

The Chairman : Not appropriated.

Mr. Samuel : Well, money belonging to the Harbour Board now invested at 5 per cent., to the extent of £41,009—money which, if the land-laws had not been changed, and the lands had not been disposed of upon deferred payment and perpetual lease instead of sale for cash as prior to 1879, would be now at the bank to the credit of the Harbour Board, and available for payment of their interest and sinking fund, and which, with the £90,400 compensation for confiscated land, makes up £131,409. The next heading comprises Crown lands unsurveyed and not open for sale at present.

	Area. Acres.	Value. £	Harbour Fourth. £	Annual, 5 per Cent. £
Crown lands unsurveyed and not open for sale, &c.	465,975	187,228	46,807	2,340

Thus making the amount which the Board is or will shortly be entitled to receive from the colony £178,216, a sum quite equal to the amount required to pay off the loan itself. The Native lands which are represented in the prospectus as certain to be acquired by the Crown, and to become then Crown lands, and part of the Harbour Board endowments, are thus stated :—

	Area. Acres.	Value. £	Harbour Fourth. £	Annual, 5 per Cent. £
Native lands yet to be acquired ...	757,350	355,207	88,802	4,440

So that the colony would in the future make a clear profit or saving of about £88,000 by the transaction. It has never been denied that the lands which might be in the future acquired from the Natives, and which were within the Provincial District of Taranaki, must be subject to the claim of the New Plymouth Harbour Board for 25 per cent. of their gross proceeds; and this makes the prospective value of the New Plymouth Harbour Board endowments, in respect of Native lands yet to be acquired in Taranaki, £88,802. Thus the present value of the Crown lands in Taranaki, together with the value of the Native lands yet to be acquired, the two amounting to no less than £176,618, is money held or to be held in trust by the New Plymouth Harbour Board. In addition to this, it must be conceded that the colony owes to the Harbour Board, as trustees for the settlers of the district and for the bondholders, one-fourth of the value of the confiscated lands which it gave back to the Natives. The following are the figures under this head :—

	Area. Acres.	Value. £	Harbour Fourth. £	Annual, 5 per Cent. £
Compensation for confiscated lands given away	197,270	362,000	90,400	3,520

Whether that amount was or was not excluded from the prospectus issued by the Board I submit that it is perfectly clear that those lands were, in 1879, Crown lands by virtue of "The Land Act, 1877," section 5, and that therefore there can be no doubt whatever of the Board's right to one-fourth of their value. That value has been differently stated by the Property-tax Department and the Surveyor-General. The valuation of the Property-tax Department is £438,441, and the Surveyor-General's estimate is £362,000. Taking the valuation even at the lesser amount, the money which would have been paid to the Harbour Board had these lands not been given away would have been, as already stated, £90,400; and then, even if no interest be allowed to the Harbour Board, that would, together with the £176,618 I have mentioned, make up a sum of £267,018. I say, therefore, that if it be admitted, as it must be, given that the colony is liable to pay as damages, at any rate the value of these lands when they were given away, although without any interest, and that the Government will have to pay the New Plymouth Harbour Board 25 per cent. of the value of the Crown lands in the district, then the colony will receive value to the extent of £267,018 for whatever sum they may have to raise to extinguish the present debt of about £176,000. In addition to this, I may be permitted to point out that it will free the colony from the charges which have been made against it of tampering with the endowments by altering the different land-laws; that it will enable it to make those alterations which have been proposed from year to year to be carried into effect, and which I see this session are proposed by the new Land Bill, reducing the rate of interest payable to 4 per cent. from 5 per cent., extending the term of leases to fifty years, and allowing for further revaluations and reductions of amounts payable, all of which I would respectfully submit are means of tampering with the security of the bondholders, and of the Taranaki ratepayers, and reducing the amount which from time to time ought to become payable to the Harbour Board. I purpose to read extracts from the notes of Mr. King, the Chairman of the Board, so that they may be placed on record.

EXTRACTS FROM MR. KING'S NOTES.

CHANGES OF LAND LAWS.

"In 1885 the valuation of deferred-payment land above the cash-price was reduced from 50 to 25 per cent., and deferred-payment holders were permitted to exchange their tenure to a perpetual lease, or to capitalise after one year's occupation. In 1887 the restriction of the area to one-third of the land for perpetual lease was repealed, and intending occupiers of land were allowed the option of purchasing for cash, or under the deferred-payment system, or on perpetual lease. In that year, therefore, cash sales virtually ceased after an interval of eight years since the raising of the loan.

SALES OF PRIVATE LANDS COMPARED WITH CROWN LANDS.

The Toko Block of 4,000 acres was sold in August, 1889, by auction, and realised an average price of £1 7s. 6d. an acre—to be paid 20 per cent. in cash and the balance in four instalments of 20 per cent., bearing interest at 6½ per cent. Land of equal quality belonging to the Crown, and