

31. That road is dangerous?—What I say is that the road from Taupo to Rotorua is practically useless for stock, with the motor traffic that is on it. The motors there are tearing along, as many as ninety a day. On this other road there are very few motors.

32. Of course you are aware that the Commission has reported that the proper outlet is out this other way?—Not by any means.

33. Are you aware that witnesses gave evidence to that effect?—No.

34. That does not include all the area on this portion of the railway?—Before the last Royal Commission the Forestry Department produced a plan showing in sections its estimate of the timber, but I cannot remember whether it went to Tokaanu.

35. Now, you first went to that locality in 1908?—In 1907.

36. Before going there you were a land-agent?—Yes.

37. In Auckland?—Yes; for twenty-two years I was in that business.

38. And of course you bought your 50,000 acres for speculative purposes?—Not at all.

*Mr. Samuel:* I rise to a point of order, Mr. Chairman. I do not think it is necessary to ask the witness why he bought his land.

*Witness:* I have no objection to it.

39. *Mr. Makitanara.*] However, you told the Committee that you were using no political influence in connection with this railway?—None whatever.

40. And never have?—I have used every honest means to get the railway put through. When Mr. Massey was in power I did my best to make him build the railway, and also when Mr. Coates and Sir Joseph Ward were in power. During the last twenty years I have done my best to get the railway built, and if any one suggests that I have used any dishonest or shady means to that end I am prepared to put him in his place. When I lived in Auckland I was vice-president of the Political Reform League, but when I left Auckland I resigned my position, and from that day to this I have not done a tap for the Reform party or any other party—I have not given a penny nor have I done any work for them.

41. In what year was that?—1908. I bought this country in 1907, and left Auckland at the end of 1908. I had managers on it before that.

42. Did you not use political influence with the late Government?—None whatever—I have not any to use. But some settlers from Reporoa, without my suggesting it, came to my place and said they were going to see Mr. Coates at Taupo. I was not aware of the fact that he was to be there. They asked me to go with them as spokesman. I did so, and he promised that as soon as the railway to Taneatua was completed the plant from there would be moved to this district to go on with this railway.

43. Did you not mourn over your loss when you found that they did not carry out the promise that had been made?—When you see me shed tears you can reckon that this railway is “up the spout.”

44. Have your views changed since you gave evidence before the Commission in 1922?—Not in the least.

45. On that occasion you gave very lengthy evidence?—Very likely.

46. And most of it was on an assumption?—Not at all. I cannot remember exactly what I said, but what I said was true, and what was true then will in all probability be true to-day.

47. You are aware that after all the Royal Commission found this: “There is, under present or probable conditions, no likelihood of such a railway returning sufficient revenue from the working thereof to meet the expenditure incurred”?—I remember something to that effect.

48. That was in 1922?—Yes. Mr. Chairman, might I be allowed to give these few figures about the cost of taking out that timber over the Taupo Totara Co.’s tram-line?

*The Chairman:* We can recall you later on in order to get that.

49. *Mr. Kyle.*] You are considering the railway purely from a developmental point of view, in the interests of the whole country?—Yes.

50. And that the timber is a secondary consideration?—No, I would not say that. I think that the timber will be a very valuable source of freight for the railway. I think that the Forestry Department officers will tell you that a forest maintains almost as much population as farming, and that anyhow, when it reaches the milling stage, they will have a very large population there.

51. Any way, in the meantime the railway would be justified from the developmental point of view?—Yes, that is quite sufficient justification for its construction.

52. Your offer to sell your property to the Government was contingent on the railway being proceeded with?—Yes, certainly.

53. And that being so, you say you are prepared to take the present value, without the railway?—Yes. My idea was this: I hoped by that means to divest myself of any suggestion of personal interest swaying me in this way: that if the railway was put through I would be no gainer. But as my offer has been termed worthless and discreditable, I would like to withdraw it.

54. It was made so that there would be no question of personal interest on your part?—That is so—no personal profit to me.

55. On the question of pulping, are you aware that there is a company on the west coast of the South Island prepared to develop the pulp industry if the Government will give them the option?—No, I have not heard of it.

56. That goes to show that there is something in the pulping industry?—Yes, demand creates the supply; and to some extent supply creates demand. When there is an immense quantity of timber offering, somebody is going to use it.

57. Reference has been made to the Commission of 1922, but the whole economic position of the country has changed since then?—It may have done so; I have not given attention to that.

58. We had a slump period at that time?—Yes.