

538. I think you cannot poke it, can you?—It does not require poking.

539. Now, with regard to the timber, the traffic, you say, has been undeveloped?—Yes.

540. You are aware that the company had power to grant timber leases?—Yes.

541. Then, why has the timber traffic remained undeveloped?—Owing to the difficulty of transit in connecting with the present line of railway.

542. But it has been open to private enterprise to develop this timber trade heretofore by timber leases: why do you anticipate that it will be done in future years?—Because of the ample supply nearer the seaport.

543. And it is because the supply nearer the seaport is being exhausted that you anticipate a trade further inland?—That is so.

544. And that means closing the mills nearer the seaport?—Yes, within a term of eight or ten years.

545. Do you see that the closing of the mills nearer the seaport deprives the railway of the trade from these mills?—That may be so.

546. Is it not so?—Undoubtedly, if the commodity is exhausted near the seaport and you have to go further inland. Nevertheless, the railway becomes the carrier.

547. It will carry the timber for a greater distance, but it will not double or treble the output?—I can hardly say. I think it is very likely it would. The less timber that is available nearer the seaport the greater quantity necessarily will come over the line from inland.

548. And a less quantity over the shorter lengths from the places nearer the seaport?—That is so.

549. You say, with regard to land, that pine land as a rule is good land?—Yes.

550. Now, when the pine bush is cleared away on this coast, is it a simple matter to make the land available for agricultural or pastoral purposes?—No; it is rather a costly process.

551. Now, is it not the costliness of the process which has been the bar to the settlement of these lands on the coast?—There is no doubt but that it has militated against settlement.

552. Well, in that respect the militation will be equal in the future as in the past?—I do not think so. Capable men make homes for themselves to settle upon, and if the mineral resources of the country are developed, necessarily an increase in settlement must occur.

553. But not an increase in lands cleared for agricultural and pastoral purposes?—Well, as a matter of fact, in my experience of upwards of thirty years on this coast I have seen the difficulties facing settlement; but, notwithstanding the difficulties, the people still endeavour to make homes for themselves as fast as they can, and the clearing and settlement of the country would have advanced much more rapidly had there been no land restrictions.

554. But one cannot help seeing that, except in a small area in the Inangahua Valley, the reeds and undergrowth have got ahead of settlement?—I admit that is a fact; it is a great feature of the coast.

555. Why do you anticipate, then, within the next ten years that that feature, which is a climatic one, will be changed?—By continual cultivation and improvement of the land.

556. It is all a question of cost, is it not?—Not so much after the first cost of clearing is overcome. Then, with regard to the particular land you refer to, if this line were extended, as it is sought to be, to the junction, it also taps to a certain extent the Murchison district, which is further north, the trade of which now goes principally to Nelson by dray. There we have a vast agricultural country.

557. Do you or do you not anticipate that that land will really be settled in the way you describe unless the line is carried from Reefton to the junction?—Of course, everything depends upon that. I say of course, as I said in my examination, that I do think private enterprise during the next ten years is likely to develop the whole of the mineral resources of the district.

558. *Dr. Findlay.*] And for that purpose, if the Government will not or do not do it now—or we must assume that the Government will not do it now—private enterprise will make a connection to the mineral resources?—I think it is quite possible that may occur inside the next ten years.

559. You were asked somewhat closely by Mr. Bell about the reasons you had for expecting a development of the mining, and you mentioned cyanide as the principal factor in that development?—Yes.

560. In your examination-in-chief you pointed out that an increasing amount of capital would necessarily largely develop the mining industry?—Yes.

561. For instance, I understand in the Consolidated Goldfields of New Zealand something like £250,000 has been sunk?—Yes.

562. And it is paying 15 per cent. on that?—It is paying 15 per cent. on less, if I understand their balance-sheet.

563. At any rate, a very large sum has been sunk, and it is paying 15 per cent.?—Yes.

564. Do I understand you to say that with the application of capital a very large amount of gold might be won throughout the Reefton district?—I do say so.

565. It is a development which necessarily demands a large amount of capital?—Yes; and that accounts for the success of the present Consolidated Goldfields of New Zealand. The company have a large available capital, and are able to carry out any improvements deemed necessary.

566. Then, I will put it to you: As the line has been open for ten years, and this rapid development has not taken place, your conjecture was probably wrong?—Just so.

567. I understand you to say that two factors at least—capital and cyanide—will make a difference in the future?—That is my opinion.

568. Now, do you know whether a new and profitable reef has been found at a place called Victoria Range?—I do.