

MINUTES OF EVIDENCE.

Deferred-Payment Settlers' Relief Bill and Petitions of Deferred-Payment Settlers in Otago.

THURSDAY, 27TH JULY, 1882. (MR. FULTON, CHAIRMAN.)

Mr. J. A. CONNELL, examined.

1. *The Chairman.*] You have been agent for, and have had an interest for a considerable period in, the deferred-payment settlers in Otago?—I scarcely understand the question. I have certainly taken a personal interest in them.

2. Would you be good enough to make a statement with regard to the petition, taking the clauses *seriatim*?—With regard to the second clause, which states that many of the petitioners have obtained their land after competition at auction, and that owing to the causes set forth in the clause, they have given prices far beyond the real value of the land, I may state that, having considerable knowledge of the circumstances, I think their statements are absolutely true. With sometimes only twenty sections offered and a hundred men to bid for them the settlers were tempted, under the stress of the severe competition and the actual payment of the sum bid being deferred over a long period, to bid far beyond the real value. With regard to the third clause, viz., that many of the petitioners now find it impossible to complete the payments which they had undertaken, under the pressure of the circumstances detailed, to make: as far as my information goes there are a considerable number in arrear, and I believe it is through inability to meet their payments. With regard to the fourth clause, that when selectors are in arrear of payment the Land Act contains provisions of a highly unjust and oppressive character, amounting, if put in force, to a confiscation of their property, I may state that I share that conviction, and desire to say that I indorse it with any weight that my personal opinion is worth. In my judgment these provisions are of an exceedingly unjust character.

3. *Hon. Mr. Rolleston.*] Which provisions do you refer to?—I refer to the provisions contained in sections 69, 70, 71, and 72 of "The Land Act, 1877."

4. *Mr. J. B. Whyte.*] What is the effect of these clauses?—The effect is that when a selector fails to meet his payments, or is in default in performing any of the conditions of his license, he is liable to receive a notice in writing from the Commissioner requiring him to give up possession of his land. Thereafter the Board sells the land with all the improvements, 75 per cent. of which, as valued by the Board, only is returned to the defaulting selector, who loses entirely the whole of the instalments of purchase-money he may have paid up to that time.

5. *Hon. Mr. Rolleston.*] Do you know whether these clauses have ever been put in force?—Yes, they have been put in force, but not frequently after improvements had been made. With regard to the fifth clause of the petition, viz., that many of the petitioners had been compelled to effect forced loans to escape such confiscation and forfeiture, and in order to give security for such forced loans have been driven to pay up in full the remaining unpaid instalments of purchase-money, that indicates to the Committee the only practical way in which these deferred-payment settlers can escape from these unjust provisions. As a matter of fact, it is within my own knowledge that a good many deferred-payment settlers have been forced into adopting the course indicated in this section of the petition. The statements in the sixth clause are quite correct. The deferred-payment settlers get no rebate of interest whatever when paying up the instalments payable over a series of years in one sum to the Government. With regard to the seventh clause, that others of the petitioners have taken up areas varying from 50 to 200 acres on the deferred-payment system, and find themselves, under the terms of "The Land Act, 1877," debarred from completing their selections up to 320 acres, this, of course, as the Committee is aware, is the state of the law at present; and I know there is a strong feeling among the settlers, at least in Otago, that this is unfair, some settlers getting 320 acres and others areas varying from 50 to 200 acres.

6. As a matter of fact, are there any very small sections?—There are plenty of sections varying from fifty acres upwards. Clauses 9, 10, 11, 12, 13, and 14: I think I may remark on the whole of these clauses together. If the Committee will allow me I will give a practical instance of the position in which some of these men are placed. In 1877, before the passing of "The Crown Lands Sales Act, 1877," and when the price of deferred-payment land for selection was 30s. per acre, Mr. Arthur, the Chief Surveyor of Otago, who is a valuable and competent officer of the Government, was asked to report on the Dalhousie Hundred. The following is an extract:—"The whole of the country is rough and scrubby, and unfit for deferred-payment settlement. I would recommend that it be opened for immediate sale." The pressure of population in the district, however, was so great, and the desire for land so eager, that the people of the district petitioned the Board; and, notwithstanding the report of the Chief Surveyor, this land, which he thought unfit for a deferred-payment settlement at £1 10s. per acre, was opened by the Board on that system. Meantime, however, "The Crown Land Sales Act, 1877," had come into operation, and some six or eight of the settlers who sign the petition took up allotments. Some of them, I understand, took Mr. Stout's opinion as to what was the legal price they were liable to pay; when he informed them that the Crown Land Sales Act did not, in his opinion, alter the price of deferred-payment land. The Board, however, took an opinion of a Judge of the Supreme Court, who ruled that it doubled the price, and these settlers, who took up their allotments without opposition, are now charged £3 per acre. I know the land personally, and consider it is quite dear enough at £1 10s.