

£120,000. Now, as a business man I suggest that what you are doing is this: it is an absurdity. The timber from the Whakamaru-Maungaiti Block (shown on map)—

4. *Mr. Jenkins.*] Who owns that?—Mr. Cox has part of it, and Mr. Atkinson, of Christchurch, and the Whakamaru Co., and a Mr. Carter. There is no question of that timber going to the Rotorua-Taupo line. But if the Government and the Tauri-Tutukau areas are to go to the Rotorua-Taupo line, the timbers in this locality will have to bear a sinking fund of £240,000 instead of £120,000; if it goes by the company's line neither of these timber lines has a permanent life without the indigenous timbers, unless the new afforestation enterprise is a success, which only the future can tell. This is the question we asked the Prime Minister to go into in August, 1928. We said we would share the cost of having this question settled, and we agreed that if it is more profitable, from a national point of view, to take this timber to the Rotorua-Taupo line then take it, and we will know where we are. Our policy is that the timber in this locality should pay for the transport of the district, so that settlement might be helped—the settlement of the pumice country. The suggestion we put forward is that the whole cost of running the railway, including interest and sinking fund, should come out of the timber—that is, our timber, the Crown timber, and the other private timbers. Any traffic from the settlers is mainly back loading, and our suggestion was that we should carry that back loading at handling cost only. One or two other timber-owners are not prepared to go as far as that, but that is our proposal to the Government—that we are quite willing to join with the Government in that proposition. In this matter we are working in conjunction with the local bodies and the progress bodies in this district. When the Railway Board was set up they fought us for some years. They were led by Mr. Friedlander, who said that they could get a line through there at Government rates. They have come to the conclusion that they cannot, and they are now working with us; we now have their full support. I have put it to them that any proposals to go before the Government should go from them, and that we would fit our enterprise into any reasonable proposal that would suit the settlement of the district: that is our proposition. With regard to the working of the different timbers, we have been endeavouring since 1918 to bring about an arrangement under which all the timbers will be co-ordinated as one proposition so that they can be worked most efficiently. Mr. Vaile said that we have refused to carry other people's timber; but, gentlemen, we have been trying for nearly eleven years to come to an arrangement whereby all the timbers will be carried at the same price as ours. Nobody can say what that price is until we know how much timber is coming over our railway. If this other timber is going away to the Rotorua-Taupo line the price will be high. But if that timber is to come our way the cost will be very much less; it will probably be halved. One cannot say what it will be in the future. The hold-up of that scheme is caused by this Rotorua-Taupo Railway agitation. Efforts have been made to get the Government to buy the Tauri-Tutukau Block, in the belief that that timber should be taken by the Rotorua-Taupo line. I suggest that you should not make this recommendation in favour of the Rotorua-Taupo line until a survey sufficient to enable you to know where the proposed line to connect with the Rotorua-Taupo line is to be located, so that you may know what quantities of fillings and cuttings you have got to make, and arrive at a fair estimate of the cost. That is what we urged the Prime Minister to join us in doing. Mr. Vaile has urged you to report that the Rotorua-Taupo line is the best means of opening up the Taupo pumice country. Our answer to that is, let all the interests in the district come together: that is what we are asking the Government to do, to bring them all together. First let the Government Departments go into the question and ascertain the facts. Then let us all come together before a committee of departmental heads under some Minister, and try to thresh out amongst ourselves—the people who know the country, its difficulties and its possibilities, whether we cannot come to some agreement as to what is the right course. That is what we are endeavouring to do, and that is what I suggest to you as the best course. I suggest that Mr. Vaile would be wise to join us in that appeal. He could be of great help. He says he wants the Rotorua-Taupo Railway as a monument to himself. He does not want to get any personal interest out of it, but I am sure that Mr. Vaile does not want as a monument a “white elephant.”

*Mr. Vaile:* Quite true.

*Witness:* He wants as a monument something that is productive.

*Mr. Vaile:* Hear, hear.

*Witness:* Something that will open up that country which, as he says, is a very beautiful country and a very healthy country—an ideal country for people to live in. That is what Mr. Vaile tells you, and that is the truth. I am suggesting to him that he should join with us in getting down to bed-rock. The Prime Minister has indicated that what we are doing is the right thing to do, but he has not had time to go into the matter so far. If Mr. Vaile will join with us I am sure that in the near future we can have this matter settled in the best interests of New Zealand and of the people, and of the enterprise which is going on there. From my long experience of Commissions, and so on, I suggest that any investigation that is made should not be made by a Royal Commission, but by a committee of experts. A Royal Commission goes round and takes evidence—prepared evidence. They get together and discuss the evidence, apart from the people who know all the circumstances, and they arrive at a conclusion, often on a misunderstanding of the real facts. It is not a sound proposition for the people whose interests are involved. There is one matter that I would like to draw your attention to—namely, the Tongariro Co.'s concession. That is the greatest and most valuable area of timber left in New Zealand. It lies in the centre of the North Island, and of the Main Trunk railway system, so that it is available both for north and south. The timber begins only five miles from the Main Trunk line. The Tongariro Co. has been for a long time in difficulties. The question is now before the Government as to whether its concession is to be renewed. The company is unable to fulfill its obligations, and the question has now to be settled by the Government as to whether their concession is to be gone on with. I am not connected in any way now with that company, but I