

should acquire at present values; (b) that, in consideration of the petitioning company extending their present line to Taupo, the Government should by legislation authorize the petitioners to purchase by private contract an area of Native land not exceeding 200,000 acres, on condition that such area is subdivided and sold in areas not exceeding those prescribed by the Native Land Act, 1909; (c) that if the last-mentioned alternatives were adopted by the Government the petitioners would enter into a valid undertaking, properly supported by security to the satisfaction of the Government, to refund any purchase-money paid to the petitioning company for the said tramway-line should the Government, at the end of fifteen years, decide not to affirm and carry out the purchase of the line on the terms above mentioned. As a practical matter, we did not expect the Government to find the money for this purpose. We realized that we would have to find it, and to make the railway, and be prepared to accept the result from the sale of the land. This is the finding of the Committee:—

“(a) Objections were received by your Committee to granting the prayer of the petitioning company from the Rotorua Chamber of Commerce; several hapus of Maoris interested in the land surrounding Lake Taupo; and from the Wellington Trades and Labour Council.

“(b) These objections your Committee carefully considered. As to that of the Rotorua Chamber of Commerce, your Committee does not think the proposed extension of the company's line, and the purchase by the Government of the portion already constructed, would affect Rotorua; nor does your Committee think that a railway from Rotorua to Taupo would, owing to the topography of the country, materially benefit the district served by the company's tramway. Your Committee does not agree that the extension of the company's line would injuriously affect the interests of the Natives. As to the objections of the Wellington Trades and Labour Council, these are generally on the grounds that the Council is opposed to the sale of the freehold of any Native land in the Taupo district which the Crown may acquire. As these objections to a large extent are matters of policy, your Committee makes no comment upon them.”

The Committee did not recommend the Government to construct the line, and it did not recommend the purchase of the line. Its report also said—

“Your Committee are of opinion that it is desirable that inducements be offered to settlers to occupy land in the vicinity of the tram-line and of Lake Taupo. To this end facilities for the economical transit of manures and produce are necessary.

“Your Committee recommend that an Order in Council be granted to the company to extend their line to Taupo; that the Government guarantee the cost of such extension, not exceeding, in the opinion of your Committee, £50,000.”

Nothing was done on the recommendation of that Committee. The next step was a deputation to the Right Hon. Mr. Massey, then Prime Minister, on the 15th October, 1918. On that occasion we urged the Government to buy the Native land, and arrive at a definite permanent policy. We made these proposals:—

“(1) That a commission of experts be appointed immediately, to go into the whole question of the development of this district.

“(2) That legislative power should be taken by the Government during the coming session enabling the Crown and Native lands, with the timbers thereon, to be put under the control of a Board or Boards, either European or Native and European, and dealt with in a comprehensive way, with power also to the Government to raise moneys upon the security of these lands both for European and Native settlement purposes.

“(3) That consideration should be given to the question of establishing a soldier settlement or settlements on European lines, in this district, under the supervision of settlers who are successfully farming this class of country, who would, my company is led to believe, be glad to undertake this work upon patriotic grounds. If some such plan is adopted my company is prepared to join with the Crown and the Natives, in proportion to its area of freehold land, in making, for the purpose of soldier settlements, a free gift of so-much land as may be deemed advisable. It is suggested that the moneys necessary for these settlements should be raised upon the security of the whole of the lands to be vested in the proposed Board, that the soldiers and the Natives should be paid for any work they may be employed to do in developing the settlements, and that those who become qualified farmers should, in the event of the settlements being successful, receive farms at the cost of the improvements. The result of the adoption of this proposal would be that, in the event of these lands being proved valuable, an enormous area of land would at once be available for settlement in a district unexcelled in New Zealand for healthy and delightful living-conditions, while, in the improbable event of failure, the soldiers and Natives employed would have been paid for their services and at the same time have received a training as farmers under competent advice.”

It took three years to get that investigation. A Royal Commission was set up in 1921. This is one of the Commissions that Mr. Vaile says reported in favour of his line. As a matter of fact Mr. Vaile has a good deal of support for that statement. I will read a letter which we wrote at that time, on the 29th August, 1921, immediately after the report of that Commission was presented. In that letter we said:—

“Following on the report of this Committee, the Right Hon. Mr. Massey, as Prime Minister and Minister of Lands, visited the district, and went first over the proposed Rotorua-Taupo Railway route, and then over the company's tramway. Both at Tokoroa and Putaruru he assured the settlers that they could rely upon the company's line being maintained for settlement purposes. He advised them that in his opinion these lands could be profitably farmed, and gave them every encouragement to go on with their enterprise. His words were understood to mean, and no doubt were intended to mean, that the Government would do what it reasonably could to foster settlement based on this tramway as its means of transport.”