

emphatically doubt its capabilities in regard to profitable cultivation. As an instance, an estate of, I believe, over 1,000 acres freehold and additional leasehold, situated at Wairakei, in the heart of the district, and through which the proposed line passes, has been held by the Graham family for many years—I believe, about a quarter of a century. The proprietors of this land own and conduct a large hotel on the estate, and have been more or less engaged in coaching business. Despite the fact that their business calls for considerable consumption of farm and dairy produce, they have not evinced sufficient faith in the capabilities of their land to induce them to improve or cultivate it, even to the extent of providing for the requirements of their businesses on the spot. Surely the expense of carriage by road should in this instance encourage, rather than retard, development of cultivation, at least to the extent mentioned. Nevertheless, this land still remains practically in its original state. I submit that some of the estimates advanced by the petitioner are highly optimistic, and more or less founded on suppositions. For instance, the petitioner has calculated that the community is losing £100,000 per annum through 1,500,000 acres of this land being unoccupied, the inference being that this sum would be saved to the community by the extension of the railway now proposed. The absurdity of this statement could be demonstrated by calculating the so-called loss to the community, based upon a like rate per acre, on all the waste and unoccupied lands throughout the Dominion. Or, if I may be permitted to cite a comparison, it might be asserted that every cubic mile of sea-water round the shores of New Zealand contains fish to a certain value, and that the community is losing many thousands of pounds per annum through not having every yard of it netted. Moreover, some previous estimates by those connected with the Taupo Totara Timber Company have proved extremely unreliable. The estimates contained in the original prospectus in regard to anticipated financial results, and which were even more optimistic than those now advanced in regard to anticipated settlement, have proved lamentably at fault. Again, as stated by the petitioner, they purchased bush on an estimation of 400 million to 500 million feet of milling-timber, which only materialized to the extent of 120 million feet, or an error equal to about 75 per cent. I neither affirm nor deny the possibilities of the land in question. I submit that the estimated results in regard to settlement are at least problematical; that it is advisable to obtain the highest expert opinions on the suitability or otherwise of the soil for close settlement; that if such opinions prove highly favourable it would be in the best interests of the community for the State to provide the necessary railway communication, and thus conserve the enhanced value to the State. Should the petition be granted, I suggest that it would be only reasonable and fair to specify that the petitioner undertake to spend a certain fixed sum, to a reasonable amount, each year, for say, ten years, in the actual improvement and development of land remaining in the possession of the petitioner, until at least half the area sought to be acquired is occupied in accordance with conditions pertaining to the granting of the petition. I think this aspect of the question is important in view of the fact that the petitioner has intimated that it is intended to throw up the land, and sell it for what it may realize if at the end of ten years their efforts be unsuccessful. In reference to the suggestion that the Government construct a railway-line from Rotorua to Taupo, I desire to briefly summarize my opinions: (1) That the granting of the present petition will in the natural order of things relegate the likelihood of such an undertaking to obscurity; (2) that a State line possesses advantages over a private line, especially in regard to long-distance rates and fares; (3) that in addition to opening up land for settlement, the suggested Rotorua-Taupo line would in a few years time bring settlers into direct communication with the East Coast line, and thus with the nearest deep-sea port; (4) that as a tourist route the suggested line to Rotorua is incomparably superior to the Putaruru-Taupo line; (5) that a Rotorua-Taupo Railway would increase the value of Rotorua as a State asset; (6) that a Taupo-Putaruru Railway would depreciate the value of Rotorua as a State asset; (7) That a Taupo-Putaruru Railway can never become, from its geographical position, a portion of a national scheme of railway communication; (8) that a Rotorua-Taupo Railway, with a further short line from about Kakahi on the Main Trunk line, linked up by steamer service across Lake Taupo, would eventually prove highly profitable as a tourist and passenger route, and fit in with the general scheme of railways. The importance of the tourist traffic in relation to railway-construction in the Thermal District cannot be denied, as witness the traffic on the present line to Rotorua. The lines I now suggest would make the distance between Wellington and Auckland, including a detour connecting with the Main Trunk line at Kakahi and Frankton, 529 miles. Considering that the distance at present is 426 miles, and that the detour of only 103 miles would be through the heart of New Zealand's wonderland, it is inevitable that immense numbers of people travelling by the Main Trunk would be induced to make the detour, to say nothing of establishing direct communication with the East Coast line. As an indication of the importance of the tourist traffic, it may be mentioned that in annual reports of the Tourist Department as submitted to Parliament, the value of the tourist traffic to the Dominion was assessed at £100,000 in 1900, and at £449,000 in 1909. The arrivals in Rotorua by train in 1901 numbered 5,606, whilst in 1910 the number reached 21,021. The revenue of the Tourist Department at Rotorua by way of bath fees, &c., is given at £4,616 in 1903, and £12,678 in 1909. It has been asserted, in opposition to the proposed Rotorua-Taupo line, there is no prospect of its construction for many years to come. In view of the extraordinarily rapid increase in traffic above mentioned, and in view of probably increased settlement, such a statement is rather hazardous. The opposition of Rotorua residents to the present petition has been attributed to a fear that the superior attractions of Taupo would result in reducing traffic to Rotorua. The absurdity of this contention is evident from the very fact that the people of Rotorua are agitating for railway communication with Taupo, by what they consider to be the best route. What the people of Rotorua are afraid of is the operations of a gigantic trust, whose self-interest will operate, by every possible means, to deflect as much as possible of the tourist traffic from the State Railways and a State town to a private railway and an opposition thermal