

While the land is easily worked, it must be thoroughly worked: scratching it only gets you into trouble. Pastures sown down before the land contains sufficient humus is largely the cause of cattle-sicknesses peculiar to all pumice lands. By good farming, by the use of right manures, and by proper attention to the stock, these troubles eventually disappear. At Matarawa no attempt was made to sow a block down in permanent grass unless it had been ploughed at least three times, and some of it has been turned over five times. The result is there are pastures at Matarawa equal to any in the North Island, but they have cost from £10 to £12 per acre—£6 per acre going in manures, £2 in seeds, and £4 on labour. The revenue derived from the stock grazed goes to pay interest, rates and taxes, the depreciation and repair of plant, and incidental expenses. Tokoroa country is, as it were, on the border-line. Development value and the productive value are just about equal. With the land a grade or so better, all else being equal, the productive value would be higher than the development value, and there would be a margin to work on. On poorer country it would be the other way round, and the development cost would need to be written down to allow a settler a chance to make a living from it. The following details as to cost per acre may be of interest: Roading and surveying, £1; fencing and shelter, £2 10s.; water reticulation, £2; clearing, 10s.; manures, £6; seeds, £2; labour, £4; buildings, £5: total cost of fully developed farm, £23 per acre. The amount spent by settlers in further improvements runs from £2 to £3 per acre, making approximately £25 as the cost of the finished farm.

4. Would you like to amplify that statement?—I shall be pleased to answer any questions.

5. *Mr. Kyle.*] Did your company do any development work before the settlers went on?—We did it all. We never put a man on an undeveloped farm at all. We developed the land up to £23 per acre before we put the settlers on.

6. From then onwards they have been able to pay their interest?—Yes: they are paying their interest, and maintaining their farms as we require them to do.

7. They are in a comfortable, happy condition?—Yes.

8. Do you think that the Government could carry on the development of this country in the same way as your company has done?—I do not think so. I think that private enterprise is the means to adopt to get this country into thorough working-order. At the same time, from my experience, I am quite satisfied that there is nothing in it for a private company or for an individual who takes it on.

9. The income and expenditure practically balance?—Yes. Even in our class of country, which I consider is first-class pumice land, that is the position.

10. As the Government is out to develop undeveloped country, do you know of any other portion of New Zealand that offers a better proposition for developmental purposes than this?—To be quite candid, with the exception of the very best part—the picked spots of the pumice country—I consider there is plenty of country right throughout the Dominion which should be settled before this is tackled.

11. That is, undeveloped land?—No, I say developed land.

12. But we are speaking at the present time of undeveloped land. Do you know a better or a more suitable area in the Dominion for development?—No, I do not know of another block. In the North Island, which is the Island I know the better, I cannot see anything left that is worth while.

13. Worth while?—I mean from an economic point of view.

14. How many thousands or millions of acres do you reckon are in this undeveloped area?—There may be 1,500,000 or perhaps 2,000,000 acres. It reaches from Putaruru right through to Taupo, to Runanga, and on the other side from Waioru to Rotorua, and right through to the Urewera. It is a tremendous area of country.

15. You have settled twenty-five settlers on 3,500 acres of land?—Yes.

16. You would not recommend this as suitable land for the Government to take up for developmental purposes?—The position is that there would be an economic loss. I do not say that it is impossible—it can be done; but from an economic point of view, with present conditions ruling, I do not think it is possible.

17. You would not think it is the right place to put the settlers, even if they could eke out an existence as your people are doing—paying their way and living contentedly?—If you could get it to the pitch we have reached on our property, and carrying permanent grass in the same way, it is a good proposition.

18. For the Government to develop the land and then hand it over to the settlers?—If it could be done economically, but I do not think it can be done economically. From my experience I would say that it is not possible. I do not think that the bulk of the country is good enough. Ours is a picked spot; we have a pretty good block there.

19. Your company would not care to go on with further development?—No, we would not. We would not care to go on with country any worse, or even equal to what we have got.

20. Do you know Mr. Vaile's country?—No. I have passed it, and have a pretty good idea of all that country, having driven through it, but I have not dug into it.

21. Having seen it casually, how would it compare with the 3,500 acres that you have developed in your own territory?—I do not think there is any country in the Rotorua-Taupo area, with perhaps the exception of a small piece round Reporoa, and perhaps a piece of Mr. Vaile's picked property, that is anything as good as our country. I think it is inferior country, and very much of it is hopeless.

22. To solve the unemployment question, would you think it feasible for the Government to spend up to £5,000,000 in that area?—I do not think that £5,000,000 would be much good. Perhaps a very big development scheme could be spread over a big period of years. The railway would be necessary to develop the land. The development of the land is bound up in the railway, which is incidentally part of the whole development scheme. The Government should own every available ploughable bit of country before beginning with the railway.