

the Midland Railway Company took the land, we have received no assistance at all in the way of thirds and fourths.

15. You expect to get thirds on pastoral and rural lands?—Yes; that has been so in the past.

16. *Right Hon. Sir J. G. Ward.*] Do you know that after the abolition of the provinces took place there was a Financial Arrangements Act passed by which certain contributions were given in respect of land which was sold, for three years?—No, I was not aware of that.

17. That is the case, and I cannot help thinking that what you are alluding to must have taken place under that. As I say, there was a Financial Arrangements Act in operation under which payments were made for three years during the adjustment period, but I think that, whoever your informant is, he is quite wrong in stating that thirds were paid prior to 1885?—He was quite distinct.

18. Are any of the settlers here under the jurisdiction of your county?—No, I am the only representative of the Waipara County.

19. Assuming that you were to get the thirds, do I understand that you would spend the whole of it on the backblocks?—The front blocks are already provided with roads and bridges, and it would be on the backblocks.

20. The whole of it?—Pretty well the whole of it. I do not see why the whole of it should not be so spent, because so far as rural land is concerned we are fairly well roaded.

21. So that the front-blockers are all right, and are not disposed to show any consideration to the backblockers in the matter of loans?—Human nature is human nature every time.

THURSDAY, 1ST SEPTEMBER, 1910.

WILLIAM C. KENSINGTON, I.S.O. (Under-Secretary of Lands), examined. (No. 10.)

Witness. As I understand the matter, what the Committee are asking me to do is to give some idea of what led the petitioners to make this claim. It seems to me that they have been under a misapprehension nearly all the time in connection with the various petitions they have sent up. I have read the evidence carefully, and it seems to me that the petitioners are really referring to what was the result of the abolition of the provinces in 1876, and the revenues that the Road Boards and counties in the Canterbury District received on the abolition of the provinces. Mr. O'Halloran gives evidence of their receiving large grants of moneys which they used for the upkeep of their roads. I can quite understand that. By the Financial Arrangements Act of 1876 each county received £1 for every £1 of rates, and where no Road Board existed in the county they received £2 for every £1 of rates. Where both were in operation they each got £1 for every £1 collected. Under section 6 of the Financial Arrangements Act, 1876, the county received 20 per cent. out of the Consolidated Fund of the Land Fund of the district. In 1878, 1879, and 1880 there were very large sales of Crown land for cash. I think I am right in saying that in 1879 and 1880 the cash land-sales amounted to £1,324,000 in one year. Out of that Land Fund the local bodies got 20 per cent. of the amount paid to them, and I can quite understand that for many years the local bodies, in Canterbury particularly, received handsome additions to their revenues. In the way of the 20-per-cent. payment £224,000 might be distributed annually amongst the counties in the Canterbury Land District, and they had leave to distribute part of it amongst the Road Boards. This went on until 1880, when it was abolished by special Act, after which they only got 7s. 6d. for every £1 of rates collected. Mr. O'Halloran said they were to get thirds on deferred-payment and other sections disposed of under the Land Act. As a matter of fact, as Sir Joseph Ward has already told the Committee, until 1885, under Mr. Rolleston's Act there was practically no thirds payable in most parts of Canterbury. Under the Land Act, 1877, there was power to open land under the deferred payment, but it was not availed of in Canterbury, as they were disposing of the Crown land so fast on cash payments that they did not care to bring the deferred payment into operation. They spoke of having deferred payment, perpetual lease, &c. in operation, but in these particular counties until 1885 there was practically no land opened except for cash. [Witness referred to a large plan which indicated the tenures of the lands taken up in the areas referred to.] The lands selected by the Midland Railway Company were to be within fifteen miles on each side of the line to be constructed. They were allowed to select these up to the date of the Crown terminating the contract, but none of them were really agricultural lands: most of them were only fit for pastoral purposes—in fact, personally I think that very few of those lands originally on the Midland Railway would have been fit for anything else but for pastoral purposes.

An Hon. Member: A few odd pieces here and there.

Witness. These were the endowments. Possibly there were a few isolated sections not disposed of. No fourths are payable from pastoral runs, only from small grazing-runs, therefore the greater portion of the lands these gentlemen referred to were lands from which they would not have derived fourths, and certainly no thirds. Their point seems to be that they went on for many years after the provinces were abolished obtaining revenues which they supposed were derived from thirds; but they were not derived from thirds. These handsome revenues they chiefly obtained from the Land Fund of the district. Supposing, for argument's sake, that these lands had been opened under the optional system, and, as in 1882, the Canterbury selectors were particularly fond of taking up land for cash, and we may assume that the greater part would have been so taken up, for which no thirds are payable. At the present moment Government make endowments for Harbour Boards, education, and boroughs, and no thirds are payable. The right of the Crown to make