

about. A resolution has been passed in the matter supporting the Lessees Committee in their endeavour to acquire the freehold.

*Hon. Mr. Ngata:* That does not commit the borough to anything as a borough. They wanted to get the freehold themselves from the Public Trustee.

30. *Mr. Poynton.*] Do you think 5 per cent. is fair?—I think 5 per cent. is an aggressive rental, but if it is carried on in perpetuity, 4 per cent. would be fairer. As regards the 5 per cent., I think the lessees would get better terms from a private individual.

THOMAS ELDON COATES examined. (No. 2.)

*Witness:* Before giving any evidence I should like to say that we are desirous of acknowledging the services Mr. Poynton has rendered us in furnishing returns, &c. The position in Greymouth is this: Rents as at the present moment are not objected to by any one there, but what they say is that they are going to be excessive, and that immediately.

*Hon. Mr. Ngata:* They do not say that in their petition.

*Witness:* The position in the past has been that two assessors were appointed. They arrived at what they considered a fair rent. In doing this they brought their local knowledge to bear in the matter. They were living in the town, and they knew the circumstances, and were in a position to know what a man could afford to pay. We have had very little to complain of. But we know the Public Trustee is now in favour of the unimproved valuation as laid down by statute. It is intended to give the Natives the full benefit of the unearned increment, and we regard that as being very unfair. Every member of the Borough Council is a member of the committee which is getting up this agitation. As a Council we have passed a resolution indorsing the action of this committee.

*Dr. Te Rangihiroa:* Has the Council passed a resolution that the committee should endeavour to obtain the rents on the reduced scale?

*Witness:* They left them to make the best bargain they could.

*The Chairman:* Are you a lessee?

*Witness:* Yes; I am a lessee. I might mention my own case. I have a house in Greymouth standing on half an acre of ground, and I pay £8 a year rent. We have held the land for thirty years. That land, if I put it in the market to-day, would bring probably, £200; but I could not say it would be fair to pay £10 per year rent, as we have held it for thirty years, and the rent mentioned has been paid during a period when it was of considerably less value than it is at present. We have derived absolutely no benefit from it, and I think it most unfair that I should be taxed for my own enterprise.

1. *Hon. Mr. Carroll.*] You say the Maoris are not entitled to the unearned increment?—I think men should labour for what they get.

2. Would you say the same in regard to every European leaseholder?—They should not be allowed to drag the whole of the benefit out of the leaseholder.

3. Would you put the Maoris on the same footing as the Europeans?—Yes, I would.

4. Well, that Act should be brought in first?—The unfortunate thing is that encouragement will be given under the present circumstances to create a town of slums. I should probably be in the position under the Act that I should have to build two or three little cottages or sell it at a profit; but I do not want to do that. We have a "brick area" in Greymouth, and the Council is now considering the advisability of doing away with it. We feel that it is not fair to insist on people putting buildings up in brick. They should not be taxed for their own enterprise.

5. *Mr. Parata.*] Why should they put up buildings in brick when timber is so cheap? Would they not get more compensation for building stone houses? Was that not the reason they did not build in timber?—I do not think that is the reason. The "brick area" compels it. We have running through Greymouth a tidal creek upon which the Council has spent £3,000 making it into a drain. We had to buy it, and it has been valued at £90 by the assessor appointed by the Public Trustee. That is hard.

6. *Hon. Mr. Carroll.*] In any case you would have the benefit of compensation?—I think we should not. Then, as regards the question of survey: At present, if any one wants to subdivide his ground he has to get a survey at a cost of £5 5s. or upwards, and, when the original lease falls in, the Public Trustee uses that survey for the new leases. It is felt that these surveys, or, at least, a portion of them, should be borne by the Public Trustee, as the rentals were being increased.

7. That was a fair business matter between the Public Trustee and themselves?—As regards the question of valuation, the Public Trustee referred to values, but it is only fair to remember that in the case of property at Greymouth they had instances where a few years ago property now let at £4 a year with two houses on it was sold for £10. There is an instance of property a few days ago that brought £2,000, but the section was sold with a building on it worth £1,800 or £1,900. There was another property in the business portion of the town which was sold five or six years ago for £250 the improvements on which were worth at least £1,800. It is not fair to take isolated cases, but I know a property that was given away seven or eight years ago for £25—a section fronting Alexandra Street with a five-roomed house on it; also 5 acres of ground that was sold for £75, the rent being £5 per year. All this was Native property. I am only referring to the Native portion of the town.

8. *Mr. Rhodes.*] You are speaking of the goodwill in such cases?—Yes; a twenty-one-years lease. I think the Committee might also take into consideration the fairness of giving land for municipal purposes. As regards the proposal of acquiring the freehold, our idea is that the borough should buy the freehold. It would pay whatever sum the Natives decided to sell it at, and then the borough would deal with the lessees. It would give the individual lessees their land at