

227. You do not pay the Natives what the land is worth—I mean the Government do not?—Some of the land which was valued for the purpose of allocation at £1, £1 10s., and £2 an acre had been bought by the Government at sums varying from 1s. to not exceeding 5s. an acre, and that was for land close to the Horowhenua Block, bordering the Horowhenua, and equal in value.

228. *Mr. Whyte.*] You say the company bought 33,000 acres of land, and that 15,000 acres of it is swamp, and practically of no value, seeing that it would cost £70,000 to reclaim it; therefore 17,000 acres remain?—Yes.

229. How much did that cost?—The land we bought from the Natives, in that particular block, averaged 9s. 6d. an acre, including the swamp.

230. Then, approximately, valuable land would cost you about 18s.?—17s. 9d. was about the average.

231. What is the 17,000 acres of land worth with the railway made? Is it worth £2 an acre?—Some of it is township. The average value of the rural land sold by the company is £1 18s. an acre.

232. Then, by that calculation, the privilege the company had to buy that land can only tot up to £17,000, or £1 an acre?—Yes; they had none—if the company had any privilege—but I am only referring to the price the company paid.

233. The valuable part of the country cost you about £1 an acre, and it is now worth, roughly speaking, £2 an acre. Therefore, the privilege of being allowed to buy that land affects the value to about £17,000?—Before we could get £1 18s. an acre, we had to spend money on survey, laying off roads, grading, and clearing roads.

234. Then the £17,000 would be reduced thereby?—Yes.

235. It was perfectly clear that that privilege did not equal the £29,000?—No, it did not.

236. *Mr. Rhodes.*] How much of the land bought from the Natives was sold?—About 14,000 acres.

237. What have you got for it?—On an average about £1 18s. an acre, including the township.

238. In the prospectus of the company there is no account of the land bought from the Natives?—Yes; the Native land is referred to.

239. What did you value it at there?—We valued the whole at £478,000. It was valued with a particular object. That was after the railway was constructed.

240. What proportion of the 33,000 acres is country land?—I could not say; it would require some calculation.

241. *Mr. J. McKenzie.*] If the company was in possession of £70,000 to reclaim the swamp, what would be the value of the swamp land per acre?—It depends altogether on the result. If the result would be equal to the reclamation of similar land on the opposite side of the river, belonging to the Hon. Mr. Campbell, it might be worth £10 an acre.

242. *Mr. Whyte.*] Does it lie very low, on the sea-level?—Yes. It would be necessary to construct an earth-wall or embankment to keep the water out.

243. Does that apply to Mr. Campbell's land?—It applies to his land in times of considerable floods.

244. Have the company any immediate intention of reclaiming this swamp?—Yes, a portion of it.

245. *Mr. Rhodes.*] Would you be willing to sell simply at the nominal value?—I think so. I think the directors would be willing to sell it at a very nominal value.

246. I see in the printed papers, page 26, 17,000 acres of land, including the swamp, is put down at the value of £137,000: is that the valuation to the public?—Yes, we valued it at £137,000; but that involves reclamation. The allocated land and the purchased land are mixed up. It is proposed to reclaim the swamp.

247. *Mr. Whyte.*] Has the land risen or fallen very much since that valuation was made?—It has fallen very considerably. When that valuation was made the land was selling at very high prices. In the neighbourhood of Taranaki—the Waimate Plains—it was selling from £3 to £7 an acre. Our valuation was based upon the calculation that such value would continue.

248. This land would not fetch anything like that price?—In some cases the land has brought good prices—the land convenient to the railway, and having certain facilities of access. In those cases we have got as much as the valuation, but in others we have not.

*Subsequent statement by Mr. Wallace, dated 23rd June, 1888:* When Mr. Whyte put his questions to me, my attention was diverted by several of the members of Committee speaking at the same time, and partly addressing me, and I did not quite understand the purport and bearing of the word “privilege” in his fifth, sixth, and eighth queries [228–233]. Evidently Mr. Whyte meant by the word “privilege” in these queries that facilities had been granted to the company for the purchase of Native lands adjoining its line that had not been given to the public. Such was not the case. The Government of the day, for purposes of their own, revoked the Proclamation over the Manawatu-Kukutauaki Blocks Nos. 2A, 2B, 2C, 2D, and 2E, after having defined the limits of their purchases in these blocks, and the balance of the blocks was subdivided, and grants issued to the respective Native owners, who had then full power to deal with them as they pleased. Mr. McDonald, an employé of the company, purchased what lands the company now hold in these blocks, and had no privileges or advantages other than any other person had.

TUESDAY, 10TH JULY, 1888.

Hon. Mr. ROLLESTON examined.

249. *Mr. O'Callaghan* (Acting-Chairman): I presume, Mr. Rolleston, that you have read the evidence given before this Committee by various gentlemen in reference to the Manawatu Railway Company's petition?—Yes; I have read it all, more or less carefully; some of it more carefully than the rest. I mean that there were points that I made myself more master of than others.