

52. That is a guess. Supposing it had turned out that you would have had to pay 12s., would you still have converted?—Yes, if I thought I was able to pay it.

53. Do you think you would have been able to pay it in 1900?—I do not know whether I could pay 12s. at that time.

54. Supposing the rent had been fixed at 15s., would you have been able to take it on then?—No.

55. Then, supposing in 1900 you had applied to convert and your rent had been fixed at 15s., would you have refused to convert?—Yes.

56. Well, how came you to make a different statement that you would have been prepared to pay on a valuation?—I had no idea the unimproved value would have been taken up to that.

57. You mean that if the Valuer had brought in what you considered a reasonable valuation on your land in 1892 you would have converted?—Yes.

58. Just as in 1900, if the Valuer had put a reasonable value on you would have converted?—Yes.

ROBERT PALMER SWORN and examined. (No. 5.)

1. *Mr. Welsh.*] You are a farmer, and live at Fraser Road?—Yes.

2. And you are a lessee under the Act of 1881?—Yes.

3. What is the number of your section?—No. 16, Block II, Hawera.

4. Are you an original lessee?—No.

5. What is the area of your land?—100 acres, at 2s.

6. How long have you had the lease?—Since 1886.

7. What condition was it in when you took it?—With the exception of a little over 2 acres on the side, it was heavy bush.

8. Did you live upon the land yourself?—Yes.

9. And do you still live there?—Yes.

10. All the bush is down now?—Yes, with the exception of one or two small pieces.

11. And all grassed now?—Yes.

12. What is the approximate value of your improvements to-day?—I should say between £7 and £8.

13. Did you ever try to convert?—Yes.

14. In what year?—In 1892.

15. And you did not proceed?—No.

16. Why not?—Well, I thought at the time that the rent was rather too much.

17. Have you ever heard since then of your right to convert being extended?—No.

18. In 1892 or 1893, when you had the right of conversion, did you know the basis on which the rent was to be fixed?—I really cannot say what they based it on; they looked over the place. I believe it was to be fixed at 5 per cent. on the unimproved value of the place.

19. If you had been able to come in in 1900, as you had the right to do, on what basis now do you think your rent would then have been fixed?—I could not say.

20. *The Chairman.*] Assume you have only now learnt that you could convert in 1900, on what basis do you think your rent would be fixed as in 1900?—I should say it would be on the valuation.

21. But on what valuation?—On 1900.

22. *Mr. Welsh.*] You are now aware you would have had to pay the Public Trustee the difference in the back rent?—Yes.

23. What was your financial position in 1892?—It was not too good then.

24. Was the land paying its own way?—I doubt if the land was paying its own way.

25. How did you manage to carry on?—I had to work at bushfelling and the likes anywhere I could get work, and I worked on the place itself, cutting firewood and picking fungus.

26. In 1900 what was your position?—I was in a better position then. There were factories started about that time, and we were a little better off.

27. If you had known of the right of conversion in 1900, would you have availed yourself of it?—Yes, I think I would.

28. Would you have been in a better position in 1900 to pay an increased rent than in 1892 to pay a lower rent?—Yes.

29. When did you first hear of the extended right of renewal?—Just recently—within the last month or two.

30. *Cross-examined by Mr. Bell.*] You know now that if you had converted in 1900 the rent would have been fixed at 5 per cent. on the unimproved value?—Yes.

31. You knew that in 1892 the rent was to be fixed at 5 per cent. on the unimproved value?—Yes.

32. And you decided to convert then if profitable?—Yes.

33. But you decided that the valuation was put too high—that you could not pay 5 per cent. on it?—No.

34. You might have found that to be so in 1900?—I do not know.

35. But you might?—Yes, land had gone up in value.

36. So that your rent would then have been considerably higher?—We had factories there and also a school, which we did not have in 1892.

37. I suppose you know the factories put up the price of land in Taranaki?—Yes, I know that well enough.

38. You understood, I suppose, the terms of your 1881 lease, more or less?—Yes.

39. Did you know your improvements were limited to £5 an acre?—Yes.

40. Then, in 1892 you knew that you only had one year within which to convert?—Yes, I believe it was that.