

5. The limit goes over the watershed to the East Coast and Waitaki side?—That is so. I think that would be rectified in making the selections, for the company would not, in that case, be required to go back to the fifteen-mile limit. They would simply go to the watershed, and the frontage would be proportional to the depth. I think it would rectify itself in that way.

6. In some parts would it not be taking away some of the low country?—Not necessarily. [The witness described the features of the district upon the map.]

7. *The Chairman.*] The same principle will apply on the western side?—Yes; but, as I have said, I think the selections could be made in such a way that there would be very little country rendered inaccessible.

8. *Mr. J. McKenzie.*] Would not the “blue line” (fifteen-mile line) in many places cut up some of the runs, so that the tenants would be tenants of the syndicate on the one side and of the Crown on the other?—Yes, that would be so, because the watershed is the boundary of runs.

9. Do you not think that that would have an injurious effect?—It certainly would if we selected these places. I think if you varied the fifteen-mile limit to the watershed it would be a very great improvement. In that case it would fall sometimes within and sometimes without the fifteen miles.

10. But the “blue line” cuts some of these runs very badly?—Yes.

11. *Mr. Rhodes.*] Has a large amount of public land—agricultural and Crown land—been sold?—I think that there will be about as much freehold land as Crown land (agricultural), that is to say, about 250,000 acres.

11. Have you any idea of the cultivations there are there at present?—Wheat and oats are grown to supply local wants; but as there are not many people in the interior, and there is no export of grain to the coast, the acreage is very small; all the cultivations do not exceed a few thousand acres.

12. *Hon. Mr. G. F. Richardson.*] Could you supply the Committee with a map showing the limits to which the blocks to be dealt with in this Bill should go?—Yes.

13. Not keeping to the fifteen-mile limit, but keeping to the natural configuration of the country, so as to take out the watershed, and give us the area of land within that?—Yes.

14. In mentioning the revenue derived from these lands (£48,000), that was revenue from Crown lands only?—Crown lands only.

15. Not public lands?—Not public lands; Crown lands only. There is a small area of public lands—some forty thousand acres to the Dunedin High School, some thirty thousand acres to the Otago University, ten thousand or eleven thousand acres for the Dunedin Athenæum and Museum Reserve—that at one time was let for £900. Then, there are some few municipal endowments, also some forest reserves.

16. There is another point: I wish you would tell the Committee how far this area is affected by the goldfields?—It is all a proclaimed goldfield; there are gold-mining workings from one end of it to the other.

17. That is a point I want you to consider, and then, with your knowledge of the country, you might say how far, in your opinion, the present circumstances of the country would require the construction of this railway: in your opinion, is it requisite that it should go to Lake Hawea?—Taking the present circumstances of the country into account, and the great expenditure already made on the line, I should say it would be a great loss to the colony, and would serve very little purpose, unless the railway were taken to Lake Taieri, or, better still, to a point in the middle of the plain about eight miles farther to this point (indicated on the map).

18. A distance of seventy-eight miles?—Yes, from the Wingatui Junction; unless it is taken there, it will be of very little benefit to the country. I may say in connection with this question that the principal advantage of this railway is this: that if you take it to the point I have indicated you will have the way opened between the coast and the interior. The hills which have to be surmounted now both going and coming will, so far as traffic is concerned, be annihilated. If you take it to that point there might be considerable traffic in grain. The interior of Otago, in moist seasons, and with irrigation, is adapted to the growth of wheat and oats. If you stop at Middlemarch the line will only serve the Strath-Taieri. The traffic would not go on from there to the interior by coach or wagon. It would still go from Palmerston or Dunback, as at present, although it is a severe road up the Shag Valley, the grades being steep.

19. Then it will be an advantage to carry it from Wingatui to the seventy-eight miles. What is your opinion in regard to the balance of the line?—It would be easily constructed. There are three or four miles in the Poolburn Gorge where the works will be heavy; but, otherwise, the works will be very easy. But I think the question of extending it from this point farther on might be left to a future time. I do not see that it would pay. This upper country will be occupied for grazing, so far as I can see, for a very long time. There are fertile spots along the bases of the hills which, with irrigation and the fine climate of the interior, grow wheat and garden-fruits to great perfection. From this local source the principal food-supplies of the miners and other population are drawn; and, as the mining and pastoral industries do not require a great deal of material carried up from the coast, it is difficult to see what need there is for the extension of the railway beyond the point already recommended, the more especially as from that point onward all the valleys are natural gravel roads, almost without requiring any construction. In the winter they are soft, but in general they are quite passable just as nature has given them.

20. *Mr. Cowan.*] Would the view you have expressed be modified by its being done by a syndicate?—No, I do not think it would be modified: the country is to pay one-third of the cost.

21. *Mr. J. McKenzie.*] In the shape of land?—There is another difficulty in giving this land. I do not see how the goldfields industry is to be conserved. Freeholders and miners do not get on well together. You require a large extent of country for miners to go prospecting over. Where they encroach on the freeholder there the trouble begins. In the Manuherikia Valley, for instance,