

222. Taking from each side of the line here in Shag Valley—I mean taking the distance from each side of the line—is there a greater scope of land for settlement on each side of the line than could be got on the Strath-Taieri line?—No. Sir F. D. Bell.
5th Sept., 1877.

223. You are aware that the hills here, in riding up the Strath Taieri, come down very steep to the line on each side?—Yes; and so they necessarily must on the Shag Valley line. There is no flat land on the Shag Valley line, it is all hilly land; though the character of some of the soil is surprisingly good.

224. Would not you think that line would give facilities for opening up such land as Moonlight Flat?—Certainly.

225. Moonlight Flat would be more available by the Shag Valley line than the Strath Taieri line?—I do not think there would be much to choose: whether the Strath Taieri line or the Shag Valley line were made, I think the Moonlight Flat country would be made available pretty nearly the same.

226. So that in that case both lines would still bring it nearer Dunedin than Palmerston?—I do not think there is much difference in the total quantity of country which the railway line would serve; but, as I said before, the advantage which the Strath Taieri line has is, that along that line there is more available country adapted for settlement by people of moderate capital; while the advantage of the Shag Valley line is, that it would be immediately productive of revenue over every ten miles that were made of it, which the Strath Taieri line would not.

227. Taking Cromwell as the end of the route, what would be the difference in distance between Palmerston and where the main line is made to, and Palmerston and Cromwell, and Cromwell and North Taieri, where the railway is made to?—I cannot say that I carry the distance sufficiently in my mind, but it is stated in the report. But as regards the transit of produce, the railway, if made from Palmerston, would be quicker.

228. You will acknowledge, I suppose, that Mr. Malloch, of Waikouaiti, is well acquainted with that line?—Yes.

229. These are the distances he gives; will you read them out, and say whether you agree with them or disagree with them? [Witness looks at newspaper wherein Mr. Malloch gives the distances.] Supposing you take off the main line between Palmerston and Dunedin, what would be the difference in the number of miles to construct in order to get to Maniototo?—We should have to make a line of sixty odd miles, instead of a line a little under forty.

230. So that you would save over twenty miles of construction by adopting the route *via* Palmerston?—Certainly. The distance is pretty correctly stated in that newspaper. I am not sufficiently acquainted with the Strath Taieri line to do more than say that I am certain there would be quite twenty miles less construction by taking the Shag Valley line. According to Mr. Malloch's statement, there would be thirty miles less.

231. We will go back now to before the time railways and roads were made. By the surveyors, this road up Shag Valley towards the Maniototo Plains, and this one up the Strath Taieri, were both surveyed, I believe, and it was considered that from Dunedin this Shag Valley line was the easiest to make into the interior?—Certainly.

232. And that road was made in consequence of the easiness to make it compared with the one up Strath Taieri?—Yes; to make a road up the Strath Taieri would have necessitated gorge cuttings, which at that time would never have been thought of. It must be admitted that if the line is made from Palmerston upwards, it will tap the traffic at every ten miles it is made; and that if the Strath Taieri line is made, it will not tap any traffic till it reaches the Maniototo Plains. I am obliged to admit, on the other hand, that the low gradients on the Strath Taieri route are very much superior as engineering gradients, as an altitude of 2,100 feet has to be surmounted at Pigroot.

233. *Mr. Carrington.*] That makes a difference in working?—Yes, in haulage.

234. *Mr. Macandrew.*] Do I understand you to state, from your knowledge of the interior of Otago, that of all the proposed routes now indicated, that by Strath Taieri opens up the largest area of available country for settlement?—I have no doubt of it.

235. And the only advantage which you say the Shag Valley route presents would be that there would be a more immediate traffic return?—I should put it in a different way. In the Shag Valley line there would be an immediate return; in the other there would only be a distant return.

236. What distance of time would you reckon?—Well, that would depend on the time it took to construct the railway from Outram to Strath Taieri: that time, whatever it might be, would have to elapse before any revenue whatever could be derived; whereas, if the line is taken from Palmerston, at every five or ten miles made, there would be revenue.

237. Do you consider the immediate realization of funds, say for a year or two years, would counterbalance the other disadvantages?—No, I would not say so; I should say that if you could afford to wait for the receipt of revenue, it would be better to take that line which would open the greatest quantity of land for settlement.

238. Do I understand you to say that the soil on the Strath Taieri route is bad?—I did not say so. I said it was good, but that there were 5,000 acres on the Shag Valley line which I thought superior.

239. What is the extreme altitude which the railway would have to cross between your place and Malloch's?—2,100 feet.

240. What would be the extreme altitude *via* Strath Taieri?—Under 700 feet.

241. I presume you admit that is a very important consideration?—I have already said it is; for haulage it is a very great consideration.

242. *The Chairman.*] How much Crown land is there available for agriculture by the Shag Valley route?—I do not think it would exceed 10,000 acres at the outside.

243. *Mr. Macandrew.*] Right on to Cromwell?—No; to Malloch's. Between my place and the plain, I do not think there would be more than 10,000 acres fit for the cultivation of corn.

244. *The Chairman.*] Touching the traffic, all the traffic from the interior, and after you get to Malloch's, would go down either of these alternative lines?—Yes.