

23. Your settlement has a railway, has it not?—We have the private Taupo Totara Co.'s line twelve miles away.

24. If the Government determine to develop this country, do you consider that the first essential is a railway for developmental purposes?—Yes. I consider that you cannot develop it without a railway. The two things are bound up together. The railway is not the biggest part of the job. I consider that the great question is putting water on every 150-acre farm, and that would cost considerably more than the railway.

25. How do you get your own water-supply?—We have two streams, and there is ample means of supplying the land. There is water on every 10 acres of the land, supplied by miles of pipes.

26. At what depth do you get water?—It comes from the two creeks I have spoken of. We have put up rams and pumps on the streams, and reticulated the water to every farm. It is on every 10 acres.

27. You have what you could call a group settlement?—It is a group settlement.

28. And it would be feasible to carry out group settlement on a larger scale?—Yes, provided, of course, that the work was directed by a practical man to every settlement. You want to have it under the supervision of practical farmers. Our settlers are all under our supervision.

29. Do you know the Reporoa country?—I have driven through it once or twice, out of curiosity.

30. What opinion have you formed in regard to it?—I think Reporoa is absolutely a piece of country starved for want of more capital. I think it will come out all right, but it has got to have capital—wants to have considerably more money spent on it. Half-development of that kind of country gets you nowhere. You must develop it.

31. You consider that it has not had sufficient money spent on it to bring it into high productivity?—The money has not been spent judiciously. It wants considerably more capital to bring it up to concert pitch.

32. Comparing it as a Government enterprise with yours as a private enterprise, which would you say is the better?—Ours is, absolutely.

33. You reckon that you have better supervision?—I think the supervision has been at the bottom of our success to a great extent—that, and judicious expenditure.

34. Therefore you think that with supervision Reporoa might be made by having better officers?—Perhaps it would. Reporoa gives you the impression that it is a hungry sort of place, wanting a lot of capital to put it right. A lot of it seems at sixes and sevens, for want of capital.

35. Are the men there experienced farmers?—I do not know.

36. And as to most of yours?—They are practical men. We are quite prepared to put a practical man there if he has only enough money to furnish a house.

37. You consider the human element?—In the pumice country the human element is everything. The land will do nothing for itself.

38. A man without the pioneering spirit would do no good?—You have to be a pioneer. You have to work twenty-four hours a day for 365 days a year.

39. *Mr. Semple.*] You said that the only way to develop the pumice country is by private enterprise?—By private enterprise you get the jobs done, in our opinion, more thoroughly, and get more practical work, and at less expense, and I think more economically.

40. Of course you know that we have a chronic unemployed problem in New Zealand?—Yes.

41. And you know the Government is after some practical solution of the difficulty, otherwise it becomes a charge on the nation?—I understand that.

42. And we are trying to find out what channels we can create in order that these men can be profitably employed from the point of view of the nation, so that they shall return something to the nation in exchange for any assistance it gives them. Is not that a fair proposition?—Quite a fair thing.

43. Do you mean to say that it would not pay the Government to set aside a certain area of this pumice country—the best of it—and set to work on it with groups of unemployed—not men of any ordinary type, but a selected type—to do the work? It requires physically fit men to stand up to it, does it not?—That is so.

44. It would be a question of classification, would it not?—Yes.

45. Suppose that we selected out of the unemployed men of a likely type, and the Government put them to work, and paid them a certain wage under close and proper supervision by men experienced of pumice land—not departmental officials, but men who would take their coats off and work: under the supervision of such men do you think the Government could successfully settle some men on that land?—I do. I think the ideal way would be this: if the block were wholly undeveloped, that undeveloped block should be roaded and surveyed, and if you got likely men, each man should get his section—something that would eventually be his own, where he would get something more than just wages ultimately. I think that if a man got a chance on those sections, and he were paid so-much a month for a period of, say, five years, or however long the work took, and the cost of his work were debited to the land, and all necessary finance were found for him, such as the cost of manures, fencing, and seed, and that were also debited against the land, while the revenue taken from it would be put to the credit of the land, eventually you would get to the stage when perhaps the man could pay interest or rent. The revenue coming out of the land would perhaps be sufficient to pay the rent, on half the development cost up to that time. Then perhaps the land would need to be leased on long leases, with a rental at the increased value, which in time would give the Government back its money. If you spend five millions, and the men go in at, say, one million, we lose four millions.

46. The idea is to pay the money back to the State in time?—If the thing is spread over a long period of years it would come back, but every group section of from twenty to fifty farmers would want to be under personal supervision of a thoroughly practical farmer.

47. Do you not think it would be a good idea to do the work as team-work for a start—say that a dozen men were put to work one section, and put it right? You have been to the prison farm?—Yes.