

70. But in ninety-nine cases out of 100 that is so, is it not?—I notice there are some who get information as to the election of an umpire. I think the Public Trustee knows that.

71. But that has generally been the experience, has it not?—Yes. This has been brought about by the craving desire on the part of the Department to get higher rents.

72. Of course, each Department wants to get as high a rent as possible—you do not object to that?—No.

73. You could not hold your position if you did not do your best for your trust?—I should consider the other case of equitableness.

74. Your first duty is to do your duty for your trust?—For my employers. I think, in a case of this kind the tenants must be considered as well as the owners.

75. *Hon. Mr. Carroll.*] For a number of years, so far as the unearned increment goes, there has not been any swallowing-up by the Native owners—there has not been any to swallow up. You say that, if there is an increase in the value of what you call the unearned increment, that should follow the tenant, and not the landlord?—No, I would not say that. I think, in fair play, where the unearned increment has been created by the tenant, as a matter of equity between the tenant and the landlord they should participate in the unearned increment to the extent of 50 per cent.

76. They should halve in the unearned increment?—Yes.

77. *Hon. Mr. Ngata.*] Where would the borough come in?—The borough would not want any increase. The borough would be merely holding on behalf of the tenant, and nothing else.

78. *Dr. Te Rangihiroa.*] You say that if the land were converted into freehold the buildings upon it would be improved?—Oh, yes!

79. And how do the buildings on the leaseholds compare with the buildings on the freehold?—The freehold is more used for residential purposes than for business places. The business places occupy this reserve principally. You cannot get away from this fact: that if I had a building upon a section of ground that I acquired for £100 this week, and in three months I put up a building which cost me £2,000, no doubt I should enhance the value of that section by the putting-up of that building, but the consequence is that I have to pay more rent for it, so that it is actually putting rent on to a man's improvements.

80. *Mr. Mander.*] In regard to the section of yours on which you are now paying £15 and for which you previously paid £10, if you were going to purchase that, would you not be prepared to give considerably more than the capitalised value of that section in order to get the freehold of it?—To give you an idea of what I would pay to get rid of the present difficulty under which we are labouring, in order to get the freehold of that section I would be prepared to give twenty years' rental.

81. That would not be any more than the present capitalised value of it. Would not the majority of the people in Greymouth be prepared to give considerably more than the present capitalised value in order to get the freehold?—I think they would almost go to any extent to acquire the freehold, because they are frightened or have the dread of the craving demand by the Trust for raising the rent.

82. Supposing you built a house on this particular section and you wanted to sell it a few years later, do you not think you could get a considerably higher price for the building if it was on a freehold section?—Oh, yes! of course, I could.

83. And therefore it would pay you to give considerably more than the capitalised value in order to get the freehold?—Yes.

84. And that would be an advantage to the Natives if they could get £400 for that section instead of £300, and by putting that money out at 5 per cent. that would provide them with £15 interest instead of £10?—Yes. The purchase could be made of advantage to both parties, to my mind, and, speaking commercially, if I was an independent man, and after I had taken evidence on the whole matter, I would recommend the Natives to take the money and give the freehold to the lessees. They will get the money without any charges or trouble, and the lessees will build up a town that will be a credit to themselves and to the Dominion also.

85. *Mr. Greenslade.*] You propose that the land should be acquired by the Borough Council?—Yes.

86. By way of trust?—Yes, held in trust for the tenants.

87. And the freehold should be sold by the Borough Council to the tenants?—Yes.

88. You are well aware that that would require legislation?—Yes, we admit that.

89. I do not know how legislation could be got through the House even for such a desirable thing as that, but supposing the tenants could not acquire the freehold in that manner, would you favour the Borough Council still acquiring it in trust for the people, and allowing the present tenants to take a lease or an extended lease, say, of sixty-six years?—I would be in favour of doing away with the present system altogether, and putting it in the hands of the Council if necessary, and I consider the Council would deal fairly with the tenants, and there would be no increase of rentals.

90. *Mr. Herries.*] You say that this Reserve is composed of the business part of the town?—Yes.

91. And you say the freehold part is not so well built?—Yes, it is used more for residential areas.

92. That is due to its not being in such a good position—not due to the question of the title? Oh, no! owing to its position.

93. Have you any objection to this idea: Supposing it were recommended that the Government acquire the freehold from the Natives, and then put it up for auction loaded with the cost of the improvements, as they have done in Paeroa?—I see no objection to that, provided that the