

140. Thinnings and final fellings he figures out at from 12,600,000 superficial feet to 31,500,000 superficial feet per year as the definite traffic available from these forests: do you think that was quite wrong?—In view of the present position I should say it was not quite correct; but there again I would not express a definite opinion on that part of the work, because I have not touched it in the figures I have prepared. Not having gone into the question, I say that I do not know.

141. The Chairman of the Commission, quoting the report of Mr. Holmes, the Chief Engineer, said that, irrespective of what has been done on the Taupo Railway, it will be absolutely necessary that the railway, before many years pass, should go to Waiotapu to deal with the timber. Mr. MacIntosh Ellis was asked, "Have you considered that point?" and he replied, "Very carefully." He was then asked, "Do you agree with that?" and he answered, "Absolutely; and I have incorporated that in the statement produced. At Taupo transport is necessary if the State is to realize economically and profitably on these plantations." Do you think that was wrong?—The position has altered somewhat since then in that afforestation has been forging ahead more than was anticipated. It has been pushed on in the Rangitaiki Valley at a rate that was not anticipated, and the result is that a larger proportion of our forest plantations is now over the watershed in the Rangitaiki Valley than was originally expected would be the case.

142. Has the area which in 1921 was to be shifted on this railway been reduced?—No; it has been increased a very little.

143. So that Captain Ellis's figures would remain?—Yes.

144. How much of the level country is to the east of the watershed in Kaingaroa?—I would estimate that 10,000 acres of the area would be there. On the one side of the watershed the timber could be extracted either to Waiotapu or to the Rangitaiki. The country on the other side is so level that it is immaterial which way it goes.

145. When you have your timber at Whakatane what do you do with it?—It can be taken to Tauranga. The coastal boats could take it from the Rangitaiki River, or it could be railed to different parts.

146. Do you know whether there is sufficient water at Whakatane bar?—I am not speaking with authority.

147. "The high tide there is 8 ft. and low tide is 3 ft.: is that a workable port?" "It might be for small scows. The boats noted in the report were very small vessels indeed. The idea was to bring the plantation within reasonable reach of Tauranga." That is the evidence given before the 1922 Commission by Mr. Goudie, who was surveyor at Rotorua, and Captain Ellis was one of the Commissioners. Mr. Goudie says that the indigenous forests under the control of the State Forest Service which were tributary to the Rotorua-Waiotapu are of a total area of 161,769 acres; other forest areas are the native and privately owned, 34,064 acres; the total estimated stands of timber in all these indigenous forests is close on 4,000 million feet: what do you say about that?—Within reach of the railway?

148. The exact words used are "tributary to the railway"?—I should say that there again the quantities are slightly overestimated.

149. Slightly?—Yes.

150. Has the Department changed its estimates substantially?—Yes, there has been fairly intensive reconnaissance carried on since 1926.

151. You have no more up-to-date information?—No.

152. Tell us about the Tumanui bush: is it in the Rotomahana-Parekarangi Block?—No. It was considered to be so close to Rotorua that it was not included.

153. It is right on the line of the railway?—Yes; it is only eleven miles from Rotorua.

154. What is the area of the Paeroa bush?—It is also in the Rotomahana Block. I am sorry that the area is not given on the map.

155. The area is 10,000 acres. Do you think that 10,000 ft. to the acre is an unreasonable estimate?—Yes, for that class of bush. There are included large areas that do not carry any millable timber.

156. Do you say there is one tree in 4 acres?—Distributed over the area. You could pick thousands of acres where there is not one tree to the acre.

157. You know that there was a mill?—Yes.

158. Do you know why it stopped work?—Yes, the cartage was too severe.

159. Do you know that millers estimate that there are 110 million feet in the Paeroa bush?—I would not be surprised to learn that that was the estimate, but I would be surprised to learn that the timber was there.

160. The Tauri-Tutukau bush is Rayner's timber?—Yes.

161. What is the estimate of the timber there?—It is 112 million feet.

162. Do you know that your Department put a valuation of £25 per acre on the timber royalties in that area?—I do not know. How long ago was it?

163. Quite recently; and it refused to let it through at less than £25 an acre. In that area immediately adjacent to the Tauri-Tutukau bush there are 580 million feet, according to the evidence being given: why should not that come out the same way as the Tauri-Tutukau timber?—The Tauri-Tutukau timber would have a more ready access to the proposed railway-line. The Manuia-Kerahena is more accessible to the Taupo Totara Co.'s line.

164. Are you aware that the land has been surveyed from Waikare Valley to this area?—Yes.

165. You recognize that the cost of moving the timber is a very serious consideration?—Yes.

166. Have you given any attention to what it would cost to get that timber out by the Taupo Totara Co.'s line as compared with the cost if it were taken out on a Government railway?—No, but the difference would certainly be great, taking the price at present charged by the Taupo Totara Co.