

question, and I am not conversant with Nelson and Canterbury, but I think that the loss to Westland through being shut out from communication with other parts of the country for fourteen, or at least ten, years must be very large, and cannot be estimated too highly. If we could get people down as far as the Waiho and further, it would be an immense advantage to the district, but it is very hard to estimate what we have lost. I am sure that it may be estimated by hundreds of thousands of pounds in Westland alone.

92. *Dr. Findlay.*] Have you made a calculation of what it amounts to?—No.

93. You have not made an estimate of any one loss?—No.

94. You have the line on to Jackson's, and that is a facility to traffic which has been given by the East and West Coast Railway?—Yes.

95. Then there is the line to Reefton: is that an advantage?—Yes.

96. It has tapped large forest areas, and has enabled sawmills to be set up. We were told that there were eight mills along the railway?—There are more along the Reefton line.

97. These are illustrations of the great advantage the railway already constructed has been to the West Coast?—Yes.

98. In regard to figures, would you be content to value the whole of these advantages to the West Coast at £150,000 for ever?—I would certainly be content to value them at that.

99. Supposing the whole of the West Coast affected by this railway were asked to say what sum they would give to retain the railway there, do you think they would be content to give £150,000 rather than see it go?—Yes, I should think so.

100. You will not give us a sum?—I did not go into figures on every item.

101. However, you have mentioned the sawmills, and the advantage the railway has been to them. Could that be measured by £150,000?—Certainly not.

102. Then, it is not a worthless line?—Certainly not.

103. You say you have a piece of land of 400 acres?—Yes.

104. The value of that land in an unimproved state is £1 an acre?—Yes. The land adjoining was sold at 10s. an acre.

105. You have spent from £4 to £4 10s. an acre on that land?—Yes.

106. And the land has been valued at £1,200?—Yes.

107. That is, land is valued at £3 an acre which cost £4 to £4 10s.?—Yes.

108. That does not show any great increase in the value of the land?—I took the land years ago, and have done a lot to it.

109. But it really has resulted in a loss to you instead of a gain?—But I have improved 350 acres of it, and have the improvements on them.

110. What have you spent on the whole up to two years ago?—I should say I had spent about £900.

111. Is the 150,000 acres in the reserved land bush land?—It is scrub and bush land. It is very good grazing land.

112. Is any of it fit for agriculture?—Yes; about 80,000 acres.

113. We have been led to believe up here by the evidence which was given before a previous Committee that there was not much agricultural land there?—Of course, we could not grow wheat or oats, but we could grow chaff.

114. To meet your own requirements?—Yes.

115. You would not expect to export it?—No; we could not export it. You could produce things here cheaper than we could.

Mr. Bell: I ask permission of the Committee to read an extract from the Appendix to the Journals, 1880, E.-3, page 9; it is the report of the Railway Commission. It has been suggested that the conditions of this railway are quite different from those of the railway between Wellington and Palmerston North. The report of the Commission on the latter railway is as follows: "This line would be in direct competition with that which we recommend should be constructed by way of the Manawatu Gorge. But, apart from that fact, we consider that the proposal is premature, on the ground that a large part of the country it would open is still in the hands of Native owners, and inexpedient, on the ground that the value of the land which the line would serve has been greatly overrated, and that the undertaking would be an unprofitable one, which the colony would not be justified in entering upon. We advise that the expenditure now going on at the Wellington end of the line be at once stopped and the labour employed thereon transferred to the Masterton and Mauriceville Section." I put that in to emphasize to the Committee the fact that exactly the same thing was said about the Manawatu line as has here been said about the Midland Railway, and that by a Royal Commission.

SUMMARY OF COUNTER-CLAIM FOR LOSS SUFFERED BY THE COLONY.

Mr. Bell: I wish to summarise the estimate of damage and loss suffered by the colony through—(1) Land locked up from settlement for fifteen years; (2) railway not constructed as contracted; (3) loss of profit on Government lines.

Under head (1): The reservation would never have been made nor a single acre allocated but for the contract to complete both lines from Springfield across the pass to Brunnerton, and from Brunnerton to Nelson. Mr. Dalston has pointed to a clause in the contract under which they might have kept lands reserved till 1898. But surely that has no application from the point of view of the argument I present. The colony was induced by a promise, which has not been performed, to make the reservation and to block settlement. To get the railway built the colony agreed to suffer that great loss from 1885 to 1898. It does not get the railway, therefore I contend it must be recouped the loss. Besides, if they had built the railway they would have selected and settled large areas as they proceeded. Items under this head: (a.) In Nelson District, nine hundred to a