

182. What is the nature of the timber along the line?—Towai and rimu are the principal timbers.

183. No kauri?—No.

184. How much land suitable for settlement in small areas do you think lies along this road from Taheke to the Kaihu?—About 22,000 acres, including the greater portion of the Waimamaku Valley and the head of the Waipoua.

185. *Mr. Monk.*] You have some idea of the present value of fruit, and what is likely to become the ultimate value of fruit as a matter of commerce?—Yes.

186. How much do you estimate it at on an average per pound?—I do not think the average value would be over 1½d. per pound to the producer.

187. Would there not be a greater expense in sending fruit by the Kaihu Valley route than in sending it across to the east coast *via* Kawakawa, or direct by shipment by the west coast *via* Hokianga?—Yes.

188. *The Chairman.*] If a man wished to get to Auckland from Taheke for certain in a certain time, a road being in existence from Taheke to the head of the Kaihu, which line would he prefer, going to Kawakawa by the east coast or going by the Kaihu route?—I should say the Kawakawa.

189. What is the general height of the road above sea-level over the Waiouku Plateau, and the general nature of the country through which it passes?—It begins about 2,000ft. and gradually descends. It is moderately flat throughout until you get to the head of the Waipoua; from there it descends.

190. Then, the name Waiouku Plateau is a complete misnomer?—Yes, as a plateau.

191. *Mr. Monk.*] You spoke of the land as being very good: what is the quality, volcanic or ordinary?—It looks alluvial, and is of a brownish colour, and appears to have had a volcanic wash in it.

192. Is it deep soil?—Yes; the Waimamaku Valley is the best soil I have seen for some considerable time in the North. I was told by one of the settlers that he got at the rate of 20 tons of potatoes to the acre.

Mr. GEORGE HOLDSHIP examined.

193. *The Chairman.*] I understand you are managing director of the Kauri Timber Company?—Yes.

194. You are aware that we are inquiring into the Kaihu Valley Railway Company's affairs?—Yes.

195. Your company has a large property on the line of the Kaihu Valley Railway—a large timber property?—Yes.

196. We would like to know if you can tell us if there is any likelihood of your bringing that timber into the market?—That depends upon circumstances, one of which is the cost.

197. Supposing that you contemplated bringing that timber into the market, would you be likely to use the railway?—I suppose we would use it, at the schedule rates.

198. At what point on the railway would you be likely to connect?—I am not well enough informed to answer that point correctly, but I think the first connection would be about twelve or fourteen miles up from Dargaville, and I think further along then, some couple of miles I believe, there is another point at which it would connect.

199. Presuming that the rates were satisfactory, would you be likely to avail yourself of the opportunity of bringing timber down from that property?—I think if the rates were satisfactory, and if we were certain that the thing would be continued, the chances are that we would begin to work at once and continue to work. That is the course I should recommend.

200. *Mr. Monk.*] Supposing that you made terms with the railway which you considered satisfactory, I understand then that you would be ready to guarantee a settled quantity per week or per annum?—I do not think there would be any difficulty about that. Of course we would only guarantee according to our wants.

201. Can you name the quantity you would be likely to want per week?—Well, I should think perhaps up to a quarter of a million per week.

202. Now, suppose that arrangements could not be made with the line which you deem satisfactory, or suppose that you could not get any concession upon the present schedule of prices, do you think you could bring the timber out by other means at a cheaper rate?—Well, I am not well enough up to speak as to that; I really have no personal knowledge, nor would I at the present time raise the question. What we would do would be to work all the other timber that we have first, leaving that to the last—that is, we would work the cheapest timber we could get if we could not get concessions.

203. How long do you think your sources of supply on the Wairoa would keep your mills going before you would fall back on the Kaihu Valley?—I should think eight or ten years. Of course I am not going to say that we might not find it to our advantage to bring out a certain proportion at schedule rates, assuming that we continued the other course. The matter has only been considered in a general way.

204. Have you noticed that a great number of fires have occurred in the Kaihu Valley, the timber now standing in a dry state, and if not utilised at once it would be wasted?—The chances are that the dry timber would be taken out in any case, whether concessions were made by the Railway or not.

205. That forms a very large portion at the present time, and the fire at the time we were up in the Valley was burning through a valuable portion of Crown timber; that was the week before last. That is on the right-hand side going up, about a mile above Maropua. Have you noticed that large quantity of timber on the right-hand side of the Kaihu Valley, going up, is some distance from the line?—It goes back a considerable distance, but I have not much knowledge of it myself.