

payment of money was made to the contractor in consideration of the cancelment. Then myself and others, seeing the importance of this line, set to work to see if it could not be constructed by private enterprise, and it was in consequence of the desire to construct the East and West Coast Middle Island line and the Manawatu line that the Railway Land Construction Act was brought in by the Government of the day. As you may be aware, Sir John Hall's Government were badly off, so far as money was concerned, and that I take to be a reason why no promise on their part to promise money-payment, if they could not give land, was put in. But I do not think there was even a question in the minds of the Government, of which Sir John Hall was Premier, as to finding land to complete the allocation, because they had liens on a very considerable quantity of land on the West Coast, the titles to which they thought they would be able to complete. Five years was put in, because it was hoped to be ample time in which to complete the purchase, and it was coterminous with the time in which the company would complete the construction of their line.

372. The company was running a great risk?—Yes; but the Government could not give more land; there was no more in their possession within the fifteen-mile radius.

373. They might have extended the boundary?—They had to make this contract under the Railway Construction Act, which provided that allocated lands could only have been given within a radius of fifteen miles. The Government practically gave us every acre they had within the fifteen-mile radius at the time they entered into the contract.

374. *Mr. Ballance.*] You have said that the Government expressed their intention to use all due diligence to acquire the land: Was the expression verbal to you, Mr. Levin, by any members of the Government?—It was expressed to me verbally more than once at the time the Government represented the demands of the Wairarapa members for the withdrawal from the allocation of the land in the Forty-mile Bush.

375. To acquire from the Natives during the five years?—Yes; that is the only land they could acquire.

376. Was any statement made to you to that effect?—Yes; the statement made was that they would acquire the land to fulfil the conditions of the contract.

377. Did Mr. Bryce tell you that?—No; Mr. Bryce said he would not move a hand's-turn to do it; he would as Native Minister have to get the land. I was alluding to Sir John Hall. He said he would do the best he could.

378. It was Sir John Hall who said all due diligence would be exercised?—Yes.

379. While Mr. Bryce said he would not move a hand's-turn to help the railway?—He did not do that at the time the contract was entered into. When he used that expression, it was at an interview I had with him, I think, in 1885. It was some time subsequent to the contract being completed.

380. Did you remind him of the promise of the Premier?—I did.

381. What did he say to that?—I cannot recollect as to that. My impression was that when the interview with Mr. Bryce was held Sir John Hall was not in the Government.

382. Still, Mr. Bryce would recognise that the statement of the Premier of his own Government would be binding on him?—I should hope that he would, but he did not seem to think so.

383. Did you remind him of it?—I did.

384. Had you any interviews with Mr. Rolleston?—No; I do not recollect.

385. Was he hostile?—Never to me; as far as I know. I have spoken to him over and over again on the subject of the railway generally, not in reference to the allocation specially, and my impression was that he was from first to last in favour of it.

386. My reason for asking that is that Mr. McKerrow has given evidence that Mr. Rolleston stated that he thought the company had enough land?—On the contrary, I have heard him always say that he was entirely favourable to the enterprise.

387. *Mr. Jones.*] I should like to ask the question: Suppose the Natives had steadily refused from that day to this to part with any of their lands, would you then have any claim against the Government?—Yes; I take it we should have a very distinct claim, not for land, but for an equivalent. I have been connected with the transactions as member of the House and as a director of the company from the beginning. My understanding throughout was that the Government would subsidise us in land, if they had it, to the extent of 30 per cent., at the rate of £5,000 per mile. You are asking a supposititious question, because I am at variance with you. If they did fail in finding land, the company would have had a good claim to go to the Government for consideration.

388. I suppose the Government did use every diligence, and did not then succeed, as the Natives refused to sell, would the company have had a claim against them then?—I think we should then have had a claim against the Parliament of the country.

Mr. BEETHAM, M.H.R., examined.

389. *Mr. Travers.*] You are a member of the House of Representatives, Mr. Beetham, and were, I believe, during the year 1882?—Yes; I was.

390. Do you remember the arrangement with the Government for an allocation of land for the Wellington-Manawatu Railway Company?—Yes; my memory is quite distinct about the matter.

391. Did you, as member, become aware of the fact that an area of land on the eastern side of the Tararua Range had been included in the allocation area?—Yes; I was told so: and immediately I thought it my duty to wait on the Government with respect to that allocation, and I invited Mr. Buchanan to go with me. We saw the maps of the proposed allocation, and the fifteen-mile line we found ran through the district, which is now Pahiatua Township. This took in nearly the whole of the level land in that neighbourhood, and I objected, both as member for the district and as a member of the Waste Lands Board, that this land should be taken for the purposes of the Manawatu Railway Company.

392. Now, can you remember what took place? Do you know of your own knowledge what