

and buy an allotment at a high price; then, perhaps, some victim would buy the next lot at the same price. Perhaps that does not succeed; then they move to a certain lot which is bid up to £5, or to some figure at which they will catch some unwary one. It is simply trying to make a market.

184. What would be the real value of the land which was assessed at £9 per foot?—I am hardly in a position to give very direct testimony on that point; but I think there is very little, if any, land round the Calliope Dock which could be made to pay 6 per cent. on £1 per foot. I do not think there is any real value in anything unless you can get a moderate rate of interest for money invested.

185. *Mr. Ballance.*] I want to know if it is a rule that the values of properties are artificial, and that they are fixed by speculators?—I should be sorry to say that it is the rule. I only know that it is done.

186. To what extent?—I could hardly say to what extent.

187. But it is not the rule?—No; I did not intend to say that it was.

188. If a property is put up to auction, and is bought in by the same ring, would that determine its value in the Compensation Court?—I should think not. It ought not.

189. But would it be likely to do so?—That would altogether depend on the man who valued the property.

190. Would it not depend upon the price the property brought at public auction?—I do not think so. I always maintain that the auction-price is no criterion whatever of value, for this reason: I often put up a very valuable property, and get no bid. If you take the auction-value that property is worth nothing at all. On the other hand, sometimes I sell property for considerably more than it is worth.

191. Supposing that you were acting for a ring, and that you sold part of a property to some of the members of that ring, would that not determine the value of it?—No, because they are not real buyers.

192. But, suppose it were brought into the Compensation Court, and evidence was given of so many sections being sold at a certain price, would that not determine the value of the property?—I do not think so. If the people on the other side knew their business, it certainly would not.

193. You said the object was to get some victims to buy. Suppose one of these victims came in and purchased, would not that determine the value?—I should say that it was a sale brought about by deception—that the man was deceived, because he would afterwards find out that he could not get interest for his money, nor could he sell it at the price for which he bought.

194. You are aware that land has sometimes brought a very high figure for speculative purposes, and that its value has not been determined by the rate of interest which it is able to return?—Yes; that is often the case.

195. And this is a purely speculative value, entirely apart from the question of interest?—Yes.

196. You are aware that there have been many *bona fide* sales at high values in Auckland?—Yes; no doubt there are some.

197. A great many?—Yes, probably a good many.

198. Has land been going up in value in Auckland or receding?—It has been receding for the last year or so.

199. Are there not some parts where land is going up in consequence of a tendency of the town to move in that direction?—No, I do not think so.

200. How long has it been since the receding in value commenced?—It is about a year, as near as I can recollect.

201. You have no particular knowledge of this property of Stark's from being over it?—No; I have not been over it; nor have I been in the house; but I have frequently been in the district.

202. Is not the City of Auckland moving in that direction?—I should think it would be a long time before it gets as far as that.

203. Are not houses being built in that neighbourhood?—Very few, I think. Of course houses are going up all round Auckland.

204. Would not that be likely to give a higher value to the land in that direction?—It is only on account of that that I take the value at £130 an acre.

205. You admit that, in consequence of that fact, land in this particular district obtains a higher value?—Certainly. It is the case with every district.

206. Some land in that particular district is sold by the foot, is it not?—I have no doubt there has been land there sold by the foot.

207. Does not that indicate that land is going up in value?—Not necessarily; because I have known land to be sold by the foot, and you might go to look for it now and find it enclosed in a paddock of twenty or thirty acres.

208. The value of land is determined to a large extent by its position or suitability for residences?—Clearly it is.

209. What sort of a site is this particular property for private residences?—The value of this land is as a suburb of Auckland; there is not sufficient population to make it a suburb of the North Shore.

210. I am speaking rather of the position of the land. Would it not make a number of good sites for suburban residences if it were at a convenient distance, supposing there was a tramway run out there?—I do not think even with a tramway it would make good sites, because there is so much land between that and town.

211. It is very elevated, is it not?—Yes.

212. And overlooks the harbour, and has a fine view?—Yes.

213. Would not people desire it as a place of residence on that account?—I could not be in-