

102. In the case of Lake Tekapo you said that 20,000 horse-power could be developed without a great deal of expense?—I know it could be developed economically at the mountain—say, at £16 per horse-power—that is, at a guess.

103. Supposing South Canterbury and North Otago joined together, could that be utilized and used for linking up?—I merely stated the power that is available. It is not well located for linking up.

104. Do you prefer Waitaki?—I prefer it on account of its location. We intended to investigate that thoroughly because it is well situated.

105. *Mr. Hornsby.*] During your preliminary statement to us this morning you mentioned a matter of very great importance—that is, light lines of railway. Of course, you know the difficulty with respect to metalling our roads in many places. Do I understand you to say that the grades of ordinary good roads could be utilized for light lines of railway?—Yes; you have the example in Wellington of the Wadestown and Brooklyn tram-lines.

106. Would you say that such lines made along road-lines, if electric power were utilized, could carry moderately large-sized trains?—Generally there would be a composite vehicle—light goods at one end and passengers at the other end. There would be reserve wagons for wool, &c., which could hitch on to the car as a trailer.

107. With overhead wires?—Yes, like the Wellington tramway system.

108. *Mr. Sidey.*] What provision do you propose to make for Stewart Island?—I have not considered Stewart Island.

109. *The Chairman.*] You have promised to submit in writing a suggested outline of the works in both Islands which should be proceeded with as expeditiously as possible, considering the financial condition and the labour available?—I do not know the financial condition.

110. We will leave out the words “financial condition.” You said you could do with another vote of £150,000 for the Lake Coleridge scheme. There would be no difficulty with regard to labour. It is a matter of distribution?—Yes.

H. J. H. BLOW, Under-Secretary of Mines, examined. (No. 9.)

1. *The Chairman.*] The Committee has under consideration the question of the Parapara iron leases. It was thought that you could throw some light on the position with any information regarding the iron deposits. First of all, we want to know whether the land containing the iron deposits is available, and, if it is not, what the position may be?—There are three leases. The Parapara lease was entered into in 1905. The original Washbourn lease was dated 1886, but it expired, and was released from the 1st July, 1907. The Onakaka lease was entered into in 1912. I do not think anything is being done on any of the leases just now. They are all under protection until peace is declared.

2. *Mr. Sidey.*] Are they liable to forfeiture when peace is declared?—That is very much a legal question. Personally I think they are liable to forfeiture, but Mr. Sidey knows the meaning of the term “protection.”

3. *The Chairman.*] You have not told us how long these leases have to run?—The Parapara lease has a currency of forty-two years from 1905, but is renewable. The Onakaka lease has a currency of sixty-three years from 1912. The Washbourn lease is for a term of twenty-one years from 1907.

4. What is the area of the land comprised in each lease, and the rental received by the Crown for the lease?—The area of Parapara is 920 acres; rent, £115 per annum. Washbourn, 56 acres and 36 perches; rent, £5 12s. per annum. The Onakaka lease is 870 acres; rent, £108 15s. per annum. The leases are in print, and are at the disposal of the Committee. The leases are set forth in parliamentary paper I.—16, 1912. That is a valuable paper, and I would strongly recommend the members of the Committee to peruse it. I may add that I had the honour of giving information on this question before the Committee.

5. *Mr. Sidey.*] Have there been any modifications since that time—any modifications in the terms of the leases?—No, except there may be further protection.

6. But there may be further reports on the deposits themselves?—Yes; I was dealing with the leases.

7. *Mr. Luke.*] Are the leases held by people resident in the Dominion or mostly outside?—They are all held in the Dominion. The Parapara lease was originally granted to Sir Alfred Cadman. He is now dead. The Public Trustee is administering his estate, but I believe the lease has been sold to some Christchurch gentlemen. The Washbourn lease is also held by some Christchurch people. Onakaka was granted to a Mr. Turnbull, of Nelson, and he still holds it.

8. They are not held nominally by people in the Dominion but actually by people outside?—I do not think so; and I do not see any reason why they should. The rents are quite small.

9. Are there any commitments from the Crown which they have to comply with which hamper the development at all? Has any development to be done within a certain period of time?—Yes, but that is under protection now.

10. Previous to that was there any condition imposed?—Yes; it is all set forth in the lease. They had to expend so-much money.

11. Have they complied with the conditions?—The Parapara people complied for some time, and then they applied for protection and got it.

12. But up to the time of the protection period they were carrying out the terms of the lease?—I think so.