interests of the small or big man. I want to get a fair value.

63. The reasons you give in this letter, and approved by Mr. Massey, are, "The section consists of land of special value and will be keenly competed for." That means that a high price would be given for that land?—I want to get a fair price.

64. Do you not think that would block the man of small means getting an opportunity?—No, not necessarily. As I understand the Cheviot auction system it enables a man to come in on very fair terms.

65. Do you not find that at auction high prices are given for the value of the land where the competition is keen?—In some cases that is so.

66. Do you think that is fair that a man should have to give a higher price than the land is worth?—To get a fair value, that is all I ask for.

67. You think in making that recommendation it was in the interests of small settlement. You can quite see, can you not, that this gives Mr. Holton, who has written as being anxious to retain the land, a better opportunity than if let under the renewable lease?—I did not know whether Mr. Holton had 5s. in the world.

68. You know that that would give him an opportunity of competing?—Certainly it would give any one the opportunity of competing.

69. And would make one more competitor for this land?—No doubt.

70. *Hon. Mr. Buldo.*] Is there any fixed rule whereby the Under-Secretary of Lands could accept the recommendation of the Land Board or decline to accept it? Is it left entirely to the Under-Secretary of Lands as to what he recommends or what the Land Board recommends?—The Land Board may recommend something which would not be at all suitable. The Ranger might also recommend something, and then the position is put before the Minister, but I take the action myself.

71. Would you be justified in setting aside the recommendation of the Land Board if the Land Board recommended what was strictly within the four corners of the Land Act, and recommend some other proposal to the Minister?—It might be within the four corners of the Act and not be a fair thing to do with the land. I may think that we could dispose of the land better.

72. *Mr. MacDonald.*] You stated that you did not consider it your duty to consider any class of applicant, but that your main duty is to get a fair price for the land?—That is one of my views, certainly. I am no party man at all. I take no interest in that at all.

73. Then are you under the impression that the Government value is not a fair value for the land?—I do not remember what the Government valuation is.

74. Generally speaking, that must be the case?—Sometimes it is under the value and sometimes over the value.

75. If you considered that to get a fair price for this land it would have to be submitted to public auction, then I want to know if you considered the Government valuation of such land is not a fair value?—Not always.

76. And when it comes under your notice that it is not a fair value, then you do not get a revaluation but submit it to public auction?—Sometimes.

77. *Mr. Anderson.*] You say you recommended it should be put up to public auction in order to get a fair price?—That is so.

78. Instead of letting it on the renewable lease at the Government valuation, which you say you do not remember?—No, I have not the slightest idea what it was.

79. You could not tell me whether there was any possible goodwill in it?—No, I cannot say, but as a rule our valuations give too much goodwill. That is our trouble. We experience that very largely indeed—that people trade on it and get in at our low valuations, and then turn it over at large profits.

80. In recommending cash, seeing that there was lime on the section, was your object to get a really fair price for the section without consideration for the applicants at all?—Yes, that is so, without any consideration of the applicants. I wanted a fair value for the country—that is all.

81. *Mr. Statham.*] Was any influence of any kind brought to bear to put this land up to auction?—None whatever—not the slightest influence. It was discussed between the Assistant Under-Secretary and myself. No influence was brought on me at all; I can absolutely say that.

82. *Mr. Coates.*] In your opinion was the sale in the best interests of the Dominion?—I think so.

83. Would you explain to me why you recommended a sale instead of a ballot. I understand there were some three local applicants?—Yes, it appears so from the papers.

84. In your opinion would those local applicants have a better chance by auction or by ballot?—They would have a better chance by auction, because if it had been by ballot hundreds may go in for those small sections.

85. And did that influence you at all?—Yes, I was looking at getting the value. I knew nothing of the applicants.

86. It was not to give the local men any advantage over others?—No. I was not looking to give any advantage to the local men over others. They are all the same to me.

87. You do not remember the Government values?—No.

88. *Mr. T. W. Rhodes.*] In acting in this matter you simply exercised your prerogative as head of the Department in making a recommendation to the Minister?—Yes.

89. And your idea was that if it was offered by public auction every one would have a fair chance, and the man who thought it was of most value to him would have the best chance of getting it?—Yes. That is the fairest way of disposing of it.

90. *Mr. Coates.*] Is $8\frac{1}{2}$ acres sufficient for a man to make a living off?—There are 7 acres 1 rood 20 perches. There has been a road taken out of it.

91. Would it be sufficient for a man to make a living off?—It would be a very small living. I take it he would have to go to work elsewhere. He may leave his family there.

92. What class of lime would be taken off?—Agricultural lime, I understand.

93. Do they treat the lime in any way?—I have no idea.

94. He could only make a living off it by the sale of lime?—He would have to go and work elsewhere. Of course, it would depend upon what he was doing largely.

95. Under the renewable-lease tenure would he be allowed to remove the lime?—Yes. I do not think lime is classed in the minerals. I take it he would.

96. And sell it?—Well, I do not know about selling it. He would be able to remove it for himself. He would be breaking the section if he did that. He would have to get the permission of the Board.

97. And after the lime was removed a certain portion of the property would not be of any value?—No, not for a time, until it was covered up in some way, or unless it was like Oamaru stone. There are lots of places in Oamaru district where the stone has been taken out from very considerable heights and now it is all grass.

98. And with this in your mind you thought that by a sale a man would have a better chance of doing well off the section?—Yes. I thought a man had a better chance of getting it if he was absolutely set on getting it.

99. It was better for the State and better for the man?—Yes, in the case of a small area.

100. *Mr. Witty.*] Does not the sale of these small pieces of land allow a man with a large block to mop up the small pieces?—Not necessarily.

101. Does it not give him a chance to do so?—No, I do not think it does. The Cheviot auctions are different from ordinary auctions, and it gives a man a reasonable time to pay. It is only in part-payments, and the balance remains for five years.

102. But he has got to pay?—Yes, no doubt.

103. Do you mean to say that a man who has got the money is not in a better position to buy land than a man who has got a little money even though the terms are good?—The man may be able to raise the money.

104. Who is in the best position?—Naturally, the man who has got the cash; but that does not bar the other man from raising the money.

105. But he has got to raise it afterwards?—No, if he is wise he will arrange where to raise it first.

106. But he cannot say whether he is going to get the land?—He would negotiate.

107. Would you lend a man money on something he has not got?—No, but I would advise a man to make arrangements for the money, and I would find the money if he got the section.

108. Would you pledge him to any price he would like to give?—No, I suppose I would not.

109. I think you said Mr. Holton might be able to give any price he liked?—No, I said I did not know whether he had 5s. in the world. I never heard of the man until I saw his name.

110. Prior to that you stated that Mr. Holton would be able to go as high as he liked and therefore he had a better chance than other people?—I did not know anything about him.

111. The Christchurch Board recommended this land being let on the renewable lease?—Yes.

112. You know the land?—No, I do not.

113. Not knowing the land, do you mean to say you would go against the advice of the Commissioner and the Land Board, who knew the land?—Well, it is not land for settlement. It is merely the disposal of a small piece of land.

114. But, even so, what is the Commissioner and the Land Board for?—They are for looking after land and suggesting, but it does not necessarily follow that what they suggest binds the head of the Department and the Minister to follow.

115. But is it usual for the head of the Department to go against the Board and the Commissioner, who know what they are talking about?—Well, you have got to prove that they know what they are talking about.

116. The proof is here that they recommended?—There is no proof there.

117. They recommended, and some of them actually lived on the Cheviot Estate and knew what they were talking about?—I have no knowledge who lived on the Cheviot Estate except Mr. Holton, who was the lessee. I saw that from the papers.

118. You went by the papers and not by the recommendation of the Board?—By the papers on the file.

119. If you went by the papers, why did you not take the advice of the two Rangers and also the Board?—I exercised my own discretion in the matter.

120. Then you put your ideas against the practical knowledge of those who knew the subject?—In some cases I exercise my own discretion where I think it is the best means of obtaining an end, and then I act accordingly. I recommend the Minister to act, and he acts on my judgment sometimes.

121. Do you not think your judgment was very bad when you put it against the people who had practical knowledge?—I say nothing of the kind.

122. Then will you tell me what is the good of having a Commissioner in Christchurch and a Land Board, who know what they are talking about, if you are going to veto what they recommend?—We do not always veto it.

123. I am speaking of the present case. What is the good, can you tell me, of having the Land Board and the Commissioner in Canterbury, who know what they are talking about, if you veto their recommendation?—Well, they have made a recommendation and I have not acted on it: that is all.

124. In that case the Land Board and the Commissioner in Christchurch are no good?—I do not say so.

125. But by not taking their advice you admit they are not?—I do not. I say they are of very great good very often.

126. And knowing nothing about the subject you veto their recommendation?—I make no such admission.

[Line of cross-examination ruled out by Chairman.]

127. The Board recommend this land for selection under the renewable-lease tenure?—Yes.

128. You said it was too small for a poor man, I think?—I said nothing about the poor man.

129. Well, for a man to live on?—Yes, for a man to make his living on. As it is broken limestone land it may be.

130. There are little creatures as bees. Do you not think a man could make a living out of bees on this land?—I am not a bee-farmer.

131. Do you mean to say a man could not make a living off that land?—I could not say about bees, because I have no knowledge on the matter.

132. Well, take fruit?—Limestone land is not the place I would grow fruit.

133. But if a man had a practical knowledge of fruit and was prepared to take up that land for fruit purposes, would you give him the opportunity?—I have given him the opportunity.

134. Under this?—Yes.

135. Are there not to your knowledge hundreds of sections of land under the renewable-lease tenure where a man has to go outside to earn his living?—Plenty, where the man lives partly on the land and partly outside.

136. I think you said that you did not know of any land where the sections were smaller than 8 acres?—Any of that nature have been disposed of in Christchurch on that tenure.

137. Do you know the Hornby section?—Yes.

138. Do you not know that the sections there average about $3\frac{1}{2}$ to $4\frac{1}{2}$ acres?—I cannot say I know it.

139. You have been dealing with it to my knowledge quite recently?—I may have been, and I have dealt with thousands of others.

140. And even in the Buddo Settlement there are smaller areas than 8 acres?—There may be; I am not denying that.

141. Then you admit it is not impossible for smaller areas to have been disposed of than this?—There is nothing practically impossible.

142. Seeing that it was limestone country and you admit that you do not think that 3 acres is sufficient for all time, do you not think in the interests of those who come after us that this should have been reserved?—There would be no harm in reserving it.

143. But, looking at the future, do you not think it would have been advisable?—It would still be available. There are 3 acres which will last our time, and if it was sold the lime cannot disappear.

144. Then you think we should not look ahead of your time and mine?—I do not think anything of the sort. It will no doubt last long after us, and will have to be dealt with in some way.

145. Then do you not think, in the interests of the community, this should have been reserved for lime purposes?—Not necessarily. The Ranger says 3 acres is enough.

146. Do you know if any one was prepared to take up that land on the renewable-lease tenure?—Yes, I have no doubt the man whom you just mentioned, Mr. Holton, would.

147. And you admit there would have a great many in for the ballot had they the opportunity?—No doubt.

148. Do you think there would have been more in for the ballot than for the auction?—I could not say that. It would be a mere guess.

149. What was your object in advising that this land should be sold?—I told you my object—a fair revenue.

150. Do you think revenue is better than settlement?—I do not; but I think the two combined is a very good thing. You might have got two houses on it, and that was my object in putting it up. I wanted to get fair settlement and fair revenue.

151. You are not so likely to get it by auction?—I do not admit that.

152. And yet you see it stated that the land was too small for settlement?—That was said in the letter, yes.

153. Then you think that this land, although too small for settlement, might be used for residential purposes?—Yes, a man might make a splendid residential site of it. He might work portion of his time out and make a home on it also.

154. Do you think a man in a position to buy a home for himself would go to Cheviot?—Cheviot—I believe, it is a very fine place. I hope to see it some day.

155. You prefer cash to settlement in this case?—Yes, you could only get one settler.

156. Is it in a case of selection on renewable lease compulsory to reside there?—Yes.

157. And in the case of purchase for cash it is not compulsory?—No, but there are certain improvements to be made.

158. The man adjoining could then purchase the land and not be compelled to reside on it?—That is true.

159. Did Mr. Massey see the letter on the file from the Board and the Commissioner recommending that the land be put up on the renewable lease before his sanction was given?—I could not answer that question. Probably the file was sent over with the recommendation.

160. As a rule the file is sent along?—No, not always, by any means.

161. You mean to say, then, that you would send along a letter recommending a certain course and not allow the Minister to know the contents of the file?—The Minister would know the position. I stated it.

162. He would know the whole file?—I could not say whether he got the file.

163. Is it usual for the head of the Department to send along a letter from himself recommending a certain thing and not give the Minister the whole particulars?—We generally give him the full particulars.

164. Not always?—We sometimes send the file, and often the Minister sends over and asks for the file if he is not satisfied with the letter.

165. Is it fair to the Minister to send him a letter recommending a certain thing without his knowing the whole contents of the file?—I would not send a letter without giving him the full knowledge of the business.

166. You would let him have the whole file?—I do not say whether I did or did not. I would give him the whole information.

167. Do you object to the ballot personally?—I decline to answer that question unless I am compelled to by the Chairman.

168. You wanted cash—that was your object?—Yes, I wanted revenue.

169. You are not that hard up, are you?—We always want revenue.

170. You would not bar a man from working outside his section, would you?—No.

171. That is, you would give him an opportunity to lease the land and work outside?—As long as a man has his home or family there we never object to his working away.

172. Under the renewable lease a man is compelled to go on the land and remain there?—No, he is not. He must make it his home, but can work away as much as he likes if his wife and family are there, if he has a wife.

173. If it is sold, then you are barring that man to a certain degree, because he must have the opportunity to purchase—you are barring the small man?—I am barring no man. I give every man a fair show.

174. You are giving an advantage to the man who is wealthy?—You say so.

175. Do you as Under-Secretary know whether a man is allowed to sell the lime off his renewable-lease land?—On the spur of the moment, I could not say whether it would be classed as a mineral or not.

176. I think he can use it for his own purposes?—He can use it for his own purposes.

177. *Hon. Mr. Massey.*] The Cheviot Estate Disposition Act is still the law of the land?—Yes.

178. You referred to the terms under which lands are disposed of. Are these the terms under which this section would have been disposed of?—I am now going to quote the Act: "Rural lands sold for cash may be paid for as follows: One-fourth part of the purchase-money shall be paid in cash immediately on the close of the sale, one-fourth part thereof within thirty days next after the date of sale, and one-half part thereof in five years from the date of sale, such part to bear interest at the rate of five pounds per centum per annum until payment, such interest to be paid by the purchaser at the expiration of every half-year following the date of sale." Are these the terms?—Yes.

179. There has been a good deal said about renewable lease, and a suggestion put forward from the Canterbury Land Board to the effect that this land should have been disposed of under renewable lease. Do you know whether it is possible under the Cheviot Estate Disposition Act to dispose of land under renewable lease?—To tell you the truth, I have never had much to do with Cheviot lands.

180. Do you recollect this section of the Act: "Subject as aforesaid the residue of the Cheviot Estate shall be deemed to be rural land, and shall be sold or leased under this Act in the following proportions: One-third part thereof shall be sold for cash by public auction; one-third part thereof shall be disposed of upon lease in perpetuity; and one-third part thereof shall be disposed of upon lease for grazing-farms. The proportions of land before mentioned may be varied or altered by the Minister from time to time if he is satisfied that the public needs so require"? If those are the provisions in the Act with regard to the tenure under which lands on the Cheviot Estate may be disposed of, is it possible for land there to be disposed of under renewable lease, as suggested?—There is no mention of renewable lease there; in fact, when that Act was passed there were no renewable leases.

181. There is no mention in the section I have read of renewable lease?—None.

182. *Mr. Coates.*] Supposing a man could take this land up under renewable lease, would it be possible for him to sell his interest; and, if so, when?—With the consent of the Land Board he could transfer it after a couple of years.

183. To whom would the goodwill go in that case?—The man who had taken up the selection: he would get the goodwill from the incomer.

184. In your opinion the State, by offering at auction a small section like that, would reap the benefit of anything of the kind?—Yes.

185. *Hon. Mr. Buddo.*] You have had long experience in connection with the disposal of Crown lands in the country?—Yes.

186. In disposing of land such as the Cheviot Estate land, would you consider that it stood on a different basis from land that came under the Land for Settlements Act?—It is under a special Act and has to be dealt with under that Act.

187. Having in view the retention of the Cheviot Estate in small holdings, is it wise to offer too much on the freehold system, for cash?—We have only offered the one small section.

188. *Mr. Forbes.*] You stated, in answer to a question of Mr. Witty's, that you had no practical knowledge of fruitgrowing or bee-keeping?—I have no practical knowledge of bee-keeping, nor, on an extensive scale, of fruitgrowing either.

189. You do not know what it is possible to do on an area of $7\frac{1}{2}$ acres with either of those industries?—At fruitgrowing I should think that a man with $7\frac{1}{2}$ acres and working outside could manage all right.

190. You do not think a man could make a living off $7\frac{1}{2}$ acres of land?—Not on limestone land with fruit. He would not make a big living. He might make an existence.

191. You say that that section is too small. You gave the Minister that information—that it is too small to make a living from. You know that one of the applicants is a beekeeper?—I have seen it on the papers. I do not know whether I had the letter at the time: probably I had.

192. You know that it is possible for a man with a very small area of land to make a living from bee-keeping?—Yes; I have already said so.

193. You do not know anything about bee-keeping, yet you say that you have authority to deal with a matter of this sort—to say how the land should be disposed of?—I consider it comes fairly within my province as head of the Department.

194. Yet you have no practical knowledge of what can be done with these smaller industries?—I am not an expert in bee-farming. I have had bees and I have had fruit, but I do not call myself an expert.

195. Is this a common thing to do, to go against the decision of the Land Board and the recommendation of two Rangers?—No. As a rule, if I think it is a sensible decision, I accept it.

196. In the report of the Crown Lands Rangers they instance a section adjoining on which a man has given £300 to get in for the purpose of fruitgrowing?—I do not remember that. It should be on the file. Was the £300 for goodwill?

197. There was £160 for improvements and the balance for goodwill: that is what the Rangers state. You would have all these facts before you when you came to your decision?—Yes.

198. According to the file the Land Board did not accept your recommendation at first. They stood to their decision in face of your recommendation to sell for cash?—I do not think they stuck to their decision. I think they varied it slightly.

199. According to the file the Board “still adhered to its previous decision.” I take it that you had all that is on this file before you?—Yes. You must remember I have had hundreds and thousands of matters through my hands since then.

200. Here is a letter dated 26th March, 1913, from the Commissioner of Crown Lands, Christchurch, to the Under-Secretary: “Referring to your letter of the 7th instant *re* opening above section under renewable lease, I have obtained a report on the section from Messrs. Buckhurst and McDonald, Crown Lands Rangers, a copy of which I enclose, from which you will see there appears to be no necessity for reserving this section as originally intended, as there is a limestone reserve of 3 acres adjoining, which should meet all requirements for a considerable time. Under the circumstances I would therefore suggest that it be opened under renewable lease as formerly suggested.”

Hon. Mr. Massey: I remember that perfectly. That was in consequence of my referring the first communication back, to ascertain if the piece of land was required as a reserve. The first communication that came to me was about size, and I said, “We ought to be quite sure this is not wanted for a reserve,” and the matter was referred back for further inquiry; and then came that letter which you have just read.

201. *Mr. Forbes:* This is the letter from Mr. Strauchon to the Commissioner: “Referring to your memo. of the 11th ultimo, No. R. 3713/47, I have to ask you to please make further inquiries as to whether the above section should be reserved as originally intended. The other two limestone reserves in the estate are situated some distance away. If Section 20 is opened under renewable lease as recommended by the Land Board it is doubtful if the area is sufficient to support a settler. It would therefore seem to be desirable to lease the section under Part I of the Public Reserves and Domains Act, 1908, after it is reserved.” And in reply to that the Commissioner said, “Under the circumstances I would therefore suggest that it be opened under renewable lease, as formerly suggested.” You made the suggestion that it would perhaps be desirable to lease the section under the Public Reserves and Domains Act?—They did not agree to that.

202. You said that it is the usual course to send files up with any letters for signature?—No, I did not say that.

203. Well, is it the usual course to send up the files?—Not always. If there was anything special we would send the file.

204. In the majority of cases would you send the file?—I would not like to say that we do even in the majority of cases, but we always give the Minister full information.

205. The Minister had full information of the circumstances surrounding this section before he was asked to sign?—Very likely.

206. The Land Board’s attitude, and so on, would be known to him?—Very likely.

207. Do you remember any other instance in connection with the selling of a small block of land where you have acted against the decision of the Canterbury Land Board?—No.

208. In this particular case you did so. You set your knowledge against theirs as to the best way of dealing with the land?—I acted as I thought best.

209. You state that you have no practical knowledge of what can be done on small areas by bee-keeping or fruitgrowing?—I have no knowledge as an expert.

210. You know the contents of the file and the opinions expressed by the Rangers and the Land Board?—Yes.

211. You state that you place Mr. Massey in full possession of all the facts before you ask him to sign a letter?—Yes.

Mr. Witty: The question was raised whether there was power to grant renewable leases of Cheviot lands. If you will look up section 292 of the Land Act, Part IX, dealing with the Cheviot Estate, you will find that these lands can be granted on renewable lease. That is so under the consolidation.

Hon. Mr. Massey: That is right. The Act of 1908 gives the power.

Witness: Yes. I had forgotten that section.

CHARLES ROBERT POLLEN, Commissioner of Crown Lands for Canterbury District, examined.
(No. 2.)

1. *Hon. Mr. Massey:* You are aware that the section of land about which we are inquiring was leased to a settler named Holton?—Yes.

2. Do you know when the term of his lease expired?—It was terminated on the 1st January of this year.

3. Was that when the lease expired?—No. It was a year-to-year lease.

4. Was he notified in due course?—Yes, that his lease was terminated.

5. And that it was proposed to dispose of the land in some other way?—I do not know whether he was told at the time, but he was told afterwards.

6. He was told after the lease was terminated that it was intended to dispose of the section in some other way?—I do not think it was at the time the lease was terminated, but he was told afterwards.

7. What led up to his being told: had the Land Board discussed the position, or had it been brought under the notice of the Land Board?—I think the Rangers were up there making an inspection, and then he applied to the Board again to have the lease renewed, on the ground that he had no access on that side to the rest of his holding.

8. He held some land adjoining, did he not?—321 acres.

9. Cheviot Estate land, held under lease?—Yes.

10. What I want to get at is this: had the Land Board discussed the position of his lease prior to his lease coming to an end?—I could not say.

11. Had your attention as Commissioner been called to the position in any way?—No.

12. *Mr. Forbes.*] Were you Commissioner at the time?—I think the case originated under Mr. Brodrick.

13. *Hon. Mr. Massey.*] How long have you been Commissioner in Canterbury?—A year and two months.

14. Mr. Holton's lease terminated, you say, on the 31st December?—Yes.

15. Then arrangements must have been made in your time, I think?—No. The question was discussed in Mr. Brodrick's time.

16. Do you say that no discussion took place in your time until the termination of Mr. Holton's lease?—Not in my time.

17. Did any member of the Board call your attention to the fact that Mr. Holton's lease was coming to an end?—No.

18. Then what led up to the present position?—As far as I know it first came under my notice through the Rangers reporting. I do not know what happened before that.

19. About what date was that?—Some time in December of last year, I should think. The Rangers reported, and then a letter came from Mr. Holton saying that he understood the Rangers had been reporting and the section was going to be leased, and he wanted to see the Board on the subject. He came to see the Board. As I say, the reason why he wanted the section was, he said, because he wanted access on that side. The Board got a report from the Ranger there as to his access, and the Ranger reported that if we gave him a right-of-way through this particular section—Section 20—it would be sufficient. The Board decided to offer the section for renewable lease, with a right-of-way for Mr. Holton.

20. Cut the section in two?—Yes. There is a plan of it on the file.

21. Have you any personal knowledge of the country?—No.

22. You remember the correspondence with the Lands Department here, recommending that the section in question should be disposed of by way of renewable lease?—Yes.

23. Have you any idea of the date of that? It was a good many months ago, was it not—I mean the commencement?—Yes.

24. Do you recollect the matter being referred back to you and the Land Board—to yourself, presumably—to consider whether this piece of land was not required as a reserve on account of the deposits of lime which it was supposed to contain?—Yes.

25. You remember getting a report from the Rangers as to whether it was necessary to keep the section as a reserve?—Yes.

26. You communicated that to Wellington?—Yes.

27. Then I think the head of the Department notified you that as the land was not required for a reserve and as there were several applicants for it it would be better to dispose of it by auction?—Yes.

28. Did you agree with that?—It was a matter of administration. I cannot say I agreed with it, because I had made recommendations already that it should be disposed of under renewable lease.

29. You accepted the suggestion?—Yes.

30. What rental was paid by Mr. Holton, or whoever was the lessee previously?—It was £1 2s. 6d., I think, per year.

31. You do not mean £1 2s. 6d. for the whole section?—I think that was it. It was only a year-to-year lease.

Mr. Forbes. It was at the rate of something like 3s. an acre.

32. *Hon. Mr. Massey.*] Have you any idea what the land is worth per acre?—About £12.

33. And it was being leased for about 3s. an acre?—Yes.

34. Do you not think the State was making a bad bargain in leasing land at 3s. an acre the capital value of which was at least £12 an acre?—Yes.

35. And, putting it the other way, if the State got £12 an acre for land which had been leased for 3s. an acre, the State would be making a good bargain?—Decidedly.

36. Do you know of any influence having been brought to bear by the Minister in favour of having the land disposed of by auction?—None that I know of.

37. *Hon. Mr. Buddo.*] You remember the circumstance under which the matter was first brought before your Board—the matter of this section?—Yes.

38. Could you say whether it was because of the Ranger's report?—I think it was on the Ranger's report.

39. What aspect of the question did the Board consider at that particular date: in what manner did they propose dealing with it?—The idea was to lease the section on renewable lease.

40. They recommended leasing the land on renewable lease?—Yes.

41. Was the Board unanimous?—Yes.

42. There is power under the Cheviot Act to sell for cash or let. Was there any reason given by the Board why the section should be let on renewable lease rather than sold for cash?—The Board gave no reason. It was merely a resolution.

43. They expressed no opinion on the question?—No.

44. But in their opinion the section ought to have been leased on renewable lease?—Yes.

45. Were there more applicants than one for the section?—There were two written applications, and I understand there were two or three verbal applications. I never received the latter, but the two written applications I think are on the file. They were from Ashworth and Rentoul.

46. Did these applicants state that they were prepared to reside on the land?—One man said he wanted it for a bee-farm and for fruit.

48. Did you assume he was going to reside on it?—He would have resided on it.

48. *Mr. Nosworthy.*] This section is valued at £12 an acre. Would there have been any chance of the Board letting it on renewable lease at 5s. or 5s. 6d. an acre, seeing that they had been content to accept only 3s. an acre?—No. The Ranger's report was that the land was worth £12 an acre, so the rental-value of it was 12s. an acre.

49. That is what they proposed to let it at on renewable lease?—Yes.

50. There was nothing to show that it might not have brought a great deal more than £12 an acre?—No, except that the two Rangers reported it was worth £12 an acre.

51. *Mr. MacDonald.*] The reason, of course, for the low rental would be that the land could not be improved under the year-to-year lease—there was no tenure and no compensation for improvements?—That is so. The lease could be terminated at a month's notice.

52. *Mr. Anderson.*] What is the value of land in the vicinity—have you any idea?—It has all sorts of values there. Some of it is worth £12 an acre and some of it £5 or £6. Just about there is some rough country.

53. Is £12 an acre for that land a fair value?—Yes, I consider it is.

54. You have not been on the land?—No. I judge from what I have heard and from the reports of the two Rangers, who know the country very well indeed.

55. Do you know of your own knowledge whether the Rangers took into consideration the lime that was upon this land?—I suppose they would, because limestone country would be good land.

56. And with the lime it was still only worth £12 an acre?—The Rangers reported on the lime question—that is, lime for burning—and they said there was no necessity for keeping that area for the lime. A lime reserve of 2½ acres has already been made there; and some years ago an experiment was made to burn lime for manure, but they found it was not a success on account of the want of fuel for one thing. So the Rangers said there was no necessity to keep this land as a lime reserve.

57. They place no value on the lime in that land?—No.

58. The value, then, is simply for grazing?—Yes.

59. *Mr. Statham.*] Did the Board consider the question whether this land should be put up to auction at all?—No.

60. They simply passed a resolution that it should be let on renewable lease?—Yes.

61. So the question of selling it by auction was not discussed at all?—No.

62. Supposing it were let on renewable lease, would the tenant have the right to remove or sell the lime?—Yes, he could, with the consent of the Minister.

63. He would have to get that consent first?—Yes.

64. In letting the section on renewable lease, the value of the lime as a commodity would not be taken into account at all?—No, because this is not the only place in the district where there is lime.

65. If the land were put up to auction the purchaser would be free to deal with it as he wished, and might not that enhance the price to be paid to the State?—I could not possibly say. As the lime is of no value—at present, at all events—I do not think anybody buying the section at auction would take the lime into consideration. And, as I say, it is not the only place in the district where there is lime. From what people tell me you cannot work it—the fuel is too expensive.

66. *Mr. Coates.*] Do you think the Crown would suffer loss by offering this land at auction?—No.

67. You consider that the interests of the State would be fully safeguarded—that is, that it would amount to the same thing by offering the land at auction as by offering it under renewable lease?—Yes.

68. *Mr. Forbes.*] In connection with the lands that you have been dealing with—the estates purchased, and so on—have your Board offered smaller sections than this under renewable lease?—Five-acre sections have been offered in some estates in the past, but they are too small.

69. You are not offering them now?—Not lately.

70. What-sized sections do you offer now?—In all the estates I have to deal with the sections run up from 200 acres.

71. You did not deal with the Douglas Settlement sections?—No, that was before my time.

72. But you know there are small sections there?—Yes, 5- and 10-acre sections there; but 5 acres is too small.

73. Since you have been on the Board can you remember any similar proceeding in respect to a small section—where the decision of the Land Board has been set aside by the Under-Secretary?—No, not in Canterbury.

74. In your letter of the 11th February to the Under-Secretary of Lands you say, "In reply to your letter of the 29th ultimo I have to inform you that my letter of the 17th February, to which your letter was the reply, was not quite clear, and did not state that the Land Board had already decided on the 5th December, 1912, to offer Section 20 under renewable lease at an annual rental of 12s. per acre, and to grant E. R. Holton a right-of-way through the said land alongside Limestone Reserve, one half-chain wide. The particulars and plan for advertisement

were delayed being sent to you, so as to include it with other lands about to be opened. Your letter of the 29th January was laid before the Board on the 6th instant. and, after consideration, adhered to their former resolution of the 5th December, that Section 20 should be offered under renewable lease, and on the same terms. There are three local people who have asked for this piece of land under renewable lease, and the Ranger reports that it is a good piece of land. The applicants will be disappointed if the land is not offered under a good tenure." That was your opinion at the time you sent the letter forward—that if the section was not offered under a good tenure there would be disappointment among the applicants?—By "good tenure" I meant something other than a year-to-year lease.

75. You said that the question of selling by auction was not discussed by the Board?—No; I do not remember its being discussed.

76. This letter was sent to you from Wellington, under date 29th January: "Referring to your memo. of the 17th instant, No. 3713, I have to state that it is not considered advisable to offer such a small section as the above on renewable lease. If it is to be disposed of it should be sold for cash. The better plan would be to treat it as a reserve and offer it for lease for a term of seven or ten years." So the letter that yours is a reply to makes the suggestion that it "should be sold for cash, or, better still, treat it as a reserve and offer it for lease for a term of seven or ten years." So the matter of auctioning must have been before the Board when you wrote that letter of yours?—I do not remember the question of auction arising. It was merely the second part of that letter—the suggestion to make the section a reserve.

77. The suggestion is there—the proposal for auction?—I do not remember sale for cash being mentioned. It was making it into a reserve that was mentioned.

78. I suppose that letter would be before the Board when they were discussing the matter?—Yes.

79. There was clearly the suggestion in that letter that the section should be sold for cash. We may take it that the members of the Board, then, would know that was one of the suggestions?—That is so.

80. Your letter says, in reply to that, that the Board adhered to its former resolution that the section should be offered under renewable lease?—Yes.

81. You said in reply to Mr. Massey that word having come down from Wellington from the Under-Secretary that such-and-such was to be done with the section you recorded what was to be done?—Yes.

82. You consider it your duty to carry out the orders that come from headquarters?—Yes.

83. Does your Board ever resist the decisions of the Minister?—Not that I am aware of.

84. You have never had an instance in which the Board has set its opinion against the Minister's and contested the position?—No, not that I remember.

85. With regard to the suggestion that the section should be offered on temporary lease for seven years, that would give the right, would it not, for anybody to apply? There are no special conditions attaching to a temporary lease—I mean in the way of residence?—No.

86. Such a lease can be taken up by anybody?—Yes.

87. How would a temporary lease be offered: would it be auctioned?—It is sometimes offered to the adjoining occupier. Sometimes we have offered it by tender. I do not recollect a temporary lease being offered by auction. I have offered temporary leases by tender.

88. The Board has the power to offer a temporary lease to the adjoining owner or to invite tenders for it?—Yes.

89. Did you consider that the reason given applied—that the section was too small to let on renewable lease?—It was a matter of opinion.

90. Your Board held a decidedly different opinion, judging from your letter: they adhered to their former decision?—The former decision to offer the section under renewable lease instead of making the section a reserve and offering it for a short term.

91. Are your Rangers practical men?—Yes, both of them.

92. Are you guided by their advice in dealing with sections of land?—Yes.

93. Are the members of your Board practical men?—Yes, all practical men.

94. Would you think that their decision in connection with dealing with a piece of land, and the question whether it was large enough to afford a living for a man, was a decision that you would be safe to go by?—Yes.

95. Your Board had an application from a beekeeper among others?—Yes.

96. Rentoul?—Yes.

97. Ashworth had applied also?—Yes.

98. You did not look upon a temporary lease as being at all likely to give a man an opportunity of making a permanent home on the place?—No.

99. The Board did not consider that at all as a solution?—No.

100. Your Board is guided entirely in matters of policy from headquarters. You say the Board does not resist the decision of the Minister or the Under-Secretary—the Board does not set up its opinion?—If you look at the Land Act I think you will find that the Minister of Lands has charge of the administration of the Act, and all the Proclamations, and so on, that are signed by the Governor have to be submitted by the Minister. The whole thing is administered by the Minister. I may say that it is not an unusual thing to put these small areas up at auction. I have had one or two cases in other districts.

101. The letter telling you that the section should be sold for cash—that was a letter from the Minister, I take it, to the Board: was it?—It was signed by Mr. Strauchon.

102. *Hon. Mr. Massey.*] Communications between you and Wellington are between the Under-Secretary and yourself?—Yes.

103. *Mr. Forbes.*] And as a matter of course you feel it is your duty to carry out the decisions that are conveyed to you?—Yes. Even supposing I did not, the matter would not proceed any

further. As I said, the Act is administered by the Minister of Lands, and he recommends the Governor to sign Proclamations. I presume that is the procedure.

104. The rescission of your resolution that was on the minutes recommending that this section should be offered on renewable lease—the rescission was adopted as a matter of course: there was no discussion about still adhering to your decision?—No.

105. You took it that the notice that came down from Wellington was final in respect to dealing with this piece of land?—Yes.

106. *Mr. MacDonald.*] In regard to offering this section for sale, the lease could have been offered by auction, could it not?—I believe we could do so, but it is a very unusual thing to do.

107. I have here Mr. Brodrick's report for 1912 regarding lands for disposal in the Canterbury District, and it shows several instances of land being offered for lease by public tender, an upset price being fixed. So that evidently it has been the habit of the Canterbury Land Board to submit leasehold land at public auction at an upset rental?—But I might point this out: the section you are inquiring about is under the Cheviot Act, and under that Act there are only three tenures—namely, renewable lease, cash, and lease as grazing-farms.

108. *Hon. Mr. Massey.*] Who directed the Rangers to report on this block?—I think I did.

109. Was your attention called to the fact that the lease had expired?—Unfortunately, the commencement of the proceedings took place before my time; so I cannot say what originally started it.

110. Is the land unoccupied at present?—Yes.

111. How long has it been unoccupied?—Since the lease was terminated, I think.

112. That is to say, since the beginning of this year?—Yes.

113. Was it after the beginning of the year that the Rangers were called upon to report?—Yes, I think it was about March.

114. Following up a point referred to by Mr. Forbes, the Canterbury Land Board, presided over by yourself, of course, preferred, as you say, renewable lease to a year-to-year tenure or to the shorter tenure under which reserves may be held—seven or ten years. Was there any feeling expressed by the Board as between the renewable lease and the decision of the heads of the Department to offer the land for disposal by auction?—No, there was no formal discussion at all. The letter was read, and the former resolution had to be rescinded, to make it come in.

115. It was rescinded?—Yes.

116. Without objection?—Yes.

117. You know that lands disposed of for cash under the Cheviot Estate Disposition Act are parted with on very easy terms to the new settler?—I can tell you what the terms are: a quarter down, a quarter in thirty days, and the remaining half in five years, interest being at 5 per cent.; or one can pay a quarter down and the rest in thirty days.

118. Supposing the land was worth £12 an acre, and that it was possible for a man to have purchased it at your valuation; 7 acres at £12 an acre would be £84. He would have been called upon to pay, say, £42 within a certain period?—Yes, half within thirty days.

119. Then the remaining £42 could have remained at 5 per cent. for five years?—Yes.

120. Do you not think those are particularly good terms?—Yes.

121. Any small man could take advantage of them?—Yes.

122. *Mr. Forbes.*] It was a slightly different Board that considered the decision of the Minister to sell for cash as compared with the Board that was dealing with the matter before?—Yes, there was one new member, who took no part in the discussion.

123. There was no discussion, you say?—No.

124. It was simply unanimously agreed to without discussion?—Yes.

125. *Mr. Witty.*] If you sold this land one-quarter would have to be paid down, would it not?—Yes.

126. And a quarter within thirty days?—Yes.

127. That is 50 per cent. of the purchase-money?—Yes.

128. Would those be considered easy terms?—Yes, in comparison with the ordinary cash sales, when one has to pay one-quarter down and the rest in thirty days.

129. Supposing a man is buying outside, it is possible for him to have to pay only 15 per cent. down, the balance remaining at 5 per cent.?—That is a matter of opinion. These terms for cash are certainly easier than the ordinary cash terms under the Land Act.

130. But they are harder terms than a man would get land on outside?—I have nothing to do with that. You get all sorts of terms outside.

131. You recommended—or the Land Board did—that this land should be leased?—Yes.

132. And the Board rescinded that resolution on receiving a letter from Wellington?—Yes.

133. If the land is sold, may it not go into a larger estate and so bar settlement?—I do not know. It might, I suppose.

134. If it were leased you would be certain that you would be getting an occupier?—Yes, he would have to reside.

135. If the land is sold for cash you are not sure of getting one?—No; there is no restriction.

136. No restriction as to residence?—No.

137. Would you consider cash or settlement the more beneficial—that is, cash for the land, or having a settler on it?—Having a settler on it in this particular case. We proposed to lease the land on renewable lease.

138. At Hornby and other places 5-acre sections have been disposed of within the last few years, have they not?—Yes. Those are on renewable lease under the Land for Settlements Act.

139. If some one under you knew a property, and the Board knew it, and they recommended you to take a certain course, without knowing the land you would not veto their decision, would you?—It would depend. I might and I might not. I might require further information.

140. But without getting further information it is not customary, is it?—No. It is rather a difficult question to answer. Every transaction has a different aspect. In some transactions I might take my subordinate officers' opinion, and in others I should want to go and see for myself. It just depends what the situation is.

141. But supposing that it is not only your subordinate, but that four or five men in conjunction with him who know the land and know the circumstances recommend a certain course: it is not usual, is it, to veto their recommendation?—No, not usual.

142. *Hon. Mr. Massey.*] From what you have heard of this section do you think it possible for a man with a family to make a living from it?—Seven and a quarter acres: with bees and fruit they say they can.

143. Do you know of any sections, even in Canterbury, valued at £12 an acre, where a man could make a living from 7½ acres, even with fruit and bees?—I could not tell you. But there are some smaller sections—for instance, at Hornby.

144. What are they worth per acre?—They are worth more than that. But then, of course, they are so handy to civilization.

145. How far distant is Hornby from Christchurch?—About six miles, I think. One reason why I say it could be done is that we have two written applications for the section. A man would hardly, unless he was a peculiar individual, make written application for a section unless he thought he could make a living from it. And there were two or three other applicants, I was told.

146. Was one of those two the beekeeper?—One was the beekeeper, and the other was a man named Ashworth.

147. *Mr. Witty.*] Under the present Land Act only 10 per cent. need be paid annually by those who are acquiring the freehold. Are not those better terms than the 50 per cent. down under the Cheviot Disposition Act?—What tenure are you referring to?

148. The right to acquire the freehold under last year's Act?—You mean deferred payments?

149. No, I mean under the Act of last year, where a leaseholder has the right to acquire the freehold?—Quite so. He can acquire it straight out, or else on deferred payment.

150. Yes, 10 per cent. each year?—Yes.

151. Those are easier terms. are they not, than the 50 per cent. that would have to be paid down within a month under the Cheviot Disposition Act?—I suppose they would be. But you must remember that he has to get that lease before he can do that.

152. Is it so—that the freehold can be acquired on better terms under last year's Act than under the Cheviot Act?—Yes.

153. *Hon. Mr. Buddo.*] Did the Land Board have any scruples with regard to changing their mind over the question of renewable lease and selling for cash?—There was no discussion on it.

FRIDAY, 15TH AUGUST, 1913.

JOSEPH GIBSON examined. (No. 3.)

1. *Mr. Guthrie* (Acting-Chairman).] You are a farmer?—Yes.

2. From—?—Cheviot.

3. Would you like to make a statement regarding this case?—If the Committee wish it I will do so.

4. The Committee would like you to?—My statement need not be very long. Probably most of you are aware that I was a member of the Canterbury Land Board for four years. About eighteen months ago a Cheviot man named Rentoul came to me and asked me about a section at Gore Bay that was held on a temporary lease by a man called Holton. I said I did not know the conditions under which the land was held, but I would inquire. At the next Board meeting I saw the clerk in charge of the map department, and found that section that was referred to, and found that as far as I could see it ought to be available for selection. I spoke to Mr. Brodrick, who was then Commissioner, and he looked into the matter and said that as far as he could see there would be no objection whatever to throwing it open. It was being held by Mr. Holton just temporarily, which, of course, we understand to be that if it is required at any time it can be resumed. The matter was put before the Land Board, and they all agreed to throw the section open on renewable lease; but the Commissioner did not want to interfere with Mr. Holton's existing lease, which was for twelve months, and we decided to wait until Mr. Holton's time was up. In the meantime he had notice sent to him, I presume, that the section would be resumed. I may say that I have no notes or memoranda in connection with this—I am going entirely on my memory; but all that I say can be substantiated by the minutes of the Land Board—it is all there on record. I think the next thing that I remember was that we got a Ranger's report from Ranger McDonald, the junior Ranger there in Canterbury, and he reported favourably on what the Board had decided to do and substantiated our decision. Then, as far as I remember, Mr. Holton waited upon the Commissioner and seemed considerably put about because this land was to be taken from him. He came to see me, and I pointed out to him that there was nothing personal in the matter either one way or the other. I may state that Mr. Holton and I have always been good friends, and Mr. Rentoul also. We are all good friends, and well acquainted with one another. There has been nothing personal in the matter, as far as I know. I was simply doing what I thought to be my duty as a member of the Board in endeavouring to get this section thrown open. Mr. Holton seemed to think because he had held the section for all these years that he had some prior right and should not be disturbed. However, I, as far as I could, disabused his mind of that, and showed him that under the conditions of his lease he could not expect to hold it when it was wanted for closer settlement. Then when the year

was getting on Mr. Pollen succeeded Mr. Brodrick as Commissioner, and he followed up Mr. Brodrick's work, and fully approved of what he had done with regard to this particular section. It had been again brought before our notice by Mr. Holton. Just after Mr. Pollen's arrival Mr. Holton came down and interviewed the Board. Mr. Pollen was quite satisfied that the Board had done the right thing, and would not listen to Mr. Holton's appeal. He simply followed up his predecessor's action and told Mr. Holton that the thing would have to go on, that the section would have to be offered to the public. Mr. Holton pointed out something about a road—that it would affect him very much, if he was not allowed this section, in getting on to his own section for ploughing. Mr. Pollen seemed to think this was only an excuse. However, to show my feeling in the matter, I said to the Board, "I think we had better postpone this and get the Ranger to inquire if a road could be given Mr. Holton, or whether it is a fact that this section being disposed of would interfere with his work." The Ranger was again sent up, and he reported that a right-of-way or a road could be given in. He did not think it was really necessary, because he believed that Mr. Holton could get up another way. However, to meet the case we decided to give Mr. Holton a road through the section so that he would not be blocked, and as far as I knew the thing was going on and the section would be shortly offered. Mr. Rentoul came to me and asked me when this plan would be out, and I said I thought it would be very shortly. This was about Christmas-time, I suppose. I said, "I think it is just undergoing the preliminary arrangements, and they are busy in the office and plans are not available." Then at the February meeting we got a letter from the Under-Secretary to say that the Department thought that this section was too small to let on renewable-lease tenure, and recommended that it should be let on a short lease of seven or eight years. The following meeting—in March—was my last meeting. Nothing, as far as I remember, eventuated at the March meeting, so that, officially, that was as far as I had anything to do with the matter. I do not know that I am supposed to say anything about what took place after.

5. If you have any personal knowledge of any statements made we shall be glad to hear it?—My personal knowledge is simply this: I saw from the paper—and, of course, was told—that the Board had been asked to rescind their previous resolution with regard to this section, and that it was going to be offered by public auction. I only want to state this—and I do not want to say very much more—that the reason that was sent down to the Board for altering the decision was not the real reason for the changing of the resolution. It seemed to me it was hardly likely that the Under-Secretary or the Minister of Lands would have noticed it, with a small section like that, unless it had been brought under their notice in some outside way. I might go so far as to say this, too, quite frankly, and candidly, and truthfully, that it was common talk in Cheviot that Mr. Holton had been to headquarters about the matter and would upset the action of the Land Board. That was common property. With regard to the excuse or the reason given to the Board to alter their decision, that also appears to me to be futile, because land has been bought and is being bought for settlement purposes cut up into even smaller sections than the one now in question. So that the reason that it was too small for a renewable lease, as the public would see, seemed only an excuse to get out of the position. We have always experienced on the Land Board a difficulty in getting the Lands Department to make these sections that they have bought and cut up big enough. Now, you see the excuse they give is the other way—that this section was too small; and that could not be the real reason, because it is absurd to think of anything of the sort, when in land settlements down in Canterbury you have put perhaps seven or eight small sections in a big settlement for the very purpose of letting them to small men. That is as far as I wish to state.

6. *Hon. Mr. Massey.*] You are a resident of Cheviot?—Yes.

7. How long have you been there?—Since the initiation of the settlement, twenty years ago.

8. You know all the settlers?—Yes, very well.

9. You mentioned just now that you were a friend of Mr. Rentoul?—Yes, the same as I am with most of the men at Cheviot.

10. What is Mr. Rentoul?—He was a chemist. He is now beekeeping.

11. Did I understand you to say that Mr. Rentoul called your attention to the fact that another man—Mr. Holton—occupied this small section which is under inquiry?—When he came to me he had noticed that this section was there as a reserve, and he asked me if I would make inquiry and see if the Board could throw it open.

12. How long had the other man occupied this section prior to Mr. Rentoul calling your attention to it?—Since the beginning of the settlement, I think.

13. Twenty years?—Yes.

14. Mr. Rentoul indicated to you that he would like to have it?—If it was available, certainly. He was looking for a place to build a house and make a home.

15. In compliance with his request you went to the Commissioner?—Not necessarily. Going to the Commissioner was my own motion. I thought it was only fair that I should inquire into it and see what could be done.

16. You remember the interview with Mr. Brodrick in Christchurch?—Not distinctly. I know that I waited on him and saw him just before the meeting.

17. You called his attention to the fact that the section was held under a year-to-year lease?—Yes.

18. And that there was another man up there, a friend of yours, who would like to have it?—I do not know that I said that. I do not think I did. I think I would say there was an applicant for it.

19. Still, the applicant was a friend of yours?—Not a particular friend. Most of the men at Cheviot I would call my friend, just the same as him.

20. Do you not work with him politically?—No.

21. Are you quite sure of that?—Yes. What do you mean by that?

22. Do you mean to say that at election-time you are on opposite sides?—No.

23. Then he is a friend of yours?—How do you mean ‘worked with me politically’? I cannot understand the trend of your question.

24. When it came to election-time were you and he not on the one committee?—I was not on a committee. I have never been on a committee in my life.

25. Did you ever discuss politics with Mr. Rentoul?—The same as I have with everybody; the same as I did with a gentleman at breakfast this morning—no more.

26. How many times did Mr. Rentoul see you about this section?—I do not suppose he mentioned the thing to me more than three times, and that was to inquire what was being done.

27. Did he write to you about it?—No, not that I remember.

28. Just interviewed you?—That is all.

29. And you thought it your duty to call the attention of the Commissioner to the fact that the other man’s tenure was uncertain and that this man Rentoul would be glad to have the section?—No; I do not think I said anything of the sort.

30. Well, what did you say?—I simply pointed out that this section was available, and that there was an applicant for it.

31. One applicant?—That was all I knew of. I have heard since that there were others.

32. Did you recommend the Commissioner to send the Ranger up?—No, the Land Board did.

33. Did you recommend the Commissioner to send the Ranger up?—I do not think so.

34. You were a member of the Board?—Yes.

35. Did you make the suggestion on the Board?—I do not remember. I might have. I do not think I did. I think Mr. Brodrick suggested it himself. It is a matter that I could not be quite sure about.

36. You seem to suggest that there has been some underhand influence at work in connection with this business?—I do not know whether it is underhand or not. It seems to me that the excuse that was given is not tangible to any business man.

37. Have you any reason to believe that any improper influence has been used in connection with the section?—I would not like to say that. I would not care to answer that question. I do not think my opinion in that respect matters much.

38. It matters a great deal to me, because I am going to tell you my reason for asking the question. Have you any reason to believe that any improper influence was brought to bear in connection with this section—in connection with the suggestion that it should be put up to auction?—I do not know that it could be called improper. I think that influence was brought to bear.

39. Well, what grounds have you for thinking so?—From the general appearance of the thing and from rumour.

40. You pay attention to rumour, do you?—Certainly. Everybody does.

41. What was the rumour?—As I said, Mr. Holton had remarked—it was common property—that he had gone beyond the Land Board and gone to headquarters.

42. What do you mean by “headquarters”?—I do not know what he meant: that is what he said.

43. Did he say so?—As far as I know.

44. To whom did he say this?—I will not tell you.

45. You decline to answer the question?—Yes.

46. When did you commence to move in this matter? At what date or in what month did you call the attention of the Commissioner to the fact that this land was held on a somewhat insecure tenure?—That I could not tell you exactly. It would be about eighteen months ago, I presume—twelve months last April or May, I think. I have no memorandum at all of the date.

47. Would you be surprised to hear that in February last the permanent head of the Department in Wellington wrote to the Minister of Lands—myself—as follows: “The Canterbury Land Board has recommended that the above section be offered for selection on renewable lease. In making the recommendation the Board has apparently been influenced by the fact that three local people have applied for the land on that tenure. The section is not large enough to maintain a settler, who under renewable lease would be required to reside on the holding. Recommended therefore that you approve of the land being offered for sale by public auction for cash, and not of its being opened for selection on renewable lease.” Do you know of that letter being sent?—No.

48. That letter was sent to me. Would you be surprised to learn that I referred the matter back to the permanent head of the Department, asking him to make inquiries in Canterbury if this land was required for a reserve?—I do not know anything at all about that.

49. Would you be surprised to hear it, after the suggestions that have been made?—I do not know, I am sure.

50. Will you accept that statement?—I have to.

51. I need not follow up the point that inquiry was made, that the Ranger was sent up to report as to whether the section was wanted for the purposes of a reserve for lime, and that the report was to the effect that the reserve was not required. Would you be surprised to learn that another letter came to the Minister of Lands on the 2nd June of this year from the Under-Secretary in these terms: “Referring to the attached letter from Mr. G. W. Forbes, M.P., I have to inform you that the above area has been withheld from sale hitherto on account of its containing limestone deposits; it has not, however, been formally reserved, and may therefore be disposed of under Part IX of the Land Act, 1908, which deals with the Cheviot Estate. There is a permanent reserve of 3 acres of limestone land adjoining Section 20, which is considered by the Crown Lands Ranger to be ample for any requirements for lime in that part of the district. The section consists of land of special value and will be keenly competed for. I have

therefore to recommend that it be sold for cash by public auction instead of on renewable lease, as suggested by the Canterbury Land Board, and that Mr. Forbes be informed accordingly." Do you know of that letter?—No.

52. Did you know of the recommendation?—No, I had left the Board then.

53. You mentioned just now that land was being cut up into smaller sections than 7 acres?—Yes.

54. Was that on Cheviot?—There were lots of sections of less than that on Cheviot.

55. Originally?—There are still.

56. Do you know of any land being subdivided into lots of 7 acres or less on Cheviot within recent years?—There has been no subdivision. The land was all surveyed right from the beginning. Some small sections have been amalgamated.

57. Do you know of a settler within the last few months being allowed by the Land Board to double the size of his section on Cheviot?—Yes.

58. What was the reason that was given?—His place was not big enough for farming, and originally these sections were intended for workmen's homes, and were not wanted for that purpose.

59. What was the size of the section?—The one you are referring to, I think, would be about 10 or 11 acres.

60. Was it not 25 acres?—Can you give me the name?

61. No?—I cannot be sure.

62. Was it not 25 acres?—I could not say from memory. In my mind there is one section that was debated for a long time as to whether the transfer should be given, but the circumstances of the old man who held it were peculiar, or else it would never have been transferred. His brother in Christchurch offered that if he could get out of the section at Cheviot he would build him a little place near him and look after him, and we took that into consideration and stretched a point. Otherwise I do not think the transfer would have been granted.

63. I think you have missed the point. I am speaking of the man who was allowed to have his holding doubled?—Quite so. He had claims too. He had a big family and his little section adjoined. He is a hardworking man and was trying to make a living. Putting the two things together we stretched a point.

64. What is the area which he was allowed to add to his holding?—I should not like to say from memory.

65. What is the value per acre?—It is pretty valuable land—I suppose £25 or £30 an acre.

66. So that the man to whom you are referring now was allowed to double his holding, although it was 25 acres in the first place and had a value of £30 an acre?—Yes; but I have told you that we did not do it readily. It was after a considerable amount of discussion and in view of the peculiar circumstances of the case.

67. Do you want the Committee to understand that though this man on 25 acres of £30 an acre land could not make a living, another man could make a living on 7 acres of very much inferior land?—But he was wanting it for a special purpose—beekeeping.

68. Who?—The man who applied.

69. And you intended it for him?—Not necessarily.

70. He applied for it?—Yes. I think the Land Board were perfectly justified. They are there to find land for settlers.

71. They are there to do what is right?—And we were doing what was right.

72. You are in the habit of corresponding with the papers, are you not?—Yes, I have written a few times to newspapers.

73. Any particular paper?—I have written to both the *Lyttelton Times* and the *Christchurch Press*.

74. There are other papers in Canterbury besides those?

75. *Mr. Forbes.*] The *Cheviot News*?—Yes, I have written to that. There is no particular crime in writing to a newspaper.

76. *Hon. Mr. Massey.*] No, so long as you write the truth?—I never wrote anything but the truth.

77. I am going to ask you if this is the truth. Do you remember a letter appearing in the *Lyttelton Times* of the 7th July over the signature of Joseph Gibson?—Yes. That was about this very matter.

78. Do you remember this paragraph: "The real reason for this instruction to the Board was without doubt that Mr. Massey's supporters had approached him to allow the section to remain in possession of the previous tenant, who farms the adjoining land"?—Yes; that is the natural inference, I think.

79. In your mind?—Yes. I was only writing for myself, not for any one else.

80. But do you think it would be the natural inference in the case of any right-thinking person?—I think so, certainly.

81. You do not stop there: "The parties who had sent in the application then wrote to Mr. Massey, and apparently in order to get him out of an awkward position it has now been decided to sell by public auction"?—Yes.

82. What grounds had you for thinking that?—I have tried to explain what grounds.

83. Had you any direct information?—No.

84. Do you suggest that some one wrote to me with regard to this matter to induce the Canterbury Land Board to reconsider?—That is what it looks like.

85. But do you know as a fact whether any one did?—No, I do not.

86. Then do you think it was a proper thing to put this in print?—Yes. I do not think there is anything wrong about it.

87. Are you a particularly suspicious man?—I do not know. You must use your own judgment about that.

88. Do you regret having written this letter?—I do not think so.

89. After having made inquiry and having heard all these statements, you are still of opinion that improper influence was brought to bear on the permanent head of the Department or on myself in order to induce the Land Board to rescind its decision?—I do think so.

90. What reason have you for thinking so?—The surrounding circumstances of the case.

91. Have you any direct or indirect evidence? I want you to bring it out?—No, I have none.

92. Nothing at all but the merest suspicion?—That is all.

93. Had the fact of your being dropped off the Canterbury Land Board anything to do with your writing this letter?—I do not think so.

94. *Hon. Mr. Buddo.*] How long were you a member of the Canterbury Land Board?—For four years.

95. Had any of those Cheviot sections originally leased by adjoining owners been applied for during your term of office under similar circumstances to this Gore Bay section?—I do not remember. There may have been.

96. Were there not a number of sections at Mina Township rented by some adjoining owner?—In some cases—not in all.

97. What was the method of removing them from the leases held by adjoining owners and putting them up for selection?—They were resumed in the ordinary way at the expiry of the lease.

98. There was no difference between those cases and the case in question?—No; but they had been let under a different tenure. They had been let on a longer tenure, of seven or ten years. This was a year-to-year lease.

99. Would you consider that a year-to-year lease was more likely to be terminated by the Board—or, rather, that the reasons for giving such a lease were more likely in the opinion of the Board to lead towards an early termination if there was a demand for small sections in the district?—Naturally, I should think. A piece of land that you let on a temporary lease like that you can resume without any feeling of hurting the other man, I think, because he ought always to understand that he holds it on that condition.

100. Do you think that the Land Board, in arriving at a decision to temporarily lease that section, had anything in view in not giving a longer tenure? What reason had the Board in letting the section on a year-to-year tenancy rather than on a longer lease as with the Mina sections?—It was never interfered with. A good many leases on Cheviot had been carried on in the same way. The Mina sections were bigger, and, of course, men wanted a more secure tenure in order to work them.

101. But you are of opinion that the object in this case would be to wait for a demand for small sections: that is what I understood you to say?—I could hardly say for what reason, because it was long before I was on the Board.

102. You would assume that the intention was to settle the land in question when a demand set in?—I presume so.

103. Were you on the Board when the Under-Secretary of Lands communicated to the Board his recommendation to sell the section?—No, it was after I left.

104. Was the Canterbury Land Board unanimous in agreeing to a renewable lease for this section?—Perfectly unanimous.

105. Why did they alter their opinion when the Under-Secretary of Lands communicated his recommendation to the Board?—They did not alter it while I was on the Board.

106. Is it a common matter for a Land Board to alter its decision on being communicated with by the head of the Department to adopt another system of tenure?—I never remember its being done with us while I was on the Canterbury Land Board.

107. Is this the only case?—The only case I remember.

108. *Mr. Nosworthy.*] Do you not think that the man who approached you first with regard to this section would stand a better chance of getting it at auction than he would if he went to the ballot?—Yes, if he has got the money, probably he would.

109. What is the good of a man taking up land if he has not any money?—I do not know.

110. Do you think it would be a good thing for the State?—I do not know anything about that.

111. *Mr. MacDonald.*] When the decision was given to change the method of disposal of the section from the renewable lease to sale for cash, you were under the impression that some influence had been brought to bear either on the Under-Secretary or the Minister to have that alteration made?—Yes.

112. When the Land Board come to a decision as to the most suitable tenure on which to offer land, whether it be renewable lease or sale for cash, decisions are very seldom altered by the Under-Secretary?—With regard to selling by cash, we have had very few transactions of that kind since I have been on the Board. There has been very little land sold by auction, excepting the pastoral leases.

113. After the Ranger's report and the Board's decision that the best method to dispose of the section so as to give everybody a chance would be to let it on renewable lease, you came to the conclusion when the Board received word that the Department's intention was to sell by public auction, that influence must have been used to bring about that decision of the Department?—Yes. You see the first suggestion was that the section should be let on a short term. That came while I was on the Board.

114. *Mr. Anderson.*] You are not in the habit, are you, of believing all the rumours you hear in the street?—I do not think I am different from anybody else about that.

115. You do believe them, then?—I believe a rumour if my common-sense leads me to suppose there is something in it.

116. You believed this rumour that influence was brought to bear on the Minister? Was that the system that was adopted during the three years you were on the Board prior to this Ministry coming into power?—What system?

117. That influence was brought to bear on the Minister to bring about certain things that were desirable in the district: is that your basis for believing in this case?—It occurred to me that the thing would not have been interfered with unless some influence had been brought to bear. I fail to see how the Under-Secretary and the Minister of Lands would have noticed this small transaction at all unless it had been brought before them.

118. Do I understand you to mean that this was the usual thing—to bring influence to bear on the cases?—I have never heard of influence in my experience. If I, as a member of the Land Board, had seen a thing like that, politics would not have affected me at all.

119. Did the fact of your not being reappointed to the Board have any influence with you?—Not the slightest. I quite expected not to be reappointed long before this came out. My time was up, and, as you know, the appointment that is sent you states that you are appointed for two years and no longer. I had been expecting it ever since the Massey Government came in, and I had no feeling about it at all. I thought it would be a natural consequence.

120. *Mr. T. W. Rhodes.*] Can you give us any idea of the value of this section that is under consideration?—I could not tell you. It is a section I was never on.

121. You have no idea at all of the value of the land?—Not from my own experience.

122. Is it as valuable as the others you were speaking of? Is it worth £10 an acre?—I do not think it is as valuable as the one I was telling Mr. Massey about.

123. The value, then, would probably not be more than £10 or £12 an acre?—I should not think so. It might be.

124. The probable value of the section, then—7 acres or so—would be £70 or £80?—Yes.

125. There are special conditions with regard to payment for Cheviot lands, are there not? The whole of the cash has not to be put down?—They would be the ordinary terms of cash sales, I suppose.

126. They are allowed five years, are they not, in which to pay the remaining half?—I am not quite sure. We have had very little experience of sales on the Canterbury Land Board.

127. Twenty-five per cent. down, 25 per cent. in thirty days, and the balance at any time within five years: those would not be very hard terms, would they?—No, certainly not.

128. A man would not need to be a capitalist?—No, decidedly not.

129. Therefore, as you have already said that your friend——?—Do not speak of him as my friend. He is not my friend any more than lots of other men are my friends. He is an acquaintance.

130. Well, this acquaintance of yours would not have any difficulty in financing this?—That I could not say at all. I know nothing about the man's finances.

131. The total amount would only be £70 or £80 and he would only have to put half that down and would have thirty days to do that. A man does not require to be of very great standing to finance a thing like that, does he?—I should think not.

132. Therefore he would have a better chance——?—I am not pleading for Mr. Rentoul to get this section, and never have.

133. You said something about "if he had the means." Now, would he require to be a man of more than ordinary means to be able to finance this?—That was in answer to Mr. Nosworthy, I think, when he asked whether a man would be able to get in easier, and I said, "Yes, if he has got the money."

134. Would it require much money, in your opinion, for a person to finance this?—I do not suppose it would.

135. *Mr. Coates.*] I understood you to say that the Canterbury Land Board had a system of giving preference? You said that in the case of a man with a family it was considered desirable to give him the land rather than another man. I am not sure whether you were referring to this section or another?—It was another one that Mr. Massey referred to.

136. As a matter of principle you cannot do that by law. That was the only case where it was done?—Where we considered the circumstances?

137. Yes?—What are we there for?

138. But by law you cannot give any preference?—There is no law affecting the question like that that I know of—when two men come before you for transfer.

139. In the case, we will say, of Mr. Rentoul making an application, you could not possibly give him any preference?—Certainly not. He was told so from the very start.

140. Would the interests of the State, in your opinion, be conserved as well by offering the section for sale by auction as by offering it for renewable lease?—It is such a small matter; I do not think as far as that is concerned that it would affect the interests of the State either one way or the other—not financially, at all events.

141. It would be possible for a man to hold this section under renewable lease for perhaps a few years and to part with his interest afterwards, probably securing a goodwill consideration?—He would have to hold it for five years.

142. After that time it would be possible for him to transfer the section?—I presume so.

143. In this case have you any objection to the section being offered for sale—I mean, as a matter of policy?—I will put it in a nutshell: I am against the State selling any land whatever.

144. Then, in your opinion, the best interests of the State would not be conserved by offering a section for sale by auction?—Because in my humble opinion we ought not to sell any land whatever.

145. In your opinion is this section big enough for a man to earn a living off?—It is not of a size that I would lease excepting for some special purpose. A man in some of these small industries could make a living right enough. It is very well situated—close to the sea, and warm.

146. Is the lime of any value?—It will not be, I think, unless it can be used in its raw state. Getting a fuel there to burn with it is what is wanted.

147. Is there any value attached to this section on account of the lime being on it?—I do not think so. There is any quantity of lime in the neighbourhood.

148. With regard to your assumption that influence of some kind was used, could you state roughly what authentic grounds you have for saying that—that the Under-Secretary of Lands or the Minister of Lands was got at?—It seems to me that you want a man to analyse the thing, and it would be rather a difficult matter to arrive at why you come to a conclusion like that. You know yourself—you have arrived at a conclusion many times—

149. But I always arrive at conclusions from facts. I want to find out exactly your reason for making the statement that you did—that political influence, or influence of some kind—we need not use the word “political”—that personal influence was used?—You want to know why I should in the first instance have such an idea brought into my head?

150. Yes?—I will tell you now. Supposing you were sitting on a Land Board and you were the member representing the particular district where a section was situated that was being dealt with, and the Commissioners, with the reports of Crown Lands Rangers, approve of the action we take in letting the section on renewable lease. This has been done in many instances, and there are lots of transactions that the Land Board puts through which come before the Lands Department here. Why should our decision be picked out and reversed in this particular case? That is what I wanted to know, and I looked round for a reason why that was done. There you are.

151. That was your basis for the letter you wrote and the opinion you have stated?—That is so.

152. Are you aware of the matter going before the Canterbury Land Board after that date? You were not there when they rescinded the resolution and adopted the recommendation of the Lands Department?—I was not there then.

153. Have you in your experience had any instance where the Land Board have queried whether it was wise for the Lands Department to recommend in any particular direction over and above the recommendation the Board had previously made? Do you know of cases where the Board have quibbled or refused to carry out these recommendations?—No. I do not think so.

154. It is the usual thing to adopt exactly what the Lands Department say?—I think it would be discussed, and if we thought differently we would express our opinion, most decidedly.

155. Then it is evident that at the time the recommendation from the Department came before the Land Board the Board were unanimous in thinking that the recommendation was a wise one?—Evidently, or else they would not have passed it.

156. *Mr. Witty.*] Mr. Holton had held this land since the inception of the settlement?—Yes.

157. It was on a yearly tenancy, was it not?—Yes.

158. Liable to be taken away at any time?—At a month's notice, I think.

159. The two Rangers reported favourably on this section being leased on renewable lease?—Yes.

160. And the two Commissioners agreed, as well as the Board?—Yes.

161. Do you think the section is large enough for a man to make his home on?—As I have said already, under certain circumstances, Yes; but if it was an ordinary piece of land he would have to go out to work.

162. Mr. Massey was anxious to know whether you and Mr. Rentoul were of the same political colour. What are you: do you belong to the Liberals, or are you a member of the Reform party?—I have always supported the Liberal party.

163. Would you think it would be seeking influence, either political or personal, for a man to write above the Land Board to the Minister of Lands?—I should think the man himself would be probably justified.

164. Would it be using influence to try and get what he wanted?—He probably, being an unknown man, would require some assistance.

165. What is the area of the land that is held by Mr. Holton?—About 300 acres, I think. I am not quite sure.

166. Do you think he has sufficient land to make a living off?—Well, if he has not, this small piece is not going to make much difference. There seems to be an idea in the minds of the Committee that the question of personal interest has been brought in. The thing has never been in my mind or in the mind of the Board. What has been done has been done irrespective of individuals or persons. If anybody had come to me and asked me the same question as Mr. Rentoul asked I would have done exactly the same thing. That is the position I want to make clear. I was not doing this because a certain party wanted it.

167. Now, supposing a man bought the section for cash—or, rather, bought it on the terms—namely, 50 per cent. down, practically, and 50 per cent. in five years—would he not also require something with which to build a house and make other improvements?—He would have to do that. He would have to reside on it.

168. Therefore the £30 or £40 he would have to pay in one month would not be all: he would require more money?—He would have, I suppose, twelve months. That is the usual thing, I think, to give new tenants about twelve months in which to settle.

169. Do you think it is better to let that land on renewable lease than to sell it?—I certainly think so.

170. If it were a renewable lease would not the State, when the lease was renewed, have an opportunity of getting a larger rental?—Exactly.

171. *Mr. Robertson.*] The resolution of the Land Board to let this land on renewable lease was rescinded after you left the Board?—Yes.

172. How long after that was it that it was decided to put the section up to auction?—It had then been decided, I think. It was decided by the Lands Department, and it was their deciding that caused them to ask the Board to rescind.

173. It is not the usual thing for the Lands Department to interfere with decisions of the Land Board?—Not in my experience.

174. It has not occurred before in your experience?—No.

175. That is what gave rise to the idea in your mind that influence had been used?—Yes.

176. *Mr. Forbes.*] You were on the Board when their first decision was returned to them by the Under-Secretary for Lands?—Yes.

177. It is stated on the file that the Board adhered to its previous decision?—I was there—that is, when the proposal came down that we should let the section on short lease.

178. You adhered to your former decision?—Yes.

179. You do not remember in the time you have been on the Board any similar case?—No.

180. Referring to the case that was mentioned by Mr. Massey, where a man was allowed to buy up his neighbour: you remember that I had something to do with that section?—I do not know whether that is the one.

181. He is referring to Barrett's. Do you remember that Barrett applied to be allowed to sell out to his neighbour?—Yes.

182. And brought forward the circumstances of his case?—It was on the boards for a long time.

183. You know that the Minister of Lands was approached to see whether he could do anything in the matter?—Yes.

184. Did the then Acting Minister of Lands, Mr. Buddo, direct the Board to give effect to the wishes of the man who wanted the transfer? Was it he that brought about the decision of the Board?—Oh, no. I do not remember there being any communication with the Minister of Lands on that question.

185. You know that Barrett had got several people to write to the Minister of Lands asking him to see if he could not do something for him?—Yes.

186. Did the Minister of Lands in any way write to the Board or direct what its—?—It did not come before us. We never got it.

187. The Board dealt with the matter entirely on the merits of the case?—Yes.

188. And with no direction from headquarters at all?—No.

189. The reason why you came to the conclusion that something out of the way had taken place in connection with this section was because it was most unusual?—Yes.

190. And you knew, from your own knowledge, of the discussion that had taken place in relation to the section at Cheviot?—Yes. I may tell you too that my colleagues on the Board were just as much surprised as I was. We talked it over after the meeting, and could not understand the reason for it at all—that is, when we sent the thing back.

191. If you had been on the Board would you have acquiesced quietly in the rescinding of your resolution?—No; I would have voted against it.

192. You were asked whether your being put off the Land Board aroused your feeling in this matter. This matter of taking up the section was long prior to the question arising whether you were going to be reappointed or not?—Yes.

193. You had no notion of what was going to happen?—No. I have never connected my not being reappointed with this transaction at all.

194. You have put it down to the fact that another Government having come in, they considered you should be put off?—Yes.

195. Was there another member whose time expired at the same time as yours?—Yes, Mr. Stevenson. His time expired either that month or the following month.

196. Did the same reason prevail then? He was appointed during the Liberal Government's time, was he not?—Yes.

197. Was he reappointed?—Yes.

198. Did you not think you had received some special treatment? Did you not think that, both yourself and Mr. Stevenson having been appointed by a Liberal Government, when the Massey Government came in you would both go out?—I am inclined to think that Mr. Stevenson is no longer a supporter of the Liberal party. That is my opinion.

199. You think that his politics are now acceptable to the party in power?—Yes.

200. Your successor on the Land Board—were his politics in accord with the politics of the present Government?—I think there is no doubt about that. There is no need for suspicion there.

201. *Hon. Mr. Massey.*] Did the original tenant, Mr. Holton, get notice of the termination of his tenancy prior to the year having expired?—I am not quite sure about that. I do not remember exactly when the notice was sent.

202. You stated, I think, that in the event of this land being disposed of under renewable lease the new settler, whoever he happened to be, would be compelled to make his home there?—Yes.

203. In the other case, which has been referred to as Barrett's, was the new tenant compelled to reside?—He was residing on the adjoining section.

204. Was he compelled to reside on the section which he acquired?—It is under different circumstances.

205. Was the new tenant compelled to reside on the section which the Board recommended should be given to him, and which was given to him?—It was under lease in perpetuity. On lease-in-perpetuity lands at Cheviot the residence clause expired years and years ago. It was only for ten years.

206. I want to know whether the new tenant whom the Board recommended in the case on the section referred to as Barrett's was compelled to reside on the section?—He could not be.

207. I will repeat the question. Was the man referred to in Barrett's case compelled to reside on the section he was getting?—Certainly not.

208. Why?—Because there is no residence clause.

209. In what case?—The lease in perpetuity carries with it ten years' residence, and that has expired in all cases at Cheviot. There is no longer any residence clause there.

210. Were both these sections held under lease in perpetuity?—Yes.

211. Both the section which was already occupied by the man and the one which was transferred to him?—Yes.

212. Therefore the Board did not insist on the residence conditions?—It could not, of course. He was residing on the other, you see.

213. In the case of transfers and sales I suppose you are prepared to admit that the functions of the Land Board are merely advisory?—I think there are certain powers, considerably more than that.

214. Are you aware that the functions of the Land Board in the case of transfers of land or sales of land are merely advisory?—No, I am not aware of that.

215. Do you know that no transfer can take place without its being accepted and agreed to by the Minister of Lands?—Yes, I know that.

216. And has his signature attached to the document?—Yes, I know that. But that was not the scope of your question: there is entailed a good deal more than that.

217. I will put it in this way: when a transfer is proposed in any land district and considered by the Land Board, does their recommendation go on in that form to the Minister?—I know that is always done.

218. Nothing can be done without the Minister of Lands?—Yes.

219. Or without it coming through the head of the Department?—Yes, that is so.

220. Then it comes back to what I suggested just now—that the Land Boards' functions are advisory?—With regard to transfers, yes.

221. And that the Minister can at any time veto any of these transactions?—Yes.

222. Are you aware that some hundreds are vetoed in the course of the year?—Not with us.

223. I am speaking of administration generally?—I do not know about that. It is not so with us.

224. With regard to this section, you think it would be practically impossible for a man to make a living from it?—Unless he had some special occupation, such as gardening, or beekeeping, or fruitgrowing. Then he could do well.

225. How many beekeepers are there in Cheviot—many?—There is only one that is following it up as a profession, as far as I know.

226. This is the man who applied for the section?—Yes.

227. So that as far as beekeeping is concerned the thing was limited to this gentleman?—I do not think it was in our minds what he would do with it, as long as he was satisfied he could make a home.

228. *Hon. Mr. Buddo.*] What would have been the effect of offering the section in question for sale for cash as against leasing on renewable lease so far as regards settlement: would it have been likely to induce settlement more by letting it on renewable lease?—I think so, decidedly, from my experience.

229. Was it the Canterbury Land Board's general policy to encourage residential settlement?—Yes, certainly.

230. Was it so during the whole period you were on the Board?—Yes.

231. Could residence have been insisted on if the section had been disposed of for cash?—No, certainly not.

232. Could residence have been insisted on if it had been disposed of on renewable lease?—Yes, for five years, or longer than that. It has been increased.

233. It is altogether now?—Yes.

234. Then the disposal of that section on renewable lease would have best carried out the Land Board's general policy?—Undoubtedly.

235. *Mr. Nosworthy.*] You say you were ignorant of any others inquiring for the land when Mr. Rentoul first approached you?—Yes, that is right.

236. Is it not a fact that when sections have not been taken up, as was the case with this section at Cheviot—except for the year-to-year lease—the Board have let sections on renewable lease when there has been only one applicant?—The section would have to be offered first to the public, and if there was only one applicant he would get it. It has to be advertised.

237. *Mr. R. W. Smith.*] You were on the Canterbury Land Board for four years?—Yes.

238. Do you remember during that time any other case where the Minister of Lands insisted on the Land Board reversing its decision?—No, this is the only case I know of.

239. Was this section in the district that you represented on the Board?—I did not represent Cheviot on the Board. I was not a Crown tenants' representative. I simply represented Canterbury.

240. Where members of a Land Board know of pieces of land that are likely to benefit the district by being thrown open, is it a usual thing for members of the Board to recommend that those pieces of land be thrown open?—Most decidedly.

241. It is their duty to do so, is it?—Yes, I think so.

242. *Mr. MacDonald.*] In regard to the section which was granted to the adjoining owner, is there not provision made in the law that where an area is not considered sufficient to maintain a family they can obtain adjoining land?—Yes. We were working well within our province.

243. *Mr. Witty.*] If this land had been let on renewable lease it would have had to be advertised and balloted for?—Yes.

244. Therefore the beekeeper who wanted the land would simply have to run his chance with other people?—Yes.

245. Do you know if there were other people wanting that land in the district?—I have heard of two applicants.

246. Therefore the beekeeper would only have a chance with other people?—That is so.

247. *Hon. Mr. Massey.*] In the case of Barrett's section, do you know that the Board had the power to refuse the transfer to any one except a resident settler? You know, as a matter of fact, that the Board controls all those things?—That is so.

248. *Mr. Guthrie.*] You spoke of the first letter that you got recommending a lease for a short term?—Yes.

249. Is it not a fact that that suggestion was made because the Lands Department thought the section might be required for a reserve, and it was to be leased under the Domains Act?—No; the reason given was that the section was too small for a renewable lease.

250. When you wrote the letter to the *Lyttelton Times* you were under the impression that some undue influence had been used?—Yes.

251. You had not before you then the evidence of that file which has been placed before you to-day. Would you still, if writing that letter, write it in the terms in which it appears there?—Yes.

252. Then you are still under the impression that undue influence has been used?—Yes; I certainly think that some interference came from outside in connection with it.

253. After you have heard Mr. Massey's statement and have been informed of what appears on this file, do you mean to say you are still under the impression that undue influence has been brought to bear, or interference with him, in this matter?—I certainly think influence has been brought to bear; I do not know about undue influence.

254. After you have seen what is on this file, you are still of that opinion?—Yes.

255. And after you have heard what Mr. Massey has stated here, you are still of opinion that there has been interference with him?—Yes.

256. *Mr. Witty.*] Have you seen the file?—No.

257. You do not know that there is a letter from Mr. Holton to Mr. Massey with regard to that section on the file?—Yes, I believe I heard there was. I have not seen the file.

JOHN RENTOUL examined. (No. 4.)

1. *Mr. Guthrie* (Acting-Chairman).] What is your occupation?—I am a bee-farmer just now.

2. Where?—At Cheviot.

3. Have you any statement to make in connection with this case?—Yes. I had heard that the section in question would perhaps be available for putting up for competition, and about March last year, I think it was, I wrote to the Commissioner asking if that was so, and I think I saw Mr. Gibson in reference to the matter. I was informed that there would probably be no difficulty in having the section put up. I was informed also that as the temporary lease run out at the end of that year—at the end of last December—it would be dealt with then. In January I again wrote asking if there was any likelihood of the section being dealt with in the immediate future, and I got a letter from the Commissioner stating that it would probably be two or three months before it could be ready for disposal. In February I noticed a report in one of the Christchurch papers that the Under-Secretary of Lands had written suggesting that the section was too small for renewable lease, and that it should be put up on a seven- or ten-years lease. I wrote to the Commissioner and pointed out that it seemed strange that when there were applicants for the section under renewable lease it should not be put up under that tenure, and that a seven- or ten-years lease as far as I was concerned would not be of any use, as I wanted the section for residential purposes. I got a reply to the effect that I would be informed what was decided to be done with the section at a later date. I saw the Commissioner in April when I was in Christchurch, and he said that nothing further had been heard about it, and I would be informed later on. Nothing further happened, and I wrote to Mr. Forbes asking him if he would expedite matters, as I would like to know this winter if there was any possibility of getting the section. That is as far as I was concerned in the matter.

4. Is that all the statement you desire to make?—Yes.

5. *Hon. Mr. Massey.*] Did you approach Mr. Gibson with regard to this section?—I did in the first place.

6. Do you remember the date?—I think that was about March of last year.

7. You desired the section for the purposes of your business and residence, and so on?—For a residence.

8. Was it particularly suitable from your point of view?—Yes, particularly so.

9. You still desire to get possession of it?—Yes.

10. What do you think it is worth?—For a man who wants to make a home on the section it is worth what he can afford.

11. What is the value of the land?—It all depends what you intend to do with it. As grazing land I should say the price put upon it by the Land Board is a fair one.

12. What is that?—£12 an acre.

13. Have you been beekeeping long?—Two years solely beekeeping.

14. At Cheviot?—Yes.

15. Is there space enough on a section like this for your purpose?—Oh, yes. It is the locality that makes the difference.

16. Is it a good district for it?—It is a fair locality. My operations would not be confined to that spot. What I particularly wanted was a section to reside on where I could keep a number of colonies.

17. *Mr. Nosworthy.*] How many times did you approach Mr. Gibson with regard to this matter?—I have spoken to him—I could not say how many times. We meet occasionally, and it has been mentioned on different occasions.

18. Have you discussed it more than three or four times with him?—Prior to coming to Wellington?

19. Yes?—Probably not. No, I should think not.

20. *Mr. R. W. Smith.*] Seeing that Mr. Gibson was a member of the Land Board, I suppose you would look on him as the correct person to approach on a matter of the sort?—That is why I approached him on the matter. I took him to be representing the Crown in the case, and I saw him in reference to the section—not that I desired his personal influence, but simply that I wished to see what the Board were prepared to do.

21. *Mr. Coates.*] In your opinion would your chances be as good by the land being offered at auction as by its being offered under renewable lease?—I do not think so, from what I have heard some of the local people down there are talking about giving for it.

22. In your opinion how many applicants would there be for the section if it were offered under renewable lease by ballot?—As far as I know I am the only married man with a family. I heard of a man putting some of his children in for it: that is all.

23. That is only two?—This man with the family might have put two or three of his children in for it.

24. *Hon. Mr. Massey.*] Was that Mr. Holton?—No. Possibly Mr. Holton may have been an applicant. I could not say.

25. *Mr. Coates.*] What is your reason for saying that your chance would not be so good by auction as by putting the section up by ballot?—I have heard some of the local people talking of giving a price that I could not afford to give.

26. You understand the terms on which it is offered: would that be a bar to you?—It would depend on the price the section went to.

27. We will assume that it goes to a fair price—a price even above the value put on it by the Board?—It is sure to go to that.

28. Supposing it goes beyond that, do you think the conditions under which you would have to take the section—to pay cash, and so on—would bar a man like yourself?—What are the conditions?

29. As far as I understand, one-quarter down, one-quarter within thirty days, and the rest in five years at 5 per cent.?—It all depends just how much the price is.

30. I am not asking the price you are willing to give. Would these conditions prevent a man like yourself from taking this piece of land, or any man of ordinary means in your position?—Yes, at the price I am willing to give; possibly I could not get the land at that price.

31. That is not the exact point. Would the conditions of a cash sale, as laid down by the Cheviot Act, prevent you from bidding for the land?—They would not prevent me from bidding for the land up to a certain price.

32. Would they prevent your taking the land up?—It all depends on the price.

33. I want to know whether the conditions of sale by auction under this particular Act would prevent a man from taking up the land?—I can only say they will prevent me if the price goes too high.

34. In your opinion are the chances just as good under renewable lease as under sale by auction: are the conditions just as good one way as the other?—Under renewable lease I would have the advantage of using what money I had got in building. If I had to buy the section at a good price—presuming I managed to get it—it would mean that that money would have to go into the price of the land.

35. On the other hand, provided the price was satisfactory to you, it would not bar you?—No, provided the price was low enough.

36. *Mr. Witty.*] The land would be worth more, would it not, to a man who wanted to live on it and utilize it himself than it would be if let as part of a grazing-run with another area?—Certainly.

37. If you had the land on renewable lease you would be compelled to build on that land, would you not?—That is so.

38. And if you bought it you would have to build?—Yes.

39. Therefore it would not only be the price of the land you would have to provide, but the price of building would have to be added?—That was my difficulty with regard to having to buy it.

40. It has been suggested that the terms for cash are exceptionally easy, but easier terms can be obtained for land purchased outside the Government, can they not?—I have not been much on the market with regard to purchasing land, and really do not know what the conditions are.

41. But the conditions—one-half down within a month—are not particularly advantageous to the purchaser?—No.

42. *Mr. Forbes.*] Are there any other Cheviot sections that you can get for the purpose of making a home for yourself and having room for your bees?—Not so suitable.

43. Are you quite satisfied that you can make a living off this section of land with your industry?—Yes. In the industry in which I am engaged—beekeeping—the size of the section does not apply: it is the locality.

44. Is this a good locality for bees?—It is a good locality. With bees you can only keep a certain number of colonies in one place. You must have out-apiaries, which generally take a very small piece of land. You generally arrange leases with farmers.

45. What provision have you now for a home: have you got a piece of land for a home?—No, I am simply renting a place.

46. You are very anxious to get a permanent home?—Yes.

47. In your opinion the putting of this section up to auction will mean that a very much higher price will be given for it than the upset placed upon it?—I think so.

48. What is your experience in respect to similar small areas of land of equal quality in that vicinity that have been opened for public competition?—There was one section down there that I know of, 200 acres or less in area. It is not so good as this. It was put up for tender, and the present tenant is paying £1 10s. an acre for it.

49. That would be equal to £30 an acre?—Yes. The man is still down there.

50. If there is similar competition for this piece of land it will place it beyond your power to touch it?—Yes, too high.

51. So that in your opinion you would have a very much better chance of getting it even by going to the ballot than you will have at auction if there is similar competition for this section to that which there has been for other sections down there?—I do not expect to get it if some of these men are going to compete who say they are.

52. Will putting the section up by public auction bring a larger number of competitors than offering it under renewable lease?—Yes, I think so.

53. You anticipate that a far larger number will bid for this section on account of its not having any residence conditions, and so on, than would be the case if it were put up under renewable lease?—Yes, I think so. There are people in the locality who would take it up for addition to their places for grazing, &c. There have been good prices offered. There is a section of 5 acres that an adjoining farmer has been offering £25 an acre for, and it is not so good as this.

54. If the section brought £20 an acre that would be £75 that you would have to put down, and the balance you would have at interest: would that not be a greater handicap upon you in making improvements on that section than if you had the section on renewable lease, under the terms of which you would only need to pay the rental?—Yes, it would make building on the section more difficult for the time being.

55. If you had to pay that sum would you be able to put up the sort of house that you would put up under renewable lease?—Not immediately.

56. Is there much beekeeping done at Cheviot?—Yes, a pretty considerable amount now.

57. Are you the only one engaged in it?—No. There are about seven or eight members of the Canterbury Association there. They are men who are engaged in it to a fair extent.

58. Are any of them altogether dependent on beekeeping?—No, only myself at present.

59. These others are doing it in connection with their other pursuits?—Yes, farming.

60. Is Cheviot a good district for beekeeping?—I have found it so.

61. *Hon. Mr. Massey.*] You know that this small section was almost necessary to the man who occupied it for a great many years on account of its giving access to his land?—I would not like to admit that. I know the section very well. Access could be given him through a small portion of the lower end of it that would not interfere with the section. The only access that he uses through it now is a bridle-track over the terrace.

62. You know that the Land Board admitted this by making arrangements to put a road through it in the event of its being taken from him?—I understood so.

63. Who is occupying the section now? Is it occupied at all?—Mr. Holton, I suppose, is still occupying it.

64. *Mr. Forbes.*] In connection with the alteration of the Land Board's decision to let the section on renewable lease, have you heard any comment at Cheviot about it?—It has been considerably discussed.

65. There is a good deal of interest taken in this inquiry, is there not?—Oh, yes. The matter has been discussed, and I have heard various opinions expressed about it.

EDWARD RICHARD HOLTON examined. (No. 5.)

1. *Mr. Guthrie (Acting-Chairman).*] You are a farmer?—A small sheep-farmer.

2. At—?—Cheviot.

3. You know what this inquiry is about: have you any statement to make in connection with it?—Yes. I should like to say this: I have had the occupation of this small section of 8½ acres for about seventeen or eighteen years. It was granted to me in the first instance by the Land Board, on the ground that I had no access to my land on the north side of the Buckstone Creek. There was no other means of getting on top of that land. I applied for lease in perpetuity, but they told me at the time that the section was reserved in case it should be required for the future development of the Port Robinson landing-service, and that I should not be interfered with in the occupation of that section unless it was required for that purpose. In the meantime the Port Robinson landing-service has been abolished and the roads broken up and everything cleared away. It is at an end since the railway has come up to Cheviot. This small section is a most useful one to me for the reason I have mentioned. It gives me the means of

getting horse and plough up on top of the ridge, which rises to about 550 ft. above sea-level. This section is a terrace just overlooking the beach. It is a long, narrow slip of land, and it rises up from the road in various places, at the steepest part perhaps 30 ft. to 35 ft., and it is broken in the middle by a spur, which comes down from the hill. There are two little bits of flat land on it. My section contains very little flat or ploughable land. There is about 15 acres altogether of flat ploughable land in patches here and there. I use the section, as I say, for the purpose of getting my horses up the hill when we want to do any ploughing on the top of the ridge.

4. *Hon. Mr. Massey.*] When did you first hear that you were likely to lose this land?—I first got to hear about it at about the end of October last year.

5. Was that official information?—No. I heard about it quite by accident. The man who told me was a man who was working on the roads round there—a roadman employed by the Cheviot County Council.

6. What did he say?—He said, "There is somebody up there looking about after that section of yours." He said, "If I were you I would make some inquiries about it and see what they are doing." I thought the matter over. I thought to myself, well, I have received no official notice—no notice that my lease is to be terminated or anything of that sort, but I will make some inquiries about it. I went down to a man named Wilkinson who lives close by and asked him whether he has seen anybody up there looking at the section, or whether he had heard anything about it. He said, "No, I know nothing about it." Then other information leaked out, and I found that there were one or two people there who were going to apply for the section. I then wrote down to the Commissioner of Crown Lands at Christchurch and said I would like to have an interview with the Land Board in Christchurch. They met on the first Thursday in November. I went down to that meeting and said as much as I have said to-day before this Committee, and the Commissioner said, "This land is going to be put up on renewable lease and you will not be allowed to apply for it." That is practically all the information I got. But when I came out of the Land Board meeting, Mr. Gibson, the man who comes from Cheviot, came out to me and said, "The members of the Land Board are inclined to allow you to remain in occupation of this section, but it is the Commissioner who is a bit against it." He said, "I should like to have a talk with you about this. Come up and see me as soon as possible." After we got back to Cheviot I went up to see him one Sunday, but I did not get any further information about it from Mr. Gibson. Nothing more was said about the section.

7. Did you see Mr. Gibson again?—Yes. At this meeting I said that I wanted access to my land, and that was why the section was originally granted to me. They said, "We will send the Ranger up to visit Cheviot and he will see whether what you say is correct." In the meantime the Ranger did go up to Cheviot, and I spent three hours with him. I happened to catch him, and was with him for three hours walking up and down the hills and up the Buxton Creek, and he left and went to Christchurch. Then I wrote a letter down to the Commissioner asking if he would let me see the Board again in December. I went down. In December the Board said, "We have resolved to put this land up on renewable lease. You will not be allowed to apply for it. But we intend to grant you a half-chain road across the middle of the section to give you access to your land."

8. Do you know a man named Rentoul?—Yes.

9. Had Mr. Rentoul expressed any desire to become the occupier of this section?—Not to me. I know it now. I understood that this thing was to be kept secret; it was to be done secretly. This arrangement about cancelling my lease and putting the section up on renewable lease was to be kept quiet, and that Mr. Gibson had undertaken to put it through in December.

10. I shall want some explanation of what you mean by "arranging it secretly"?—Quietly—putting it through quietly. It was to be kept secret. It leaked out little by little in that way.

11. Who was working in this way?—Mr. Rentoul himself.

12. Who were parties to this quiet arrangement?—It was to be quietly put through. There was Mr. Rentoul; there was a Mr. Wilkinson, I believe.

13. Tell us what you know about this quiet arrangement?—Mrs. Rentoul and Mrs. Tweedy were very friendly. Mr. Rentoul had been spending the summer down close to this section, and there was a neighbour there named Tweedy. Mr. and Mrs. Tweedy were very friendly with the Rentouls, and there was a Mr. Sidney Smith also friendly. He lived next door. But later on Mrs. Rentoul and Mrs. Tweedy were not on such friendly terms—were not on speaking terms—and then Mrs. Tweedy let out—I think it was to my son, C. Holton—that this arrangement was to be kept secret and nobody was to be told about it. She said that Mr. Rentoul was going in for the section, and she spoke as if he was certain to get it, although there might be one or two others. That is how it leaked out.

14. *Mr. Guthrie.*] You say that your son told you. I cannot admit that. Just give us what you know from your own direct knowledge?—It was kept secret from me, and I had the greatest difficulty in finding out anything about it. The loss of the section was a severe one to me. I am only a small farmer. By using that land in connection with my own I am enabled to keep a few more ewes. If that bit of land is taken away it will make a difference of perhaps thirty ewes—I shall have to keep that number less. I have got on the land this year 308 ewes, from which I get my living. I had last year 306, and that is about the average. That is all I have to get a living from.

15. *Hon. Mr. Massey.*] You are of opinion that there was a conspiracy to take this section from you?—My opinion is that they found out that I had not got a clear tenancy of this land and they thought they would like to have it. They communicated, some of them, either with the Land Board or with Mr. Gibson, who was the representative of Cheviot on the Land Board,

and they found out that the lease could be cancelled. Another thing I should say: I never got any notice that this lease was going to be cancelled. I did not receive notice that it was going to be cancelled until three days after it was cancelled. They cancelled my lease at the 31st December last, and I did not get notice from the Commissioner of Crown Lands until the 4th January following. If I had got anything like reasonable notice I should have known a little more about it. I was not certain that the Land Board would take the section from me and put it up on renewable lease.

16. Do you think that was fair treatment to mete out to a man who had occupied the land for seventeen or eighteen years?—No, I thought not. I thought that somebody might have told me about it, anyhow.

17. Has the land been taken away from you?—The lease has been cancelled. If I do not get that land it will cost me about £25 to lay out now on the alteration of the fencing. The little paddocks that I have got about there will all have to be altered.

18. Have you any reason to believe that Mr. Gibson was assisting in the arrangement to take the land from you?—Oh, I think he helped them, because Mr. Sidney Smith is a great friend of Mr. Gibson and he often goes there.

19. Who is Mr. Sidney Smith?—He is a great friend of Mr. Gibson. He is a settler there, and has about 750 acres not far off at Port Robinson.

20. Quite a large man, by the way?—Yes. He had originally about 600 acres there, and there was a section that was never taken up down at the mouth of the Hurunui, and he and a Mr. McGillivray applied that this section should be divided between them. There were other applicants for the section, but the Land Board decided to divide this section of 400 acres between Mr. Sidney Smith and Mr. McGillivray. That made his holding up to 750 acres.

21. Is not that what they call "aggregation" nowadays?—They might call it "reaggregation" of estates.

22. How long ago is that?—Fourteen years.

23. The section that you occupy is not a particularly good one from what you have said?—No, it is a very rough and broken section—40 or 50 acres of it will not keep a sheep: it is a very rough section.

24. Will it average a sheep to the acre?—That is what it carries. It will not carry more.

25. What rent do you pay?—2s. 9d. an acre.

26. I suppose you felt very keenly the taking-away of this little section?—It will make a great difference to me: it will mean an expense to me in the alteration of my fences. There is a little bit of flat land, about an acre and a half, which I have got there alongside the other flat land, and that added on to the 2½ acres on one side of the spur make a little square patch of land. If the 2½ acres is cut off by a fence it only leaves me an acre and a half of flat ploughable land. It will take away a certain amount of flat ploughable land from me. It is only sheep-country; it is not rich and fertile land. And we have made it what it is. When we went there it was covered with stunted manuka and wild-irishman and all sorts of rubbish: it had never been touched. We cleared perhaps thirty or forty cart-loads of stones off it, too.

27. I suppose that a good deal of attention has been directed to this section in Cheviot during the last year or so?—Only during the last few months we have had strangers up there. They are under the impression that there is something very remarkable about this land. But I do not think anything will come of that. Some men who had an idea of going in for it have said to me—Mr. Tweedy, for one: he said, "It is ridiculous putting the land up at 12s. an acre. I am not going in for it."

28. I suppose it has become a sort of Naboth's vineyard in Cheviot?—It made people think there was something very wonderful about it.

29. Certain individuals were casting covetous eyes on it?—Yes.

30. Have you a family?—No, there are only my son and myself there at present. There were five of us when I first went to Cheviot. One is dead. We could not all live on the section, and one boy had to go back to England. Then my daughter married: that left myself and my son, and we are "baching" there.

31. Your son and yourself are quite competent to manage the section?—Yes.

32. I mean the holding as it was?—Yes.

33. Have you had a considerable profit to show at the end of each year?—No. I am still in debt. I have been working it off slowly.

34. I suppose the taking-away of this piece of land will make it more difficult for you and your son to make a living?—Yes, it will make £20 a year difference to us.

35. *Hon. Mr. Buddo.*] What reason had you to think that the Land Board was going to carry through secretly the taking of this section from you?—Because it was kept secret. I was not told anything about it. I was told it was to have been kept a secret.

36. That was a rumour, was it not?—Yes.

37. You said that the Land Board decided to cancel in December, and you were not given notice till January of the cancellation?—That is so.

38. How long had your lease to run from the date you received notice?—It was an annual lease.

39. When did it terminate?—I paid the rent on the 1st January in each year—£1 3s., I think.

40. At what date in the year does your annual lease expire?—31st December. It says it shall go on from year to year: "The rent is to be paid on the 1st day of January in each year, and so on from year to year."

41. So you were just given notice at the time you paid your rent?—No. I paid my rent twelve months before that.

42. You were given notice at the close of your year?—One thing I knew about it was this: when my rent demand notice came in for the other section the demand note for this particular section was not sent with it. That was in December. On the 4th January I received notice from the Land Board that they had cancelled by lease on the 31st December, and that they would grant me instead a half-chain road across the middle of this section.

43. Are you still occupying the section?—I am still using it.

44. So that you have really got ten months' extension of the period, without any rent being asked?—That is so.

45. Will this road through the section be as suitable for you to get on to your hilltop as the previous way of getting to the back portion of your section?—Oh, dear, no, not the way they have told me it is to go. It goes up the very worst part of the section.

46. You would like the road in some other part where the grade is easier?—Yes.

47. Have you represented that to the Land Board?—I asked them to put it in some other place, but they said No.

48. *Mr. R. W. Smith.*] Would you like to obtain this land?—Yes; it is very important to me.

49. If it had been put up to auction you would have bid for it?—Yes.

50. What do you think it is worth to an outsider?—It is not worth anything to anybody for the purpose of getting a living.

51. What is it worth at all?—It is so useful to me that I would give what anybody else would give.

52. What would you give?—The reserve price is £12 an acre. When that come out I saw the local manager of Dalgety's and he said, "You go and buy it; it is no good to anybody else; and you can draw on us for the money."

53. You consider that it will only carry a sheep to the acre?—Yes.

54. And how many acres are there in it?—8½ acres.

55. Do you forget that earlier in your evidence you told us that you could carry between twenty-five and thirty extra ewes if you had it?—Yes, but that is with working this land in with my own. You would not keep them on the 8½ acres all the year round. It is done by shifting them about and using this land in conjunction with the rest. We have ploughed this land a good many times and had turnips and rape, and so on. It is down in grass now. A lot of the rest of the section is in its native state. By shutting this little patch up and getting the feed on it to come on we can put perhaps thirty or forty sheep on it for a month, and then turn them off again. It is using it in connection with the rest of the land that enables me to keep about thirty extra sheep.

56. So that with this extra land you can keep thirty extra sheep?—Yes.

57. Did you understand when you took up the section originally that the Board only had to give you certain notice: did you understand that the Board could terminate the lease?—I was told by the Ranger when I took it up. I asked for a lease in perpetuity of it, because that was the common lease in those days, and he said, "No; this is reserved for the future development of the Port Robinson landing-service, and if it is required for that purpose you will have to give it up; but if it is not required for that purpose you will never be interfered with." That was how it stood then.

58. I understood you to say that you were led to believe that it had been decided to let the section secretly on renewable lease: was that so?—Yes; that is, put it through quietly and keep it secret.

59. Do you not know that where land is being dealt with in this way, unless it is being sold to the adjoining owner, it must be submitted for competition—that is to say, the information you got was quite wrong—it must be advertised?—Oh, yes, it must be advertised.

60. How could they put it through secretly if they were going to advertise the section?—I do not know; but there was another little bit of land of 2½ acres called the Lime-kilns Reserve: that was put up and it was never advertised. I was told at the time that that would be advertised and that I would get notice when it was going to be put up. I made application for that section, and a man named Ashworth made application for it. I watched the papers, thinking that it would be advertised in some way or other, but it never was advertised. The first that I heard about it was that a letter came to say, "The matter was before the Board on such and such a day, and as you own land and Mr. Ashworth does not we have granted the section to Mr. Ashworth." Mr. Brodrick was Commissioner then.

61. What tenure was that limestone reserve let on?—I never could find out. I guess that it is a seven- or ten-years arrangement.

62. You would have liked that piece of land in addition to this and the other place you have too?—I had it at one time: it was all included in my first lease: then they pegged it off as a limestone reserve and gave me this fresh lease. It reduced the area from 10 acres 1 rood to 8½ acres.

63. If you could have got it you would have liked it as well as this other?—Yes.

64. *Hon. Mr. Massey.*] How long ago is it since they did that?—Eight years perhaps.

65. You are quite clear on the point that it was not advertised?—Quite certain. I searched the papers and never saw any advertisement.

66. That made you somewhat suspicious that this other piece would be disposed of in some other way?—Yes.

67. *Mr. R. W. Smith.*] You do not know what tenure that was let on?—No. I guessed that he has it for seven or ten years.

68. *Mr. Statham.*] When the Land Board offered to give you the right-of-way, did they make stipulations about fencing?—No. It was just mentioned casually, I think, that it would be

fenced, but there was no arrangement made. Something was said about fencing the half-chain road.

69. They did not say whether you were to fence it or not?—No.

70. It has been suggested that this section would make an excellent bee-farm—this $7\frac{1}{2}$ acres?—Yes.

71. Is there any other land about the district that could be used for bee-farms?—Yes. A gentleman, Mr. Rentoul, who wanted a bee-farm, took sixty bee-hives out to Parnassus last Friday, where he has land. He had given up any idea of using this $8\frac{1}{2}$ acres as a bee-farm. This ground is not suitable for bees—it is not a favourable place for bees.

72. Is that your opinion?—Yes, it is my opinion too.

73. That it is not a good place for bees?—A man might keep a couple of hives, but not any number.

74. Suppose you lose the right to use this $7\frac{1}{2}$ acres of land, will you have any difficulty in making a living out of the rest of your land?—Yes. I reckon it will make a difference of from £25 to £30 to me. It will reduce my profits to that extent—perhaps £20. All I have now is the profit from 308 ewes, and we sell them as stores.

75. *Mr. Anderson.*] I have heard it said that you are a very wealthy man: is that true?—No, I am not a very wealthy man. I should like to know how that got about.

76. How many acres of land have you at Cheviot?—320 acres: no other land but this.

77. Are there any larger sections on the Cheviot Estate than that?—Oh, yes, Mr. Forbes's. He has got two sections. He has about 1,800 acres.

78. *Mr. Forbes.*] Mr. Forbes has not got as much lease-in-perpetuity land as you have, has he? I have 220 acres lease in perpetuity, and I have a lease, coming to an end in three years, of all the other land that I hold?—You have had that 1,500 acres for twenty-one years or so.

79. *Hon. Mr. Massey.*] Is your's a leasehold property?—Lease in perpetuity.

80. *Mr. Anderson.*] You are not a large landowner?—No.

81. You own no land anywhere else?—No.

82. It is wrong to say you are either a wealthy man or a large landowner?—It is very wrong. It is quite untrue.

83. There are many holders of land in Cheviot with more land than you have got?—Yes, there are fifty—one hundred perhaps—larger sections than mine.

84. *Mr. Witty.*] I think you wrote to the Minister of Lands with regard to this section?—Yes, I did.

85. You were willing to pay an increased rent for that land?—Yes.

86. You had occupied it for eighteen years?—Yes.

87. But it was on a yearly tenancy?—Yes.

88. Therefore you were liable to lose it at the end of any year?—Yes.

89. Without notice?—Yes.

90. You say that Mr. Sidney Smith was a great friend of Mr. Gibson?—Yes.

91. How do you know?—It is common knowledge. I know it. I met him the day he went out to Gibson's, and he stayed there from the Saturday to the Monday. I met him coming back.

92. Do you think he had been sleeping there: he had been staying with Mr. Gibson?—That was just about the time I discovered that this was taking place.

93. Then Mr. Smith cannot go to Mr. Gibson's without its concerning Mr. Holton?—I do not say that; but he was out there. He is a great friend of his, and has been for many years.

94. Is there any objection to Mr. Smith and Mr. Gibson being friends?—No, no objection.

95. Then you think they could not meet together without discussing this little section of your's?—No, I cannot say what they did; but I know they did meet.

96. But you do not know, except by your own imagination, that they were discussing your section?—Yes, I put two and two together in that case. I do not know whether I am right about it.

97. You are a bit suspicious?—Yes.

98. You also wrote to the Prime Minister to tell him that one of your neighbours was a nuisance—Mr. Ashworth?—He has been for a good many years.

99. Was it a fair thing to write up to the Prime Minister to bother him with a little petty grievance about your neighbour?—That was one of the documents. I sent that, I think, to the Land Board.

Mr. Witty: This is to the Minister of Lands.

Hon. Mr. Massey: Documents addressed to the Minister of Lands go to the Lands Department.

Witness: It was sent up here as one of the documents. I heard that Mr. Sidney Smith was trying to get the rest of this section for Mr. Ashworth.

100. *Mr. Witty.*] How much land has Mr. Ashworth?—I suppose about 40 acres. He lives on a freehold section of $2\frac{1}{2}$ acres; he has the Limekiln Reserve of $2\frac{1}{2}$ acres; he has a reserve from the Port Robinson Domain Board of about 9 or 10 acres; and he has a section at Port Robinson, opposite the school, of about 22 acres.

101. How long has he had that?—About six months.

102. Then at the time you wrote this letter to the Minister of Lands he had not got that?—No.

103. He had got only about $10\frac{1}{2}$ acres?—Fourteen or fifteen.

104. Seeing that you had 310, do you not think he had as much right to try and get that land as you had?—But he is not a farmer.

105. Were you always a farmer?—No, not always.

106. Then why did you take up land?—Well, I did not think it was nice of him to try and get that away from me.

107. You did not object to his taking up land so long as he did not take it away from you?—No.

108. Yet you have no claim to the land excepting a yearly tenancy: is that not so?—That is so, except that I was told that it would not be taken from me unless it was required for the development of the landing-service.

109. If this section were let on renewable lease there would be another resident in the district, would there not?—It would depend on who got it.

110. If it were let on renewable lease the tenant would be bound to reside: at any rate, there would be a tenant on the land?—I do not think Mr. Ashworth would. He has got a two-storied house that cost about £700 to build.

111. You said, in answer to the Prime Minister, that all you wanted was access to your land?—No.

112. Pardon me. You said you wanted it so as to have access to your land?—I wanted to retain access.

113. You wanted it because you could get access?—Yes; it was granted to me for that purpose—to give me access to my land.

114. They had already provided that if this section was taken away you should have access to your land, had they not?—Yes; but it is the worst possible road they could get on the section. I said that because they told me I would not be allowed to apply for a renewable lease. "Well," I thought, "I had better try and get access." The question of access arose, and they said they would give me a half-chain road across.

115. It was access you required?—Yes, but I wanted to retain the section more than have access.

116. In the first place you did not say that you would be satisfied with road access. Could not your son have gone to the ballot?—No doubt he could.

117. Is Mrs. Gee, the wife of Mr. Gee, the member of the Land Board?—Yes.

118. And Mrs. Gee is your daughter?—Yes.

119. I think you are still in occupation of the land?—Yes.

120. Then the contention that you were badly treated in not getting notice does not hold good?—Although I am using the land and the fences have never been altered, the land is taken away from me.

121. But you are still using it?—Yes.

122. Are you a bee expert? Do you know anything about bee-farming?—No.

123. Why did you say that this 8½ acres would only carry about two hives of bees?—Because the bees must get food of some sort or other.

124. Do you know if they always remain on the land of their owner, or do they go elsewhere?—They go all round about, I suppose. But this section is swept by the north-wester, and I should think it would blow bees out to sea.

125. I think you stated that if this land is taken away from you you will be the loser by about £20 a year?—Yes, it will make quite that difference to me.

126. Taking the other land you hold on the same basis, you must be making about £800 a year?—Oh, no.

THOMAS GEE examined. (No. 6.)

1. *Mr. Guthrie* (Acting-Chairman).] Are you a farmer?—Yes.

2. At Cheviot?—Yes.

3. Have you any statement to make in connection with the matter that is before the Committee?—No, I have no statement to make.

4. *Hon. Mr. Massey*.] You are a member of the Canterbury Land Board?—Yes.

5. Do you know the section that is the subject of this inquiry?—Yes.

6. You know the transactions that have taken place up to the present with regard to it—that is to say, the different discussions when the matter has been before the Land Board, either in your time or before?—Yes.

7. There has been a discussion, I think, with regard to the section since you have been a member of the Board?—Yes.

8. I am speaking of an official discussion, and not informal talks outside?—Yes.

9. Was that on the occasion when the head of the Lands Department in Wellington, Mr. Strauchon, communicated with the Land Board intimating that it would be better to dispose of the section by auction than under renewable lease?—Yes.

10. Was there any objection on the part of the Board?—None worth speaking of during my time on the Board.

11. They acquiesced?—Yes.

12. I want you to say, either as a farmer or as a member of the Land Board, whether you know of any communication being addressed to myself or to the permanent head of the Lands Department in Wellington with the object of influencing us as to whether this land should be disposed of by public auction, or in favour of any particular individual?—Absolutely none.

13. You know of no communications, direct or indirect?—I never approached anybody that had any authority to deal with this section in any way whatever.

14. *Hon. Mr. Buddo*.] How long have you been a settler at Cheviot?—Since the commencement. I was an original settler.

15. Have you taken an active interest in the settlement of the land there?—Yes.

16. Have you been associated with any society that had for its object the improvement of the surroundings?—I have been associated with practically all of them.

17. Have they taken into consideration the question of obtaining more population for the settlement by settling the sections that were leased temporarily?—Not perhaps temporarily.

18. I am referring to the Mina sections?—No, I have not taken any active steps recently.

19. But the settlers were generally anxious to have more settlers on these sections?—There has been closer settlement with regard to Mina, but I am inclined to think it will be a failure.

20. What do you consider the best tenure for a settler with limited means?—The optional tenure.

21. I am speaking to you now as a member of the Canterbury Land Board. If you were considering the case of a resident settler of limited means, would you prefer to give him an opportunity to pay for the section in cash or to take it up on renewable lease?—It depends: you must give him sufficient area to make a living. With this section under discussion, containing $8\frac{1}{2}$ acres, I do not think the area is sufficient for a man to get a living off. Only a month or two before I was appointed the Board granted a man who held 25 acres of land, valued at £30 an acre, an additional 22 acres of equal value. That runs the capital value of this particular block into about £1,500.

22. Was there any other reason why this transfer was made?—I suppose the reason was that the man who held the 25 acres could not make a living. The Land Board saw fit to grant him 22 acres alongside of his holding so as to give him what they considered sufficient to make a living off.

23. Who was the occupier of the 22 acres?—A man named Burnett.

24. Was he quite capable of managing his section?—A very capable man—a very energetic young man.

25. How long ago is that?—I think it took place about October last.

26. Was that man living on his section?—Yes. He could not make a living off the section, and he had to go out to work, doing contract ploughing, contract harvesting, &c., to help to make a living. The Board, when his application came before them, realized that the man could not make a living off 25 acres of land valued at £30 an acre.

27. Were you on the Board at that time?—No.

28. But you assume that that is why they granted this transfer?—There appears to be no other reason for it as far as I can see.

29. With regard to the case of this $7\frac{1}{2}$ acres, were you a member of the Land Board when they decided to change the disposal of the land from renewable lease to sale for cash?—Yes.

30. Were the Board unanimous?—Yes.

31. Quite unanimous?—Yes; no vote was recorded against it.

32. What was the reason for their changing their minds?—There was no reason advanced.

33. Had they any communication from any one?—They got a communication from the Under-Secretary.

34. What was the nature of that communication?—The Under-Secretary considered that the section was too small for a man to make a living off, and that it was better to put it up for cash. And I quite agreed with him.

35. Do you consider that the Under-Secretary was in a better position than the Canterbury Land Board to decide whether it was the better system?—I do not think the Canterbury Land Board were fully aware of the position. They did not know the section. None of them excepting Mr. Stevenson had ever visited Cheviot and seen it.

36. They just accepted the Under-Secretary's statement and altered their minds?—Yes.

37. Is that a usual thing for the Land Board to do?—I have only been appointed a short time, and it is the first case that has come up. It is the only case I am aware of.

38. The only case that has come before the Board?—During my time on the Board.

39. On this occasion they did not assert their opinion?—No decided opinion was expressed, and the Board had never seen the section. I think it is impossible for a man to make a living off the $8\frac{1}{2}$ acres. The value of the area is only £100, and the Board have granted this man Burnett land with a capital value of £1,500.

40. There are some holdings that run to many thousands of pounds, are there not?—Yes, there are all sorts of values.

41. And there is settlement on areas even smaller than $7\frac{1}{2}$ acres, is there not?—Not for a man to make a living off: they are residential sections only.

WEDNESDAY, 20TH AUGUST, 1913.

THOMAS GEE further examined. (No. 7.)

1. *Mr. Anderson.*] Do you know this section of land?—Yes.

2. I understand from the evidence of Mr. Holton that a road was to be made through the centre of the section?—Yes.

3. And he told us that if that were so it would go up against a steep hill?—Yes.

4. If the Land Board were to give him a practicable road on to his section would that in any way destroy the section instead of making it a straight road into the hill?—The Crown Lands Ranger went up there and picked a road out. I do not think the question of where the road is would make much difference to Mr. Holton.

5. So that where the Ranger has placed the road Mr. Osborn was wrong in what he said?—I do not think he is wrong. It is certainly a steep place, but I do not see any other place of getting the road in. He has been able to zigzag up the hill, but he would be tied down to a half-chain road, and it would make it a good deal steeper for him to get in.

6. Do you think that section would be of any use for bee-farming?—No, no use.

7. Is it rough land?—About half is hillside, 7 or 8 chains from the sea. I should not say that along the seashore is a place to keep bees.

8. What shape is the section?—It is a long section of about 20 chains, and irregular. I do not think the section for settlement is of very much value.

9. Is it a narrow section?—Yes. It is 7 or 8 chains from the seashore, exposed, and about 40 ft. above sea-level.

10. How much of it is level?—About $4\frac{1}{2}$ acres are level. There has been a lot of stones taken off it.

11. The land is not good?—It is valued at the present time at £12 an acre, and I think some of the best land on Cheviot is valued at £35 an acre.

12. *Mr. Witty.*] Do you know much about bee-farming?—No, but if I were going to select a site for a bee-farm I would not like to go near the seashore, or surrounded by sheep-country. I am only giving my opinion.

13. You are related to Mr. Holton, are you not?—Yes.

14. You are also a member of the Land Board?—Yes.

15. And you are one of the prominent men in the Reform League, are you not?—Yes.

16. What position do you hold in the League?—I am merely a member.

17. Not chairman?—No.

18. *Hon. Mr. Massey.*] Have you anything to add about the history of this little trouble at Cheviot? Can you tell us anything about how it started?—I do not know anything about how it started. I knew nothing about it until the thing was made public. Mr. Holton never spoke to me about it. The matter was in the hands of the Land Board for some considerable time before I went on to the Board.

19. But as a resident of Cheviot and knowing the people and the section concerned, can you give us any information as to how the trouble started—what led up to it?—Well, the bee-farmer, Mr. Rentoul, went down to Gore Bay to live for the summer, and he heard of this section of $8\frac{1}{2}$ acres which was let from year to year. He thought it would be a good place for him to reside, but after living out there for a few months I was told he found it was too far away, and I do not think he has any designs on the section at all.

20. Is that the gentleman who is a chemist?—Yes.

21. Has he got a chemist's business?—He has not got the business. He is farming, but draws the rent from the chemist's shop and dwellinghouse.

22. Do you know whether he approached Mr. Gibson?—I do not know whether he did or not.

23. *Mr. Guthrie.*] As a member of the Land Board you would have some experience of dealing with such small sections as these where they have been in the occupation of adjoining settlers?—Yes.

24. Could you tell the Committee what is the usual procedure with regard to them?—Of course, it depends upon whether it is possible to make a living off a section of that sort or whether it is a question merely of residential purposes.

25. In a case where it was only a residential section what is the usual procedure of the Land Board in dealing with it?—They would put it up to auction or under some of the miscellaneous heads.

26. What is the carrying-capacity of Mr. Holton's land?—It carries about a sheep to the acre, not more. There are about 320 acres, and he carries from 300 to 350 sheep. There is not a living to be made off the place. There is only about 15 acres of flat land on the whole section.

27. What is your opinion of this section added on to his even as Government property?—It gives him 4 or 5 acres more of flat land that he could work and plough. Added on to the 15 acres of flat land he has it makes a considerable difference to Mr. Holton.

28. As a practical man would you say there would be anything against allowing Mr. Holton to take that up on lease or in any other way?—No, nothing.

29. You think it would be a good and sensible thing to do?—I think it would be a sensible thing to do. As a section to make a living off I think it is a bad proposition. As I stated the other day, in the case of a man who held £750 worth of land, the Land Board quite recently granted him another £650 worth, making £1,500 worth. This section is only worth £100 according to a value made in the last couple of months. I do not see how it is possible to make a living off £100 worth of land.

30. *Mr. Witty.*] That depends upon the man's occupation as to where he makes a living?—I take it there are two ways of looking at it—looking at the section from a residential point of view or to expect a man to make a living off the section.

31. But some may go in for poultry or bees?—That may be so.

32. How long have you been on the Land Board?—Since May last.

33. And how long have you been accustomed to the procedure?—Only what I have gathered since I have been there.

34. *Mr. R. W. Smith.*] In regard to the £1,500 worth of land granted to one man, can you say whether that was a straight grant from the Board to the lessee or merely a transfer?—It was a transfer. The man held £750 worth of land, and he applied for an adjoining section of £650 value.

35. It was really a transfer from one to the other?—Yes. It is all leasehold at Cheviot, there being only a few freeholds there.

36. *Mr. Nosworthy.*] Do you not think in a great many cases, in outlying districts like Cheviot, that sections are cut up and let which are too small for a man to do himself justice on?—Yes, most decidedly.

37. And if a man acquired by lease or purchase a block adjacent he would not be in too good a position—he would be weak on the side of not having sufficient land?—That has been the cause of a good deal of the trouble at Cheviot, and there has been a tendency for the last fifteen years to increase the areas, especially amongst the smaller ones.

38. Whereas some sections at Cheviot would stand subdivision, others would stand adding more to to make them a safe proposition?—Yes, especially with regard to the smaller ones.

39. And where land is sold at auctions and happens to be acquired by the adjacent owner you do not think it is any detriment to the settlement of the country, and is an advantage to the holders of those sections?—I think it is to their advantage. I think it is a great mistake putting people on too small sections. There are some people who will take anything so long as it is a Government section, and it is detrimental to the State's interest that a section like that should be set apart.

40. *Hon. Mr. Massey.*] Mr. Witty asked you if you were a relative of Mr. Holton's?—Yes.

41. Are you also a relative of Mr. Forbes's?—Yes, a brother-in-law. I think until Mr. Forbes brought the matter up hardly any one knew about it.

42. *Hon. Mr. Buddo.*] You said you thought it was detrimental to the State that such small sections should be open for settlement. What would be your objection to this section being held by an individual owner instead of being merged in the adjoining property?—Well, it is out of the way. Had it been in some other part of Cheviot where there was employment to be got it would be different. I look upon this section as only possible for a residential site.

43. Is it not a fact that there is a fruitgrower in the immediate vicinity of this section doing remarkably well?—I do not know whether he is doing remarkably well, but there is one there. You cannot compare the two sections. One is a good section and well sheltered—lies in a valley—but I do not know whether the man is doing well. He was supposed to start there with money. His wife earns £2 a week teaching, and I think if a man was making a good living he would not expect his wife to go out and work as well.

44. You would not see any other objection to a small settlement there on the 7½ acres than what you have just stated?—The only objection is from a residential point of view: that is the only man who I think would be likely to take it up, and he would have to travel into the heart of Cheviot or into Mackenzie before he would be able to reach his employment. I take it a man occupying a section like that would prefer to be surrounded by farmers.

45. You will admit, of course, that the section would have been open to the public by advertisement to settle on, would it not?—Yes. In any case it will be now—it is still open to the public.

46. Well, if a man used to farming occupations had drawn that section, do you not think there is a likelihood of his being able to supplement his income among the neighbouring farmers there?—He could only work inland; he has the seashore on one side; and if I was going to take up a section and was looking for work and dependent upon outside work I would have the farmers all round me. Lady Campbell holds the bulk of the land between the section and the township, and that is five miles away. A man would then have to travel five miles or more every morning to his work, and I think he would be likely to want a section in the vicinity of his work.

47. You would not like all the small settlers to come into the township?—No. The township is the nearest place any one would be likely to get work at from this section.

48. You think it would be a mistake to settle a small section of 5 acres there where a farmer could work on the section and add to his income?—Yes, the tendency has been to merge these sections. There have been too many of these small sections. There are many cases where they have been enlarged.

49. *Hon. Mr. Massey.*] Therefore you do not think this is a particularly suitable section for a working-man?—I do not see how it is possible to make a living off it.

50. You do not think it is suitable for a residence?—No.

51. *Hon. Mr. Buddo.*] Only that it is near the seashore?—Yes. There are plenty of small sections at Cheviot.

JOHN STRAUCHON further examined. (No. 8.)

1. *Hon. Mr. Massey.*] It has been stated before the Committee that it is very unusual for the Minister and the Department in Wellington to disagree with the recommendations of the Land Board. I want to know from your experience whether the statement is correct or not, or whether it is quite common for the Minister and the Department to refer recommendations of the Land Board back for alteration?—It is quite common. It has occurred many times.

2. Can you think of any instances?—Yes. I picked out a few examples in regard to the question asked me the other day. I took out a list of a few, but if you could only give me the names in order to trace them we could hunt them up in ten minutes. We have no special index record of such cases.

3. Would you mind reading the list you have prepared?—Yes. Land Board recommendations disapproved by Minister of Lands:—January, 1912: Auckland Land Board recommended that Section 5, Block III, Rotorua Survey District, 175 acres, be disposed of to Ellen Head without competition. Recommendation declined by Minister. February, 1912: Otago Land Board recommended that Moutere runs be not withdrawn from sale. Minister disagreed, and runs were withdrawn. May, 1912: Auckland Land Board recommended that 200 acres of Crown land in Block X, Pakaumanu Survey District, be granted to M. S. Baker, the holder of 1,092 acres of adjoining freehold land. Minister refused. This case was reconsidered in November, 1912, and

again refused. June, 1912: Canterbury Land Board recommended that sections in Oxford Bush Block be disposed of to local bush-workers subject to regulations under section 195 of the Land Act. Recommendation declined by Minister, and land subsequently opened on optional system. July, 1912: Auckland Land Board recommended that $\frac{1}{2}$ acre in Block VIII, Orahiri Survey District, be sold to adjoining holder without competition. Minister disagreed, and the area was sold at public auction. August, 1912: Hawke's Bay Land Board recommended that permission be given to transfer a portion of a section in Pouparae Settlement which had no road access. Minister refused to permit transfer. September, 1912: Otago Land Board recommended transfer of Sections 56, 57, 60, and 61, Block V, Strath Taieri Survey District, from James McKinnon to J. W. Graham. Minister refused to sanction transfer. October, 1912: Otago Land Board recommended that an education reserve in the Town of Waihola be sold. Minister decided not to agree to the recommendation. November, 1912: Southland Land Board recommended transfer of sections in Block XXIII, Invercargill Hundred, from Thomas McCarthy to James Butler. Minister refused his consent. January, 1913: Otago Land Board recommended that Pastoral Run No. 98, Waitaki, be disposed of by application. Minister disagreed, and the run was advertised for auction, but subsequently withdrawn in view of proposed legislation. January, 1913: Canterbury Land Board recommended that 5 acres of land in Bourndale Settlement, worth £18 an acre, be sold to the Presbyterian Church authorities at £13 12s. 6d. an acre. Minister disapproved. February, 1913: Taranaki Land Board recommended that 22,584 acres be opened for selection under the bush and swamp clauses of the Land Act, 1908. Minister disagreed, and the lands were opened under the ordinary optional system. May, 1913: Wellington Land Board recommended that sections in Kaitieke, Mangonui, and Whirinaki Survey Districts be opened under the bush and swamp clauses of the Land Act, 1908. Minister disagreed, and the lands in question were opened under ordinary optional conditions. May, 1913: Westland Land Board recommended that 5,898 acres be opened under the regulations for the occupation of pastoral lands in Westland Mining District. Minister decided not to open the land then. August, 1913: Otago Land Board recommended that pastoral license over Run No. 217a be transferred from Matheson to J. Cowie Nichols. Transfer disallowed by Minister.

4. It is quite usual for the Minister to disagree?—Yes.

5. *Mr. Witty.*] In nearly every case you have mentioned the veto was against aggregation, and that the sections had to be put up separately?—I presume so; I am not intimate with all these cases.

6. The Minister refused to allow aggregation in nearly all cases?—Yes, the Minister is always against aggregation.

7. In one or two cases he refused transfers, and the Minister no doubt had very good reasons in each case: that was in the case of transfers, and not aggregation?—It may be—I could not say. We could turn up any amount of them if we could get the names.

8. *Mr. Forbes.*] Amongst those decisions do you remember one that caused public dissatisfaction?—No, I cannot, but I must confess I am not intimate with a lot of the cases which were before my time. It is only from the recollection of officers of the Department that we turned up these cases. We have no index to trace them by.

9. *Hon. Mr. Massey.*] You know of cases where the Minister has agreed with the recommendation of the Land Board and disagreed with the recommendation of the Department?—Yes, there have been such cases frequently. We do not claim that the Department is infallible.

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