

roads, but when roads are properly graded on the ground you may possibly have to make them double or treble that length. It might therefore have been 150 or 200 chains extra. I am only mentioning this to show the difficulties that exist. I discussed the matter with the surveyor, as I have stated, and I saw at once that the only thing was to take the road up the Waipunga Valley. On the 29th March I wrote to the Chief Surveyor at Auckland, and told him I had personally instructed the Chief Surveyor to take this road. I also saw at once that we were taking the road out of the very best part of the owner's freehold, where we have no right to take it, the power having lapsed. Now, under the Public Works Act you can, of course, take a road through a man's property, and then you have to go to the Court to assess what amount of compensation the man is to get; but you cannot take his other private property from him. The piece cut off and severed from a man's land you cannot take under the Public Works Act, so that if the Crown was to be able to give to each of these intending small-grazing-run holders a small area of flat land for their homesteads, the Government would have to enter into a bargain with the owner to sell to them. It was his own property, and he could demand what he liked for it—he had power to make the best bargain he could. I am putting the position from the Department's point of view. We were in this position, that if we wanted to give each man a piece of land fronting on the main road we had either to agree to the owner's terms or simply take the road alone under the Public Works Act, and let these men get into their land the best way they could. I want that point to be distinctly understood, because I want the Committee to understand that that is the reason why I recommended the Minister to give £2 10s. per acre. You will see that great care was taken in dealing with the case, and if you look at the correspondence you will see that I wrote back inquiring whether there were any other means of doing without it. The surveyor was on the ground all this time, and on the 16th December the Chief Surveyor reports, as to the portion of Runanga No. 1A between the proposed road and the Crown land, that there is no provision in the Public Works Act for taking the same, and that the owner is Mr. T. Ballan, of Christchurch. I want the Committee to understand that all through this I did not know anything about Mr. Russell or that he was negotiating for the land. My information came from the Commissioner of Crown Lands and the Chief Surveyor at Napier. On the 5th January, 1911, the Under-Secretary acknowledges the letter of the 16th December, and is glad to hear he has started negotiations with Mr. Ballan. On the 13th February the Chief Surveyor, Napier, writes reporting that he has received a letter from Williams and Kettle, acting on behalf of T. Ballan, offering to sell area referred to at £4 per acre; Government valuation in 1907, 5s.; considers offer out of the question, and asks authority to offer 15s. per acre. The Government valuation, of course, was for the whole block of 34,000 acres—not for the small portion which had been fenced in—and was made in 1907, and the valuation has increased immensely for this land up to this time. I thought the price asked was absurd, and on the 23rd February, 1911, I wrote instructing the Commissioner to break off all negotiations, to lay areas off larger, to have fewer access-roads, and asking as to other means of access being explored. On the 20th March the Chief Surveyor reports that no other roads are practicable (that was the conclusion I came to myself after being on the ground); but I was anxious that no stone should be left unturned, as I did not want to take the land from private owners. The Chief Surveyor reported that no other roads were practicable except at a prohibitive cost, and suggested that the original scheme be adhered to. Then, on the 5th May, 1911, you have this telegram from Mr. Russell to the Under-Secretary inquiring if anything more had been done towards taking road up Waipunga Valley to give access to Pohokura, to which I replied, "Understand Chief Surveyor, Napier, intends to take under Public Works Act area required for road." Then there comes on the 17th June a letter to the Minister of Lands from Russell and Anthony, solicitors, offering to sell the land at £2 10s. per acre, which is a considerable drop. My memory may not be quite accurate on this point, and I have had no personal communication with Mr. Russell at all since I retired from the Service; but I have a recollection that between the 5th May and some time early in June Mr. Russell came to my office and told me that he was thinking of purchasing or negotiating or was one of a syndicate—I did not pay much attention—to buy Runanga No. 1A Block. He said, "You are taking the road out, and it is destroying the best part of the block and destroying the water frontages, and really depreciating the value of the property very much." I said, "Yes, I have been up there myself, and I know what is being done; but we have only got to deal with the registered owner in this matter, and I prefer discussing the matter through the legal channel." He then said, using "I" or "we"—I am not quite sure which—"do not want to block the Government." I said, "I want you to understand that we want the land between the road and the Pohokura boundary, because we want to give to each one of the settlers a frontage"; and he said, "I see your position." I said I would not consider the offer of £4, but if a reasonable offer was made, and the Commissioner and Chief Surveyor at Napier considered it advisable, the Government would consider the offer; but I said "I do not know you in the matter at all, Mr. Russell, and therefore my communications must be all with the registered owner." Mr. Russell will correct me if I am wrong, but I think this was just prior to the 17th June, because on the 17th June Messrs. Russell and Anthony, solicitors, Christchurch, offered the land necessary for the road to the Government and the severance for £2 10s. per acre. My impression is that this was probably the result of what I said to Mr. Russell at the interview. I think the date of the interview was somewhere prior to the 17th June, 1911. Well, when this offer came up I felt we were in this position: that the owners of the land had the absolute power of refusing to sell any of this flat land. If you look at the map you will see a good deal of the water has been taken into the road from the Waipunga Stream, that the very best flat land has been taken, and, above all things, the land had been fenced, which the Public Works Act lays stress on. Mr. Brodric had been succeeded by Mr. Pollen, and I judged from a conversation I had with him that they would not take anything less than £2 10s.