

29. Do you say, from a tourists' standpoint the better route is by the coach route?—Yes.

30. *Mr. Newman.*] You object to this line on several grounds, one being that the company would acquire the right to get 312 square miles without competition, and that the policy of the company would be to dispose of this land to people with capital?—Yes.

31. Do you consider this land would be of value to people without capital?—No; it would be useless.

32. What is your objection to selling to people with capital?—None whatever. I said it evidently would be the policy of the company to sell to men who had capital enough to purchase outright, and who were able to spend the money necessary to bring the pumice and swamp lands into profitable occupation; this class of settlement is limited, and it would be many years before such settlement would be successfully accomplished. I mention that because they claim or stated that they anticipate settlement of the land. That is the point that they are making.

33. The object of the company is to acquire sufficient land to enable them to sell their railway and make a profit by the improvement of this land?—Yes.

34. You admit the land would be no good without capital?—Yes.

35. Your principal objection is that it would interfere with the Thermal District?—Yes.

36. You also said the company had acquired options over the hotels and spas and steamers trading over the lake?—Over the hotels and spas, if it is true.

37. You have no reason to believe it is true?—I have reason to believe it is true, but have no evidence that it is true.

38. A monopoly would be created of the hotels and steamers, and the whole thing would pass into the hands of a company, which would get a valuable asset?—That is so.

39. Would you object to this railway being made by private enterprise under any circumstances?—Yes.

40. Even if the fares, freights, and charges were fixed by the Government beforehand, and the Government had the right of purchase; you would still object?—Yes.

41. Your grounds for objection being principally that it would be against the interests of Rotorua that this should be done?—Yes. *Mr. Dalziel* admitted the company had options over the hotels, but contradicted the statements as to other options.

42. *Mr. Myers.*] You said that the company would acquire this land without competition?—Yes.

43. Would they not as a matter of fact have to purchase, or negotiate rather, for the acquisition of this land on the open market?—I do not see that they would if they asked for power to acquire.

44. They would have to do it in the usual way, through the Native Land Board, would they not?—I do not know the ordinary procedure in connection with that, and I have only such information as I have received per medium of the Press, but I naturally concluded that if they had the right to acquire this land by the ordinary means open to private individuals, they are wasting time in coming before this Committee and asking.

45. As a matter of fact I think you are right—I may be wrong. I think they could obtain this land in the usual way, providing, of course, the Native Land Board was satisfied with their *bona fides*. You admit that a million and a half acres of land are lying idle?—To a large extent.

46. And that very little cultivation is going on at present?—Very little.

47. It would certainly be in the interests of the Dominion that as much of this one and a half million acres should be brought into cultivation as possible?—Yes.

48. Presumably that would be to the best interests of the people?—Yes.

49. If a through line to Taupo was made do you not think as a business man—having regard to the admitted attractions in and around Taupo—that there is a likelihood of the tourist traffic being increased to these regions first?—Yes, there is a likelihood of the traffic being increased to these regions.

50. Do you not think in consequence that a large number of people would be attracted there, and travel from Taupo to Rotorua, similarly to what they do at present in travelling from Rotorua to Taupo?—I think that the increase would be small.

51. You also said that if the East Coast line was extended and Rotorua tapped, visitors *via* Wellington would be afforded greater facilities as far as access to Rotorua is concerned?—Yes.

52. If there was a connection *via* Putaruru would there not be a saving of thirty-two miles in the distance to Taupo?—Yes, there would be a saving in the distance.

53. As regards a monopoly: you are afraid that the prices charged owing to this monopoly will be prohibitive, and retard the tourist traffic?—As far as the line is concerned.

54. They having the hotels and the railway, you fear the charges of this syndicate or company would be inimicable?—I do not think I would say that.

55. What do you mean by the statement, that "they having completed an option would charge anything"?—I am here to express the views of a body of men who have gone into this matter privately and stated their objections. Speaking as a private individual, I fail to find any State enterprise in any part of the world carried on with the same push and vim as was usual in private enterprises. If the company was successful in its plans and did other than push all the trade along its railway and get all the tourist traffic it would not be acting fairly towards its own shareholders. That was what he and those associated with him were afraid of, because the State moved so slowly that a private company could run rings round it, if it got the chance. It would be to the interest of the company to induce as many as possible of the people who went to Rotorua to go on to Taupo.

56. That is a very candid statement, and a businesslike one; but it amounts to an admission that the tourist trade in the Thermal District generally would be increased?—The trade and traffic of Rotorua would be increased, but it would probably be to the detriment of Rotorua.