

67. *Mr. Laurenson* (to *Mr. Connett*).] What was it last year?—£9,600.

68. Is that the total revenue of the Board?—Yes.

69. How much of that sum did you derive from your rate of  $\frac{1}{4}$ d. in the pound?—I thought you meant the earnings of the port. I misunderstood you.

70. What do you get from your rates?—We have been spending this revenue to keep the port going and to further improve the accommodation.

71. But what do you get from your rates?—I told you just now that the farthing rate produces about £8,000.

72. And then you get £3,000 from the sales and rents of Crown lands?—Yes; but I said previously that we had a certain amount brought forward last year which enabled us to reduce the rate. A farthing rate would not cover it otherwise.

73. Of that £3,000 that you got from the sales and rents of Crown lands, how much did you get from rents, and how much from sales? Can you give that information?—No.

*Hon. Mr. T. Kelly*: We could supply it.

74. *Mr. Flatman* (to *Mr. Connett*).] I understood you to say just now that the total revenue of the Harbour Board was £9,600?—That is the earnings of the port, irrespective of rates and rents.

75. *Mr. Witty*.] The total revenue is about £20,000?—The earnings of the port are £9,600. That is spent on the port. Then we have to raise £12,600 by means of land revenue and rating. If we have only £3,000 land revenue we have to get the other £9,000 by means of a rate. The revenue would be about £20,000 altogether.

E. M. SMITH, M.H.R., made a statement. (No. 3.)

*Mr. Smith*: Mr. Chairman and Gentlemen,—The reason why I have asked to be heard on this occasion is because Mr. Connett and Mr. Kelly have omitted the most important point in connection with this matter. They were asked what effect this Bill would have upon the New Plymouth Harbour Board's endowment. Now, the Bill, as I read it, proposes to deal with these lands in the future for education, charitable aid, and old-age pensions, and if that proposal were given effect to the Harbour Board would lose the endowment, unless a provision were inserted in the Bill stating that the Board should still receive one-fourth of the revenue from the sale or lease of Crown lands. As the Bill is drafted the Board would lose the endowment. There must be a proviso put in to protect the Board. Of course, if the land were leased they would have the 25 per cent. just the same; but, as I say, unless provision is made in the way I have indicated, the Board would lose the endowment.

*Mr. Connett*: I might just give the Committee the correct figures—I have them here—as to what the rate produces. Last year it was  $\frac{5}{4}$ d. in the pound, and it produced £10,083. So that, seeing the total amount of interest is £12,600, there is ample security for the bondholders.

WILLIAM C. KENSINGTON, Under-Secretary for Lands, examined. No. 4.)

*Witness*: I understand you want from me, Mr. Chairman, a statement of the lands that are left in the Taranaki District and that would be subject to the Taranaki Harbour Board rate. I should like to state first that I am still of the opinion which I gave hurriedly yesterday, that this Bill would not affect the position of the Taranaki Harbour Board in connection with this National Endowment Fund. The Financial Arrangements Act, to which reference has been made, secures to everybody affected by it their revenue. This Bill does not repeal that Act, and it is subject to all the provisions of the Land Act. I still hold that the income arising from all these lands that were set apart would have to be paid into a special fund, called in the Bill "The National Endowment Account." That would be paid in, less the portion that is payable to the New Plymouth Harbour Board under a special Act, which is not repealed. That is my opinion still. I think the Board would still receive under this Bill the 25 per cent. of the rents, because there will be rents only if the Bill pass. The whole position of the Taranaki Harbour Board is shown in a report which was laid on the table of the House in Session II of 1891. The report is marked I.—8. As far as I understand, the Committee wish simply to know, supposing I am wrong in my assumption and that the land revenue is not secured to the Board, what revenue they would lose if the whole of the income from the lands that are left in the Taranaki Land District went into the National Endowment Fund. Is that the position, Mr. Chairman?

76. *Hon. Mr. McNab*.] That is a fair question?—The position at the present day is this: The total area of the remaining Crown lands in Taranaki at the present time—this statement was got out this morning, so it is pretty well up to date—is 113,194 acres. Supposing we take the capital value of that land at £84,137—personally, I do not think it would realise that, for a good deal of it is worth only from 5s. to 7s. 6d. per acre—

77. *Mr. Lawry*.] It is not worth anything at all?—Well, we have had a revaluation made lately of a good deal of that land, and land which we had valued at 10s. and 15s. an acre the Government Valuers have come to the conclusion is not worth more than 7s. 6d., and some of them would put it at a lower figure. I have, however, taken the value of this particular land at 14s. an acre. Supposing we take the capital value of the land which is left at £84,137—

78. *Hon. Mr. McNab*.] How much is that an acre?—Roughly, about 14s. Supposing, as I say, we take the capital value of the remaining land at £84,137—which is an outside value altogether—and supposing we take 5 per cent. on that capital value—that is, the leasing-value of the land as defined in this Bill—that would give us an annual rental of £4,206. If we take the quarter due to the Harbour Board under the Financial Arrangements Act, that would give them a yearly income from this land of £1,051. That is the extreme amount of revenue the Harbour Board could expect to get from the Crown lands that are left unleased or undisposed-of in the