

that that ash has been a detriment, and the cause of bush sickness?—First of all we will take Te Ngae that is a well-known place near Rotorua, which was covered with a superficial deposit of Tarawera mud. That is carrying now some of the finest pasture in the district. South of Tarawera the same class of mud was deposited over 50,000 acres of undulating country. Mr. Falloona, of Rotorua, has 3,000 acres there. Then, Mr. Mair, of the Gilbert Mair family, has a holding there also, and Mr. Wood has farms there. They have been shipping some of the best-type fat lambs from that district. In fact, Mr. Falloona told me that they had been raising fat lambs on that country for nearly twenty years. I would like to know how there can be stock-sickness there. If there is one test of stock-sickness it is in connection with the raising of fat lambs. Most of this 50,000 acres is also well suited for dairy farming.

40. You have already stated that the land is suitably watered. I would like to know your opinion as to how that country is affected by a drought period—as to whether the natural moisture of the soil will maintain the grass, or whether grass will fade away during a dry season?—I have had a good many years' experience of that. As a matter of fact, I am a very keen fisherman, and for years I try to get into pumice country to do my fishing. As you know, the best fishing is obtained in pumice country; and one of the most astonishing things is that when you come up the line in February or March you leave your parched lands behind, but as you come up into the pumice country you see the country certainly showing signs of dryness, but the signs of drought are nothing like as bad as they were further back. I have asked many people the reason for that. Some say it is owing to the wonderful capillary action of the soil, which is capable of drawing up moisture from considerable depths. I had a very striking example of that two years ago on Mr. Vaile's property, in company with Professor Easterfield, of the Cawthron Institute, Nelson, and Mr. Mahon, of the Auckland Grammar School. It was in February two years ago, when we had a very dry season, and one of the things that impressed me when driving across that property was to see in the distance an oasis of beautiful green. Much of the country there was scrub country, but in the distance, under the shadow of the escarpment of the Kaingaroa Plains, there was a big green patch, and when we got there we found it was clover which had been sown down. I think that was spring-sown clover, and they were cutting adjacent to it as fine a crop of clover, cocksfoot, and rye, for hay, as you could wish to see. That is an instance of how that country will stand dry conditions. The stock were all looking well. The rivers there do not shrink to any extent after months of drought, nor do they rise very suddenly when in flood. They rise very little, owing to the porosity of the country, and it is because of that porosity you get your underground waterflow.

41. *Mr. Makitanara.*] You are aware that at present there is a company negotiating for the constructing of a railway-line from Kakahi through to the lake?—Yes.

42. And that railway, when completed, is going to be the outlet for all that timber country to the Main Trunk line?—Of all the country which lies to the west of Taupo—a lot of that timber will drain into there.

43. That will also affect the Hautu land?—No, I do not think so. You would have to come down on to the lake from Hautu, and then tranship your produce, whereas you can run a motor-lorry from Hautu to the Main Trunk line at Waimarino.

44. Are you aware that in 1912 a special Committee investigated the question of whether that would be the best outlet for the timber and other produce from this country, and that Committee decided that the Taupo-Rotorua line would be of no benefit to the country on this side of the lake?—It depends upon what you call "this side of the lake." If you get away to the vicinity of the Main Trunk line, it is perfectly reasonable that that country would be served by a connection to the Main Trunk line.

45. That Committee received the same argument as you are raising now, but it decided that that district cannot be immediately served by the Rotorua-Taupo line?—I quite agree—that will go down to the Main Trunk line.

46. Now, the Royal Commission confirmed that?—I have not seen their findings, but I take it that they would hold the view that no trade, whether in timber or agriculture, should be taken away from its natural trend by artificial means.

47. *Mr. Kyle.*] If the whole of the produce from this western area would go to the Main Trunk line, do you still consider that there would be sufficient warrant for the development of this area?—I do, undoubtedly—and greater development than I have indicated. I have only spoken in general terms.

48. The Chairman pointed out to you that Parliament had sanctioned the construction of the railway only from Rotorua to Reporoa, but you take it that the objective is Taupo?—Yes.

49. The same argument might have been used against the Wellington-Auckland Railway, when the objective was only Taihape, for instance?—Yes.

50. The idea is not to go only to Reporoa, but eventually to Taupo?—That has undoubtedly been the finding of the Committees and the Royal Commissions that have inquired into the railway.

51. Granted that a good deal of this country is in plantations, do you consider that the present open spaces warrant the railway for developmental purposes?—I certainly do, because, although when you speak of the vast areas, I estimate that there were on each side of the line between Rotorua and Taupo an area of 500,000 acres which was arable, I included the Kaingaroa Plains and the valley of the Waikato. There are vast areas of ploughable country which you do not see when travelling along the road.

52. That area would be suitable for the Government to go on with its Land Bill and its settlement policy for the expenditure of £5,000,000, to develop the undeveloped land of New Zealand. Do you know of any other portion of land in this Dominion more suitable for development?—I can only suggest that in certain portions of North Auckland there are areas well suited for development, but there is no better area than this for dealing with settlement on a large scale.