

recommended by the Railway Department should be adopted?—That is so, sir. A change is absolutely necessary because the danger to life and limb is too risky to carry on any longer.

They have taken all the circumstances into consideration?—Yes, they took everything into consideration—that is, both schemes.

Did they consider it in comparison with the retention of the present station and yards?—Yes.

Mr. Johnston, I think you know the land about Palmerston North as well as most people?—I think so.

It is your business to know?—Yes.

One suggestion that has been made is that if the present yards be retained—assuming it to be feasible to carry on there—the station and platform buildings would have to be extended into Main Street and a considerable quantity of land fronting the other side of Main Street taken for the purpose of making the alterations. Have you gone into the question as to what that would mean in the way of compensation?—The present width, I understand, is quite inadequate, and so is the length. If they must encroach on Main Street they will have to take the block of land from George Street right down to the Foxton crossing. [Plan produced and position explained]. This would mean an expense of probably £240,000 without compensation for buildings and loss of goodwill, and without taking into consideration the cross-streets.

Have you made a rough estimate of what the compensation would amount to?—Yes, I have.

What do you estimate would be the amount?—From Main Street to Cuba Street, if the station is allowed to remain where it is, it would cost an enormous sum of money to enable the Department to acquire the amount of land that they would need. It would be necessary for the Department to buy the whole of the land from George Street right down to the Foxton line crossing or farther, and do away with Main Street. This would put Cuba Street in the same position as Main Street. This would run into a distance of 60 chains to Main Street and 60 chains to Cuba Street, making a total of 7,920 ft., or 8,000 ft. at an average of £30 per foot, and this would, as I have already stated, without taking into account the buildings, amount to a sum about £240,000. If the buildings are taken into consideration the amount would be much larger.

And the goodwill of the business?—I consider it would take the best part of £500,000. The life of any building is not much more than thirty years. With the exception of one hotel and one other brick building, the premises from the railway-station to McMurray's building were temporary shacks, and the hotels and boardinghouses were very old wooden buildings.

The fact is that in your estimate of a quarter of a million you have not taken into consideration the buildings at all, nor have you taken into consideration the disappearance of business premises?—No.

Have you considered the probable value of the whole of the railway land now occupied by the station and yards in the event of the station being removed to the proposed site?—Yes.

What do you say about that?—To arrive at the value of that land it depends upon the manner in which it is cut up and the state in which the Railway Department leaves it. I do not think that the frontages in Main Street will be as materially affected if the station is removed as some of the owners seem to think. The Government acquired Sections 703, 705, 707, 709, 711, 713, 715, 717, 719, 721, 723, 725, and 727 on this plan [Exhibit No. 1] fronting Church Street. That land was taken under Proclamation from the New Zealand Express Company, and from the Rhodes Estate. The sections opposite in Church Street will be more valuable when the railway-station is removed than it is now, because it would increase in value as residential sites when the noise and smoke of the railways were removed.

You find it difficult to place a value on the land?—I do not think the valuation that has been put on the land is an outrageous valuation.

You would not say that the valuation suggested by Mr. MacLean is an outrageous valuation?—No. If the land is cut up in a certain way it can be made more valuable.

We have heard it suggested that nearly everywhere the business places follow the railway and get near the railway: Can you say whether that has been the case in Palmerston North?—The railway-station was in the Square for years—that is, in the centre of the Square. It was subsequently moved down to where it is now and Pitt Street was closed. The traffic going up towards the Square drew the shops that are situated in Main Street now. The sections opposite the railway-station are unsaleable.

Is it not a fact that the trend of business premises has all been up Rangitikei Street away from the railway-station?—For the last twenty-five years the business premises have been going up Rangitikei Street. The business places in Main Street between the railway-station and the Square are mostly restaurants, small shops, barbers' shops, and so on.

You know the nature and quality of the land in the neighbourhood of the proposed station and goods-shed, do you not?—Very well.

It has been stated that it is swampy ground and that you can put a stick down, say, from 15 ft. to 20 ft.: What do you say about that?—That is absolutely untrue. There is, however, a bit of a wet hole in Milverton's section opposite Fair's paddock adjoining the saleyards paddock.

There is a bit of a hole at the corner of Milverton's section—the hole is about a quarter of an acre?—That is so. It would not exceed a quarter of an acre. It is only wet when there are heavy rains.

Do you know Fair's paddock?—Yes.

Do you know how near it is to the proposed railway?—It is on the opposite side of the road from Milverton's. It is about 10 chains away from the low place in Milverton's section.

Fair's paddock does become flooded at times—portion of it, at any rate?—I may say that the bank of the Mangaone is not good; it is low in parts north-east of the Rangitikei line. It overflows and comes down the drain and comes on to the road, and it runs into Fair's paddock.