

opinion this great area of land should be developed, if possible, either by the construction of a Government railway or by a private line. It is clear that under present conditions, without the means of access, the land will lie in the unproductive state that it is in at present. We have had it in evidence here that the Crown already owns nearly half a million acres of land in that locality, and, of course, owing to the necessity for manures and fertilizers to successfully work the land, no settlement has taken place. I feel sure, if railway facilities were given, that a very great deal of the country would be taken up for settlement purposes. There is another aspect of the question that is worthy of consideration—viz., that if this land is taken up and occupied it will save the State a very considerable amount of money annually in the destruction of rabbits and noxious weeds. I might say that I am particularly interested in this phase of the question, because there is a fear on the part of people in the Poverty Bay district, where I live myself, that the rabbits will eventually get through from the Galatea and Taupo districts to Poverty Bay. At the present time, although there are no rabbits within sixty and seventy miles of Gisborne, the people there are paying a rabbit rate in order to keep the rabbits back on the Taupo side of the country; but as the bush is being gradually chopped down it is feared that it will not be many years before it will be an easy matter for the rabbits to get right through from the Taupo district to Gisborne. In my opinion the only way to successfully cope with the rabbit difficulty in that district is to see that the land goes into occupation. I think it has already been stated that this particular class of country—and there are from two million to three million acres—can only be profitably worked and occupied by giving railway facilities either by the Government or private individuals.

2. You say there are from two million to three million acres, but all that land is not under the review of this Committee: you mean in the whole of the Taupo district?—What I wish to convey is this: that it is estimated there are 800,000 acres of Native land and 400,000 acres of Crown land in this particular area under review. If it can be shown that this country can be profitably worked and occupied, then there is an area of a million acres of a similar class of country that will be benefited.

3. *Mr. Newman.*] Are you in favour of private enterprise in the making of railways?—I am not really in favour of private enterprise undertaking a work of this kind; but I prefer to see it undertaken by private enterprise rather than that the country should be lying idle and unproductive for the next fifteen years.

4. *Mr. Reed.*] Do you consider it essential, in the interests of the country, that railway should be constructed to the shores of Lake Taupo?—Yes. Dealing with the prayer of the petition, I think the proposal—providing nothing can be done by the Government—to extend the company's line to Taupo and to spend a sum of money in attempting to develop the country and show what it can produce would be in the best interests of the settlers and of the people of this Dominion. I have no doubt about that.

5. *Mr. Fraser.*] You have been all over that country—roughly?—Yes, a good portion of it.

6. Has the construction of the present line from Putaruru to the bush in any way encouraged settlement upon the portions of the country it runs through?—Not to a very great extent, so far as I know. It has been held in very large areas.

7. It is privately owned?—Yes, a good deal of it.

8. What is the state of the country at present—is it in a state of nature?—Practically. Going further into the bush at Mokai there is a good deal of stock there—principally cattle, no sheep at all that I know of—but no one can fail to be impressed with the possibilities of the place, because it is beautiful-lying country. Of course the question of fertilizers is the whole difficulty, and what it is going to cost to bring the land into a state of profitable productivity.

9. In your experience of that country, is it such that a man of small means could venture to take up a small area at present?—At present I should say he would not have any chance with a small area, and I do not think a man of means with a large area could do much with it at present.

10. In fact, it is country that requires a good deal of money spent upon it?—Yes, a good deal of money.

11. *Mr. Myers.*] Knowing the great demand that exists for land at the present time, and from your knowledge of the country, do you believe if the ground were properly broken in it is likely to be taken up?—Yes, I feel confident of that, with a reasonably good means of access, it having been proved to be suitable.

12. You think there would be a demand for it?—Yes, it is a very healthy part to live in.

F. G. DALZIELL recalled. (No. 11.)

*Witness:* I wish to remove what I think may be a misapprehension with regard to one or two points. It has been suggested that we are asking for the right to acquire a large area of land with the idea that if we can sell it and make a profit out of it we shall do so, but if not we shall throw it up, so that we stand to make a big profit and not to make much loss. I want to make it plain to the Committee that that is not the position at all. I think it should be a condition—if the Committee is favourable to this proposal—that the syndicate should not be permitted to acquire this area of Native land until it has completed the railway to the satisfaction of the Public Works Department—that is, completed the railway to Taupo. That is a condition which, I have no doubt at all, the Natives will insist upon before they sell to the company, because the inducement to them to consent to the sale of this large area of land is that the balance of their lands will be benefited by the improved access: so that before this land can be acquired the railway must be completed. Therefore the whole of the lands of the district, including the 650,000 acres of Native land and about 350,000 acres of Crown land, will get the benefit of the improved access, and the company will have to take the risk of loss on the capital invested in the railway. In addition to that it will also no doubt be a condition that the purchasing syndicate is to pay in cash for the area it acquires. If it acquires 200,000 acres it will have to pay not less than 5s. an acre, so that it will actually have to pay in cash, before it can get this land,