

37. But the timber is there yet?—Yes.
38. It is not lost?—I spoke only of the interest on the capital.
39. The interest on £10 an acre; but land admittedly does not become profitable until it has been cleared by the sawmiller, who would have to pay that interest for some years?—That is so.
40. The land is there still?—Yes; but the interest on the money it would realise is lost.
41. Take it this way: if the land was not available for five years would you be right in charging interest on it?—I do not think you conceive my contention. If the land were worth £10 an acre to the sawmiller to purchase it, the interest on its value has been lost during the five years it has been idle.
42. The reason why the land was worth £10 an acre to the sawmiller is because the timber was there?—Yes.
43. The timber is there still, and you suggest that there has been a loss of £137,000 on it for five years?—No; that loss is on the whole land and timber.
44. Now we come to another point: you put down £300,000 as the loss for five years during which miners might have been earning so-much per annum?—Yes.
45. But these miners must have devoted their labour to the production of the minerals: would you not put that as a set-off against the loss which you say has been suffered?—I think, myself, that if the company had carried out their engagement they would have induced those who worked for them in the construction of the line to take up land and enter upon the production of minerals, and we should have had the advantage of that.
46. That is not the question. You are taking the gross production from the labour?—No; because they would be earning something from the railway.
47. Do you not allow for the cost of producing the minerals?—Yes; but the whole of that money has been lost to distribution.
48. You go on to the loss on Customs, and that is put down as an unascertainable loss. I want to know the net loss from the non-production of gold?—I could not give you the exact figures.
49. It is something under £300,000?—I dare say it is, but there is the interest on it.
50. *Mr. Dalston.*] With regard to the speech made by Mr. Brodie Hoare when he visited Nelson, I want to know whether you agree with this opinion. Here is an extract from a speech made by the Premier in 1894: "It is said that Mr. Brodie Hoare and others had their eyes open when they undertook this contract, including the extension, but they could not have known so much of the country as I do, or as the senior member for Wellington City and other honourable members do, because, taking the portion of the country which this branch would go through, there is no chance for some years of settlement in that part." Do you know of that expression of opinion by the Premier, and do you agree with it?—I am quite convinced he is entirely wrong. I saw the land just before the contract was entered into. I was riding, and I came across a man who was building a house. He told me that less than three years ago he had run away from a ship, and that now he had a number of head of cattle, and was obtaining gold, and, as I say, he was building a house. If all that could be done by a runaway sailor in three years, it shows that the land must be good for settlement.
51. But the Premier made that statement?—I am not responsible for what the Premier says.

Mr. JOHN STAINES in attendance, and examined on oath.

52. *Mr. Bell.*] How long have you lived on the Coast?—Thirty-three years.
53. You have been Chairman of the Westland County Council?—Yes.
54. And you are now a settler in the Kokuratahi Valley?—Yes.
55. You have taken up some land on the tenure given by section 216 of the Land Act?—Yes.
56. Have any others round you taken up land under that section?—Yes.
57. A number?—Yes, a large number; and a great many of them have put improvements on their land, notwithstanding the tenure on which they hold it. There are thirty different settlers holding land in this way within a radius of five miles from my place.
58. That is south of Hokitika?—Yes.
59. What is the area of fairly level land in the valley?—Do you mean available for settlement in the Midland Railway land?
60. Yes?—I should say about 60,000 acres of agricultural and pastoral land in the Hokitika Valley. It is all good land.
61. What do you generally use it for when you have partly improved it?—I am grazing cattle on mine, and am going in for dairying. I took up 400 acres, but the title to it is very bad. Still, I laid down about 350 acres in grass. It is timber land, and it cost from £3 to £3 10s. an acre to improve it.
62. What is the value of the land as improved?—The original value of the land would be £1 an acre. That is the upset price.
63. What is the value now?—At the last valuation the 400 acres were valued at £1,200 with improvements.
64. Are you and your neighbours doing fairly well on the land?—Of course, it has been all money laid out up to the present.
65. Some of your neighbours got land before the reservation was made for the Midland Railway?—Yes; there is Mr. Diedricht, who is turning out forty head of cattle a week. He has about 700 or 800 acres of freehold.
66. Besides this land there are other lands within a fair distance south of Hokitika which are available for settlement?—Yes; all the way down to the boundary of the "blue" reserve.
67. Will you give the Committee an idea of the fairly level land in the reservation south of Hokitika?—I should say there are 150,000 acres at least.