

intimated to the Commissioners that he would prefer that, in any arrangements we might enter into, we should try and make exchanges. And with that desire we proceeded throughout. In several cases we failed to make arrangements, as the tenants wanted such concessions that the Commissioners were not able to grant them. In the case of Mr. Bullen, after protracted negotiation, we succeeded in coming to an agreement, the effect of which was that he would give up about 3,000 acres of land, part of which had about five miles frontage to the Kahautara River, part lay on the line of the Cheviot-Kaikoura Road, part at Goose Bay, and part on the main road, Conway, all of which he relinquished in consideration of getting hill country lying behind Green Hills freehold on the Dog Hills and Mount Horrible. This is a country wholly pastoral, and only suitable for summer use. It could not be held as a run unless a portion of Mr. Bullen's freehold had been obtained in association with it. The altitude of this back country is from 1,500 ft. to over 4,000 ft. above sea-level. As regards the 400 acres of land on which the boiling-down establishment was erected by Mr. Bullen, the land was valued at £1 5s. per acre. No account was taken of the buildings or improvements, as it appeared Mr. Bullen had erected the works at a time when he thought the land was his freehold, but which was subsequently discovered to be Crown land. Mr. Bullen was adverse to acceding to the exchange, until the Commission promised him that the Minister of Lands would be recommended to grant him a three years' temporary license over the Spey country, already covered by his pre-emptive right application to the Marlborough Land Board; also that the Hawke Hills of 4,000 acres would be put up for sale by public auction at an upset not exceeding 10s. an acre; and that, failing the Minister approving of these two proposals, the agreement to exchange lands would cease and determine. I wish to place on record my opinion that the exchange made has been in the interest of settlement, because the obtaining of five miles of frontage to the Kahautara River, the key-front to Goose Bay, and the freehold on the line of the main new road, some 30,000 acres of country well adapted for holding in small runs and farms were opened, and since greatly competed for and taken up. Regarding the give-and-take of the boundary-line between Mr. Bullen and the Small Grazing-run 90, this was a matter of arrangement between himself and the Survey Department. With reference to the Claverley Run, belonging to Mr. William Smith, it lay between Mr. Bullen's property and the sea. He had 3,000 or 4,000 acres freehold for many miles fronting the sea. He was, for family reasons, anxious to increase his holding up to 5,000 acres. He had already application in for a very desirable part of the country for settlement. After negotiations with him we succeeded in getting him to give up a portion of land over which he had a pre-emption, and also part of his freehold fronting the Conway River. He gave 1,308 acres, and he got 1,761 acres of Crown lands as an equivalent. The advantage of this exchange was that we got a frontage to the main road of eight miles, upon which a large expenditure is now being made, and serves a series of farms of from 100 to 600 acres, which have since been taken and settled on. Regarding the Clarence Run, at the present time occupied by the Assets Realisation Board, it is a very large extent of country, over 100,000 acres, of which 17,000 is freehold along the banks of the Clarence River. It is excellent pastoral country, situated on the inland side of the great seaward Kaikoura Range. It is practically inaccessible for wheel traffic, while to make a road into it would involve an expenditure out of all reason for the purpose it would serve. A good deal of attention has been given to finding an easy route to it, but the result so far is the very steep bridle-track now in use by a pass over 4,000 ft. high. The sheep are driven over this pass once a year to what is known as the shearing-reserve. This is found to put a very serious drawback on the value of this property, for the sheep do not recover themselves for some time after crossing and recrossing the mountain ranges. The Land Department offered this run two years ago on lease without securing a bid. It is a matter of debate at present whether the Estates Board will continue to hold the country at all or not. To cut up the country, as is suggested, into three or four runs may lead to a very great difficulty in the working, because, apart from the cost of fencing, you would still have to drive the sheep over to this shearing-reserve in three or four flocks, and then keep them there for two or three months. The proper way to deal with this class of country is to give a long lease at a low rental, so as to make it worth the while of some persons to take it up. As regards the Puhipuhi country, it consists, as already stated by Mr. Gibson, of 4,000 or 5,000 acres of excellent, well-grassed limestone country, on the crest of a long ridge, the steep sides of which are clothed with forest. It is quite unsuitable for cutting up into smaller areas for residential settlement, the reason being that there is not a homestead site on the land, with the exception of part of 320 acres at the head of the river; and to make a road to that point is simply, considering the land that is to be served, not to be thought of. Access to it now is by the bed of one of the mountain torrents that come down from the Kaikoura Range. It is quite practicable to drive stock up and down over the shingle in the flats of the river when it is not in flood. The yarding and working of sheep must be done on the plains below. With regard to exchanges, a great deal of work has been done by the Commissioners, but there is still a great deal to do, which can be best done as time and opportunity permit. Reverting again to the Kaikoura district: There is another run—the Waipapa—which might be subdivided. It is a very good sheep country. The purchase of 3,000 acres of freehold and the extinguishment of the present lessee's pre-emptive right involve compensation in money of several thousand pounds. Under all the circumstances, the Commissioners did not see their way to engage in active negotiation for the acquirement of the property. The lessees are holding on a temporary license, which runs out in February next.

76. *Mr. Duncan.*] What is your opinion of what would be the cost of forming a practical way of access to the Clarence country?—There is no actual survey, but it is considered that it would cost nothing under £10,000; and there is the certainty that it would require to be partially remade every year, as there would be a great number of slips after the winter snows.

76a. *Mr. Meredith.*] Mr. Gibson stated that fruit could be grown there in great abundance?—Quite right.