

26. When you purchased from your predecessor, what did he say to you as to his lessee's right to convert at any time? Did Milne say anything to you?—Milne made no representation to me about converting.

27. When did you first hear of this right of conversion that the lessees had?—The first intimation I had was from Mr. Fisher.

28. Can you say what year that was?—It was somewhere in 1905.

29. When did he say you had that right up till?—He told me till 1900. He told me five years after the right expired.

30. That was the first you knew of the lessee's right of conversion?—Yes, the first year that I had any intimation of my position.

31. What did you do when you heard from Mr. Fisher what your position had been?—I went straight to the bank to see my lease. Then I found out that I had to go up to public auction or public tender for my lease at the end of my term.

32. Were you surprised to find that?—Yes, I was surprised.

33. Why were you surprised to find that your lease had to go up to public tender at the end of the term?—Because I thought I had the right of renewal at the end of the term by arbitration.

34. What did you do?—I went to Wellington after that, and consulted Mr. Poynton, the Public Trustee.

35. When you acquired the land from Mr. Milne what improvements did you think you were to be paid for?—For all my improvements.

36. And between the time you purchased and the termination of your lease, how much money did you spend in improvements?—I consider I spent about £2,000.

37. And they were valued at about £1,000?—Yes.

38. Now, if you had been aware in 1897, when you obtained your lease, that you were not to be paid for all your improvements, but that there was a limit of £5, would you have spent that additional £1,000 or £2,000 upon improving your land?—Certainly not.

39. Could the farming operations as conducted by you at that time have continued without the expenditure of that money?—Yes.

40. You are now aware that up to the year 1900 you, as a lessee, had a right to surrender your lease and convert it into a lease under the Act of 1892?—Yes, I am now aware of it.

41. And you are pretty conversant with the terms under which you could have converted?—Yes.

42. Have you made a calculation based upon the valuation of the year 1901?—Yes.

43. The Government valuation of 1901?—Yes. I discovered there was a Government valuation in 1892, and the only Government valuation till 1901.

44. Your calculations have been based upon the valuation of 1901?—Yes.

45. Do you remember the circumstances of that valuation? Was there much difference between that valuation and the preceding valuation?—A great difference. That was the time of the trouble on the plains over the size of the valuations, and a great many objected to the valuation, and held a sitting of the Court at Manaia.

46. Those are the figures you are taking?—That is the valuation I am taking it on.

47. Taking your calculation upon the high valuation of 1901, had you been aware of your position in 1900, would you have converted?—I would.

48. You would have expected to get better terms, but you would have gone in on the 1901 valuation?—Yes, certainly.

49. Now, in round figures, what would it have cost you to convert?—About £1,300 in 1909. That includes the loading and the higher rent up to the end of my lease.

50. At that time your improvements were not worth over the £5 per acre?—No.

51. In 1897, when you purchased, your improvements were how much?—I valued them at the £2,300. That is a little over £4 10s. per acre.

52. Between that year and 1900, what further improvements had you put upon the land?—Just the stumping.

53. Were you dairying at that time?—No.

54. When did you go in for dairying?—About 1902 or the end of 1901.

55. In what years were the additional improvements that you have told us about placed upon the land?—About the end of 1901 or the beginning of 1902.

56. For what purposes?—For dairying.

57. If you had converted in 1900 it would have cost you how much?—£1,300.

58. Now, your improvements that you would have been fully paid for at the end of the term consisted of how much in excess of the £5?—About £3 an acre. At the end of my lease my valuation would come nearer £4, and the Public Trust valuation was £2. That was in July, 1909.

59. Now, in 1900, when you might have converted if you had known, what was the total value of your improvements?—Just about the £5.

60. The dairying made all the difference to your improvements? Yes; I had to make smaller paddocks and put up more buildings.

61. To farm that land properly now as a dairy farm, what does it require?—It would require a further expenditure of about £2,000.

62. Tell me how you arrive at that?—There is about 200 acres of bush land on it in its rough state—perhaps a little under—and it will cost me £5 an acre more to bring that under the plough and lay it down in good sown grass. That is equal to about £1,000. Then there are about 427 chains of wire fencing which wants to be turned into box-thorn fences.

63. Why?—We have no timber now to deal with the fencing, and we have to turn all the fences into box-thorn. We cannot get a decent post under 1s. 6d. We have all got to do it.