1882.

NEW ZEALAND.

WASTE LANDS COMMITTEE.

REPORT ON THE DISPOSAL OF PASTORAL LANDS BILL, TOGETHER WITH MINUTES OF EVIDENCE.

Brought up 4th August, 1882, and ordered to be printed.

REPORT.

THE Waste Lands Committee, to whom was referred the above Bill, having taken evidence upon the subject, have duly considered the Bill.

I am directed to report: From the evidence before the Committee, it appears that, with the exception of the pastoral leases in Otago, which fall in in February, 1883, the provisions of this Bill would be practically inoperative for the next eight years; (2) that, with the exception of the provision which limits the tenure of pastoral land to ten years, the runs falling in next year can be advantageously dealt with under the law at present in force; (3) that the Committee will recommend an amendment in the Government Land Bill, having for its object an extension of tenure in respect of purely pastoral lands.

4th August, 1882.

MINUTES OF EVIDENCE.

FRIDAY, 4TH AUGUST, 1882. (Mr. FULTON, Chairman.)

Mr. McKERROW examined.

1. *The Chairman.*] You have read this Bill. I think it would be convenient if you were to make such a statement on it as you think proper, and we can ask you questions after?—The first clause of the Bill is this:—

> "1. The short title of this Act is 'The Disposal of Pastoral Lands Act, 1882,' and shall be deemed to be incorporated with, and shall be read and construed, *mutatis mutandis*, with 'The Land Act, 1877.'"

That I have no remark to make on. Then section 2 reads:—

> "2. All Crown lands which shall, after the passing of this Act, be let or leased, or occupied under license, or in any other way for pastoral purposes, shall be dealt with in a manner hereinafter provided. No larger extent of land than will be sufficient, according to the estimate of the Land Board, to carry all the year round five thousand sheep or one thousand head of cattle shall be disposed of in one block."

This section, so far as it relates to size of runs, is word for word with section 119 of "The Land Act, 1877," under which the runs are disposed of. The only difference it would make is this: that in Otago some of the runs which were in existence when the Act was passed in 1877 are of larger carrying capacity than here stated. By the Act of 1877, when these runs come again to be relet, it is within the power of the Land Board, the Government concurring, to relet these runs in such large areas as they are at present. If this Bill becomes law, that of course could not be done. I may further remark that the operation of this section of the Bill would not affect for many years the disposal of the pastoral estate in the other land districts of the colony, because the runs in these districts are now let for such terms that it would be 1890 at the very earliest before it would operate in Canterbury. In Marlborough it would not operate for fourteen years on the million acres let in that district. So the Bill would have an immediate effect only in Otago. Not later than February of next year, by the present law, forty-eight runs, aggregating 1,700,000 acres, will have to be dealt with; and, if this Bill becomes law, of course these runs will have to be much subdivided, and in a manner that I think would be very prejudicial to the working of the country, and in a very considerable degree lessen its value as pastoral country, unless one lessee took up several runs, in which case of course the evil would vanish. Then section 3 reads:—

> "3. Before any run shall be opened for application the Land Board shall determine the amount of rent to be paid for such run, and notify the same by advertisement in the usual

manner, together with the name of the place where such applications must be made and the day on and after which such applications will be received, and such advertisement must be issued at least six months before the day on which such applications can be first received."

With regard to the first portion, the fixing of the rent, that is according to the present law. As to the notifying by advertisement, that is a detail; but there is a very important change proposed in the latter part of the clause, and that is, that the runs shall be taken up by application. The present law is that they are to be sold by public auction to whoever chooses to offer for them. The change from auction to application would be a most material one. As to advertising six months before applications can be received, while I think the utmost publicity should be given in dealing with the pastoral estate, I think six months is much too long a period, because considerable changes might intervene in that period, and it might be thought desirable to alter the conditions and price, and then a new advertisement would have to be issued, and I presume another six months to elapse before applications could be received. In the administration of the runs this would be found to be most inconvenient. I would point out that in Otago the runs have to be sold at least twelve months before the expiry of the existing leases, so that if you are to advertise six months before that it would mean that the Land Board would have to decide with regard to these runs at least eighteen months before possession could be given. I should think two months would be quite long enough in any case. Hitherto the practice has been that nothing has been sold or leased until after at least thirty days' notice has been given. Section 4 reads:—

"4. No applicant shall at any one time apply, directly or indirectly, for more than one run; and no holder of a run shall be entitled to apply for a run under the terms of this Act."

The object of the first part of that is of course to prevent one man from holding more than one run. But as to the last part of the clause my interpretation of it is that every one of those forty-eight run-holders in Otago whose runs are to be dealt with in February next would, if this Bill becomes law, be debarred from applying again for their runs, or, indeed, from applying for any run; in other words, it would mean that they would have to quit the business of sheep-farming. I cannot think that such is intended, and possibly my interpretation is wrong, but that is what I think would be the effect of the words. I think we may assume that it is not intended, but that the present lessees should have the same right of application as others. Section 5 is as follows:—

"5. When more applications than one are made on the same day for the same run such applications shall be disposed of by ballot."

This is certainly a very great step in the way of change, and it is one I should say at the outset, without any reservation, would be a most mischievous one, and would go far in my opinion to ruin the profitable pastoral occupation of the country. My reasons are these: we now have a tenantry who paid the State last year £183,000 in rent. The export of their wool and other produce is now nearly of the value of £3,000,000 a year. I state these two facts to show the great importance of this pastoral industry. Then there are very large establishments in the way of woolsheds and all the apparatus for working the country. Very valuable flocks have been got together, after great trouble and expense, and, when the next term comes for the reletting of these runs, those persons who are now in the occupation of them, however willing they may be to continue in the occupation of the country, of which probably they have a more competent knowledge of how to work to advantage than other persons can have, yet these lessees, who have invariably met their obligations to the State without giving trouble, are to have the destiny of their flocks, their property, their skill—indeed, all their future career—determined by the mere accident of drawing a ticket from a bag. It seems to me that the proposition is very absurd, and would be most detrimental in its effects if it ever became law. Moreover, the Land Board is to fix the rent of the country. The members of the Land Board come and go. They can only have a very general knowledge of the country and of its relative values. The total area of the pastoral runs in Otago is over 6,000,000 acres. Even with the very best intentions of getting all possible information from the Survey Department and other sources, it will be manifest that the valuations of any Board, however intelligent, under such circumstances must be necessarily somewhat wide of the real value of the country. And when men do find themselves in such a position as that, they would naturally fix a low price, one presumably under the value of the estate, so that their administration would insure its occupancy. The Otago Land Board, a few months ago, had to deal with upwards of 2,000,000 acres of pastoral country. The department suggested an upset price, and the Board added 10 or 20 per cent. to that price. The total upset rent which was advertised was in round numbers £35,000. Had the ballot been in operation that would have been the rental the country would have obtained for these 2,000,000 acres. But it was put to auction, and was taken up by persons most substantial in their means, persons well able to pay the rent they have agreed to pay, persons skilled in the management of sheep. In fact all the present lessees except three bought again, there being eleven new men; and instead of the £35,000 rent, which the country would have got under the ballot-system for these runs, there was paid into the public Treasury in March last £69,000. And I may say that, had the country been divided in a more intelligent manner, in my opinion a still larger rental would have been obtained. Then there is section 6:—

"6. The license shall be for such term not exceeding twenty-one years as the Land Board shall fix, and shall be determined at any time in manner provided by "The Land Act, 1877," if the Minister of Lands shall be of opinion that the whole or any part of the land therein comprised is required for the purpose of being opened to the public."

The proposal to give a lease for twenty-one years is one I very strongly approve of. I think the present lease of ten years, which is the maximum under the Act of 1877, is altogether too short. One of the effects of it is virtually to go a long way towards giving the present lessees possession of the land in perpetuity. It enables them to hold the land against all comers in a manner they could not do if the lease was for a longer term. The reason is this: Stocking the runs is a very large enterprise, and few persons care to engage in it for a short term of years, more especially as the lease may be

determined on twelve months' notice without compensation. Regarding the latter part of the section providing that the Minister of Lands may determine the lease if he thinks the land is required to be opened to the public, that is a very material alteration of the present law, which is, that the Minister can only determine the lease on twelve months' notice if the land is required for sale as pastoral or agricultural land, but here he is to have the opportunity of opening it to the public. I say at once this is a most dangerous power to place in the hands of a Minister, and it would moreover be a very troublesome one for him. The moment this became law I believe he would be pestered with petitions and with all sorts of statements from the gold fields that the people were famishing for want of land, and were just about to decamp to Australia or somewhere else, unless somebody's run was declared a commonage. That, in my opinion, would be one of the immediate results if the proposal became law. Then coming to section 7:—

> "7. The applicant to whom any run shall be allotted under the provisions of this Act shall pay the first three months' rent in advance within one month after the date of the acceptance of his application, and in default of such payment the run shall again be opened for application."

This also is a very material change. The present law is that immediately a run is bought at auction the buyer pays down either a year's or six months' rent in advance, according to circumstances, but here any man can apply for a run, and if he gets it, and it is worth his while to occupy it, no doubt he would do so, but if he found it was more convenient not to do so, he might dilly-dally for a month, and in fact might never appear again at the Land Office at all. The Land Office then, finding he did not appear to pay his rent, the thing would go by default, and the buyer in such a case would not forfeit a penny, although putting the department to much bother and trouble, and wasting a valuable month or two of public time. I think, therefore, that, if the application-system were to become law, any person making an application should deposit with it a half-year's rent, to be forfeited if he did not take up the run on it being balloted to him. The first part of section 8 reads:—

> "8. Section one hundred and twenty-six of "The Land Act, 1877," is hereby repealed."

Section 126 is to the effect that leases may be transferred. The object of this part of section 8 is clearly to obviate difficulties which may arise under section 7, for if section 126, empowering transfer, were not repealed, it would create a crop of speculators who would go to ballot on the chance of getting a run, and then if they got one they could go about during the month before any payment was required, trying to sell their bargain, or trying to make the present holder give them a bonus to leave him alone and take the transfer of the new lease from them. Then in section 8 a proposed new system of transfer is introduced:—

> "The interest in a run held under any license may be transferred to the Land Board only, and to no other body or person, by writing, attested by a Justice, and at such price or sum as arbitrators appointed by the Board and the person making such transfer respectively previously to such transfer have fixed: Provided that such last-mentioned person shall be liable for any rent due at the time of the transfer."

The proviso meant this: that the Land Board should be the party to receive the transfer. To it alone can the lessee hand over the run. And what is the Board to do with the runs when it gets them?

> "The run or runs so transferred shall thereafter be dealt with in like manner as other runs under this Act, consideration being had by the Land Board in fixing the amount of rent to the sum paid to the person who transferred the run to the Board."

Now a considerable number of difficulties would come in here. First of all, the Board is a judicial body and has no money. Then it appears that, even if it had the money to pay the outgoing tenant, the sum so paid is not to be received back again from the incoming tenant, but he is only to pay rent or interest on the sum; so it would be a rather losing concern. For instance, take the case of the Otago runs. With these runs there is the responsibility of paying for improvements to the amount of three years' assessment. Supposing the buyer of one of these runs paid the outgoing holder £800 for improvements, and in two years' time resolved to transfer it to the Board, he would then be entitled to receive from the Board this £800. Very well, the Board having got the £800 from the Government we will say, and paid it to the outgoing tenant, the incoming tenant, it would appear, is not to repay it to the Board. The Board is only to take it into account in fixing the amount of rent for the new tenant; in other words, this £800 is to be, as it were, capitalized and added to the value of the land, and the new tenant is to pay interest, as it may be called, on it. That is my interpretation of the section as it stands in the Bill. I may say this is contrary to the whole spirit and principle of the Land Act, for in dealing with Crown lands the law gives the Government this position with purchasers or lessees: There are the public lands—you may take them, improve them, do what you like with them, and when your lease expires your interest will be preserved, as far as the Government can preserve it, by your successor having to pay you for what improvements you have done. But the Government stand on one side and you have no claim against it. The Government has no money-responsibility for improvements effected by a tenant. And let me say that, from what I see in the administration of Government matters, that is an extremely wise principle, because one of the most disagreeable and difficult parts of a Government's business is to fend off inordinate money-claims for compensation on all sorts of pretexts; in other words, to keep people's hands out of the public purse. Here is section 9:—

> "9. If there be no applicant for any run which has been opened for application, the Board may reduce the amount of the rent, and the run shall be again opened to application after notice of the same shall have been given in manner hereinbefore provided, and so on from time to time until the license of the said run shall have been applied for and granted."

That is pretty much the same as the present law. If the Board offers land by auction and it does not go off, it is assumed that it was assessed too high, and it is offered again at a reduced rate. But according to my interpretation of the wording of this Bill the land would have to be advertised for another six months if it did not go off the first time. That is the interpretation I put upon the wording, though I may be wrong.

Section 10 reads:—

"10. The declaration contained in section sixty-two of 'The Land Act, 1877,' shall, *mutatis mutandis*, be made by and apply to every applicant under this Act, who, in the event of any statement contained in such declaration being false, shall forfeit all his rights to such run, and shall also be liable to the penalties attached by any law in force for the time being to the offence of wilful and corrupt perjury."

This declaration is the declaration made by the deferred-payment selectors now, and by this it is proposed to make it applicable to the runs. If this Bill becomes law this section would be necessary. One little thing I forgot to mention in connection with section 2. Referring again to that section, it says that no runs are to be offered that would carry all the year round more than 5,000 sheep. In regard to some country we have now in hand, it would be quite impracticable to keep within this limit, because there is a very large amount of high mountainous country which is most valuable summer-pasture if worked in with the low country. But you must associate them together if you would carry on the country all that it is capable of carrying. The two classes of country must be combined in some cases in runs which will carry instead of 5,000 at least 20,000 sheep. If the Committee desire, I will point out runs on the map which it would be simply impossible to divide so as to be workable in runs of 5,000 sheep. If it had to be done then a large portion of this excellent summer-country would be simply left unoccupied, or rather it would become a sort of commonage on which surrounding runholders would run their flocks during summer. That of course might benefit them to some extent, but it would diminish the State's revenue from the runs.

2. *Mr. J. Green.*] What was the upset price fixed by the department for the Otago runs?—About £33,000, I think. The department in fixing it adopted a rather cast-iron principle. It went over the assessment-list and simply added 50 per cent. on that. It was assumed that the runholders who were paying 7d. a sheep would pay from 10d. to 1s., the higher price being adopted where the country was good. In order to be sure on the matter, I consulted the Chief Inspector of Sheep, and he told me the assessment-returns might be accepted by adding 5 or 10 per cent., which was done. The Board raised it to a little more than £36,000, and the buyers on competition again raised it to £69,000.

3. You said if the country had been divided in a more intelligent manner it would have brought still more. Will you state what you mean by a more intelligent manner?—Many months before the country was offered, the Government considered the matter very carefully, and came to this conclusion: that the country should be divided, as nearly as the natural features would permit, into areas of twice the depth to the breadth, so as to give compact shapely pieces of country that would not cost too much in fencing. In that manner the department planned the subdivision of the seventy-three runs then existing into 150. This scheme was lithographed and sent to the Board, and they cut some of the new runs into two, making the total number 173—that is, twenty-three more than the department recommended. I think in doing so, instead of opening the country, they prevented it from being occupied by more tenants. There is a tract of country shown on the map along the western side of the Dunstan Mountain Range from Cromwell up to the Lindis. The crest of the range is ten miles back from the Clutha River. By the department's plan this was divided as far as the natural features would allow into runs about ten miles long by five miles broad, giving an area of about 30,000 acres each. The Board took this piece of country and cut it into long narrow strips, the length being four or five times the breadth. I should not like to have to farm only one of these strips, because the fencing of ten miles on each side would, on account of the rugged surface, be a work of more expense and greater difficulty than the country would warrant on a short lease. Had the department's plan been adhered to, each run would have been worth having by itself, and it would have been possible for a man of moderate means to have taken up one of these 30,000-acre runs, and to have bid up to the extreme limit of what he thought it was worth, but as the Board laid it off no prudent man of moderate means would go in for 238G say, because he could not work it profitably unless he could get 238F. To buy the country in this piecemeal manner was too great a risk for a small capitalist, for he might be left with only one strip, whereas to the existing lessees, Dalgetty and Co., it mattered little to them if, by bidding up a strip beyond its value, they extinguished a weak competitor, either by not letting him have any land, or only one of these unprofitable strips. Consequently the competition for the country was less than it otherwise would have been. People would know that this wealthy firm, having got one run, would bid the adjoining one up in order to make the other profitable by working them together, and that would deter them from bidding. Indeed it was so, for I have been assured by those who studied this country with a view to purchase, that had the runs been offered in the manner recommended by the department, it would have fetched probably 30 per cent. more rent than it did.

4. Which of the subdivisions—the Department's or the Board's—do you think most nearly complied with the Act, which says that the runs shall be divided into a carrying capacity not exceeding 5,000 sheep or 1,000 head of cattle?—According to the Act the runs may be offered in their entirety. I refer you to section 114. But assuming that the law limited a run to a carrying capacity of 5,000 sheep it would be simply impossible to cut the country up keeping within that limit. Take Run 201, which formerly belonged to Mr. Miller. The department tried to cut that into two or more runs, but could not divide it with any sense of wisdom at all. The country is, as you will see from the map, an area of about 70,000 acres, consisting for the greater part of a mountain ridge 5,000 feet high, with a narrow valley on each side, and a few thousand acres of a gravelly flat running from the end of the ridge for several miles in a long narrow peninsula between two rivers. You could not divide the ridge into runs, because there would be no low country adjacent to some of the subdivisions. It is therefore necessary to retain this country as one run, and worked in that manner it may carry nearly 20,000 sheep.

5. *Hon. Mr. Rolleston.*] With regard to this particular run, what was the experience with a short tenure as against a long tenure?—It would not let at all, for some reason I cannot divine. The Board offered their run of 70,000 acres for one year, and consequently it was not sold. The present lessee is holding it to the end of his term.

6. Whereas the run immediately adjoining, offered for a reasonable term, went well?—Yes; it was offered for ten years at £380, and Dalgetty and Co. gave £850 for it. The other is another of their runs I think, but being offered for one year they or their client would not bid for it at all.

7. *Mr. J. Green.*] Do you think clause 4 would be sufficient to prevent a man holding more than one run?—I think that is the intention of the clause. Of course it might be possible for a man to hold more through friends. I may mention that at the recent sale of the Otago runs the country at present occupied by Dalgetty and Co. has been all repurchased for the firm I believe. Under this new Bill buyers would have to make a declaration which would be rather binding I think.

8. Then you think it would prevent people taking up more than one run each?—I think so, unless they perjured themselves.

9. Do you think that is a desirable way to occupy our pastoral country?—I think not; I think whoever would give the highest price should have it. You may be sure that the person who gives the highest price will, as a rule, make the best use of the country.

10. *Mr. Pearson.*] Do you not think that it would insure the improvement of the country, and the payment of a higher rent for it, if a longer tenure were given for purely pastoral country?—Yes; that part of the Bill giving a tenure of twenty-one years is a part I highly approve of.

11. Under the ballot-system do you not think that the resident holders, the *bonâ fide* settlers, would be sufferers to a greater extent on the chance of getting a run again than the big holders?—They would all be sufferers, especially men who were sheepfarmers and nothing else. Under that system such a man might be thrown out of gear for life, and never get a run again. Under the deferred-payment agricultural ballot-system men tried over and over again and never got a section. Imagine a man with 10,000 sheep going about month after month trying to get a run by ballot, and in the meantime where are his sheep? I may say that among the most successful runholders in Otago are men admirable as sheepfarmers, having been at it from boyhood, but they could not probably get a living at anything else. The ballot would work awkwardly for them.

12. *Hon. Mr. Rolleston.*] Do you think a term of twenty-one years would be better than the proposal in the Government Bill—fourteen years?—I think so, for purely pastoral country. In the Government Bill you propose that a certain proportion of low country may be taken on giving a year's notice, but purely pastoral country will never be taken for settlement if it is only fit for pastoral purposes. If you gave a man twenty-one years' tenure it would be worth his while to do all he could to increase the carrying capacity by sowing grasses and fencing, and possibly some men might plant trees if a little encouragement were given. In other words, by increasing the carrying capacity they would be improving the public estate. At present, with the short tenure the rule is take all you can out of it while you are there. In fact, some of the hill country in Otago has depreciated very much through heavy stocking. Formerly the anise grew most luxuriantly there, but now you may look a long time before you would find it. It is still among the rocks where the sheep cannot get at it, but the country used to be covered with it.

13. *Mr. Driver.*] Do you not think that taking off the grass allows the surface-ground to be washed away when the snow melts? I have seen 5,000 acres washed into the gullies, and nothing but sowing grass-seed will ever make that land of any use again?—Yes.

14. *Hon. Mr. Rolleston.*] Under the Government Bill will there be any difficulty, through the department or otherwise, in determining by a species of classification the amount of land which will in all probability be taken out of the runs during the term of the leases?—No difficulty at all.

15. *Mr. Hurst.*] What is your opinion of the relative value of the auction- and the application-system?—I do not think application would be objectionable if you had along with it auction confined to the applicants, as in the deferred-payment system.

16. *Mr. Macandrew.*] How long would it be before the Bill would apply to runs in Auckland?—There are really no runs at all in Auckland. If you look at the Lands Report you will see about 100,000 acres set down as runs, but it is a misnomer in the pastoral sense, as the land is taken up for gum-digging.

17. Hawke's Bay?—There is comparatively little there. In the North Island there are very few runs on Crown lands. We have 12,000,000 odd acres of pastoral land in the colony; of that more than half is in Otago, about a quarter in Canterbury, a million in Marlborough, and about half a million in Nelson.

18. Then, in point of fact, it would not operate anywhere for years, except in Otago?—No, and only there for 1,700,000 acres next year. Odd runs would be dropping in afterwards, occasionally, but not the great areas just mentioned.

19. Assuming it to be a good Bill, do you think any practical object would be gained by passing it at present?—But it is not a good Bill, I think.

20. But assuming it were?—There is this difficulty: I do not know what, if it were a good Bill, it would contain, and therefore I cannot say.

21. *Mr. Driver.*] By the operation of clause 6 do you not think it would enable the holder of a run to get the fee-simple of it, if he had friends on the Waste Lands Board, by getting them to take the run from him, offering it for sale all in one lump, and he buying it?—That could be done under the present law.

22. *Mr. J. Buchanan.*] Speaking generally, would you say that in the Hawke's Bay District we have gone beyond the squatting stage?—No, I think not, because there is a good deal of country in Hawke's Bay that is only fit for sheep-farming, and land that is not susceptible of any very great improvement. The law at present is such that we cannot either sell it or lease it. The land requires to be in the possession of a man who can afford to lie out of his money for two or three years. He has to stock it, and to go to a great outlay before he can get anything out of it.

23. That would apply mainly to the land on the boundary between the Hawke's Bay and Auckland Districts?—Yes, pre-eminently to that.

24. In the other portions of Hawke's Bay would you think we have gone beyond the squatting stage?—Yes; wherever you can put a plough in you have gone beyond that stage; but there is a very large area in the hill districts that I think will always be used for grazing sheep.

25. But it is mainly freehold tenure in the Hawke's Bay District?—Yes; the Bill has but little reference to that district at all; there are only eleven squatters in Hawke's Bay.

26. The most valuable lands there still in the hands of the Crown would be the forest lands?—Yes.

27. And that is unfit for pastoral occupation?—Yes, until it is put in grass.

28. Do I understand you aright that you think there was an excessive division of the Otago runs?—I would say so.

29. And that tended rather to deter people from bidding than encouraging them to?—Yes; in a word it simply tended to give the country again to the present holders to a very large extent.

30. You think that under this Bill there would be inducements in some cases to apply the country to commonage purposes?—Yes; speaking from past experience I know if these clauses were passed there would be a continual clamour and pressure on the Minister to throw the land open for commonage.

31. That means free grass?—Yes.

32. Is it not within your observation that free grass sometimes means no grass?—That has been the operation of commonage over very considerable areas in Otago. The object in providing it has been to afford small settlers the opportunity of running a few cows, but the effect has been that two or three persons—a sort of incipient squatters—have simply kept the others out of it; in fact, they alone really have the ground.

33. And where there is an excessive depasturing of sheep, cattle will not exist?—No; there is a continual bickering among the people about these commonages.

34. *Hon. Mr. Rolleston.*] In the case of the Hawke's Bay District, as proposed in the Government Land Bill, will there be any difficulty in affording facilities at Gisborne, through the District Survey Office, and at Wairoa in giving information by maps and otherwise as to any proposed sales and dealings with the lands?—There will not be the slightest difficulty at Gisborne, because there is a Land Office and Survey Office there; and as a matter of routine all published maps are sent there now. At Wairoa there is no Survey or Land Office, but the County Council are supplied with all maps and information relating to their district; and I know they put them up in their office for general information.

35. *Mr. J. Buchanan.*] Are sales very extensive in Wairoa?—There have been one or two considerable sales there.

36. These sales do not take place in Hawke's Bay?—No. I may inform the Committee there are extensive areas of Crown lands on the borders of the Auckland and Hawke's Bay Land Districts; but there are difficulties in the way of disposing of some of these lands. For instance, the Waitara Block of about 40,000 acres fronts to the Mohaka River and to the main road to Taupo from Napier. It has been surveyed, and there has been an expenditure of about £800 on roads. It has been offered once or twice, but will not sell because the Board cannot offer it under £1 an acre. It is open land, in blocks of 3,000 or 4,000 acres each.

37. *Hon. Mr. Rolleston.*] What is the position of the Ruaketuri Block?—It is being got ready for sale. It is the main block of Crown land in Wairoa County. It is being surveyed into sections of from 500 to 2,000 acres, according to the country.

38. *Mr. Pearson.*] Do you not think that for purely pastoral country in the North Island a longer term than twenty-one years should be given, because it takes ten years to get it into condition?—I think country like that had better be sold right off at once, because there is so much to do to it; the country has to be created, so to speak, and a man would not go in with so much spirit to create country when it is leasehold as he might if it were freehold, especially when the land is only worth about 7s. 6d. an acre to begin with.

39. *The Chairman.*] Then do you think it would be an improvement in the law to make the term for leasing pastoral lands twenty-one years instead of fourteen?—I think so.

40. *Mr. J. Green.*] Do you think in each run there should be a fair proportion of winter-country? and what winter-country is likely in many parts of Otago to be required for actual *bonâ fide* settlement within the next twenty-one years?—In apportioning the country and marking off the runs, if I had to do it, I would always leave enough winter-country to make the high country workable. If I may use a hackneyed term, I would not let what is called the interests of settlement take so much winter-country as would injure a lot of really good pastoral country.

41. *The Chairman.*] Might you not use a stronger word than injure, and say ruin?—Yes. You want to make the best average use of the whole country, of course.

42. *Mr. Driver.*] Do you think free selection before survey would satisfy settlement, and at the same time settle the runs?—I should be decidedly opposed to that.

43. Is there not in the majority of runs to be let a sufficient quantity of winter-country, and also enough to provide for the wants of agricultural settlement at the same time?—There is.

44. *Mr. J. Green.*] If a lengthened tenure were given, do you not think that, by past experience, we should have to pay compensation to runholders for land that was wanted for settlement?—No, I think not, because it is proposed in the Bill that the country shall be taken in such a manner as will not injure the run. It is to be taken on a year's notice without compensation. There is a good deal of land in Otago that can never be used for settlement, and yet is splendid sheep-country.

By Authority: GEORGE DIDSBURY, Government Printer, Wellington.—1882.