

74. You placed the value at £90,000 : is it asking you too much to venture an opinion as to whether it is not rather more than the value in 1886?—I would not like to give an opinion on that.

75. What is the B1 value of the land?—About 12s. 6d. I had to average it.

76. That is, between £120,000 and £130,000 is your estimate of the B1 value of the 200,000 acres which you value at £90,000?—I did not say "value"; that is what we would likely offer it at for selection.

77. You put down the present value at £90,000, and if the land were free from restriction it would be worth £450,000?—Yes; the land and the improvements.

78. And the present unimproved value is £90,000 of land the B1 of which fourteen years ago was nearly £130,000. I do not know whether you are familiar with the terms of the Midland Railway contract, and that they could take this 200,000 acres when they had finished the work?—Yes; I believe they could.

79. So that if the contract had proceeded it was not a necessary consequence that the land would be settled at all. The company might have waited for the unearned increment?—They certainly could, but I think it is very doubtful whether they would.

80. The contract was to be completed in 1895, and you go back to 1886, and you point out that the country has lost from 1886 to 1895 by this land being locked up; but is it not evident under the terms of the contract that they would still be locked up unless the company chose to dispose of them?—Not the whole of them.

81. There was an area of six million acres in which to select?—Yes.

82. If the company went on with the construction of the line they could leave that part over before making their selections?—They did so.

83. Therefore they were within their rights in locking it up for the fourteen years to January, 1898?—Yes; they were quite within their rights in doing so.

84. You had nothing to do with the Midland Railway contract terms when you came into office?—No.

85. Mr. Wilson had left the colony?—Yes.

86. Who was your immediate predecessor?—Mr. Browning.

87. Is he here?—No.

88. You have figured out the loss to the colony at about £500,000. Could you estimate the loss to the colony through the locking-up of this land—the actual loss?—No.

89. I have a difficulty in appreciating your evidence. You cannot give us the actual loss. May I ask you what queries were you asked to answer by your department?—To state the loss to the colony generally, and of the Nelson District specifically.

90. Owing to what?—To the shutting-up of the land.

91. First the loss to the colony generally, and second to Nelson specifically. Can you tell me the loss to the colony?—No. I told the department I could not do so.

92. The actual loss to Nelson: what do you estimate that at?—I could not make a definite statement. I have given you the figures of what I consider Nelson has lost, but there is a set-off in some things which is very difficult to determine.

93. What set-off?—The producing-power must be the produce of a certain amount of capital. There is also the labour on this area of forest land. We should have been in possession of 200,000 acres of settled and cultivated land.

94. How much land is marked in blue in the Nelson District?—Three million acres.

95. Then, on the termination of the contract the company would have been entitled to make selections over this three million acres?—Yes.

96. And you have only referred to 200,000 acres covered by this contract?—Yes; but not in one continuous block.

97. I understand that these 200,000 acres only would be available for application?—To give an example of the nature of the loss I may say that just prior to the closing of the land the department had surveyed about 11,000 acres in the Tadmor Valley, and had prepared the maps for sale when the thing was closed up—and it is closed to this day. I have not got the figures with me, but I think the survey cost £1,000, and it had to be renewed lately at a cost of £250, because most of the pegs were rotten and lines grown up. There was £5,480 expended on a road in that same block, and that road has not been used since the block was shut up, and we have just spent £500, and another £600 will have to be expended before it can be used, because some of the bridges are rotten, and the road generally destroyed; so that, besides the land being locked up for fourteen years, there has to be all this extra expenditure and loss of interest on the original cost. That is an example of the direct loss the district has suffered.

98. Is not the road used?—No.

99. Who was fool enough to make it?—The land could not have been sold if the road had not been made; and now a considerable extent of the land has been burned by bush-fires, and is now covered with fern and injured.

100. *Rt. Hon. R. J. Seddon.*] In answer to a question by Dr. Findlay as to estimating the general loss to the colony, you said you could not estimate there was a loss?—No; I said I could not judge what the loss was.

101. If there was a loss to the District of Nelson there would be a loss to the country generally, and that would be the loss to the colony?—Yes. I said there was a loss generally; but, owing to my being unacquainted with the company's operations in other districts, I was not in a position to give an opinion on that phase of the question.

102. How long have you been Commissioner of Crown Lands?—Between fourteen and fifteen years.

103. How long in the Lands Department?—Over forty years.