

consider that the Government would be warranted in resuming the construction of the railway just stopped, to serve this particular area between Rotorua and Taupo? What we want to get at, after all, is whether in your opinion the Government ought to carry on that railway?—No, not at present.

127. Secondly, do you consider it would be wise for the Government, before entering upon a comprehensive scheme of closer settlement in this particular area, to have exhaustive experiments made on a limited area? That is to say, should the Government take a piece of good land, and develop it something on the lines suggested by Mr. Semple, those of group settlement—this to be done before going into a comprehensive scheme, so as to find out the capabilities of the land?—I do not think there is any experiment necessary. I have had enough experience of the thing to know. No experiment is necessary.

128. Is it economically sound to cut the land up and put men on it?—No, it is not economically sound.

129. As to the area of country similar to that of your company, would it or would it not be served by a Rotorua-Taupo railway?—No.

130. Do you consider it essential that the land from Rotorua to Taupo must have years of use to bring it in?—Absolutely.

131. Apart altogether from railways or anything else, time is essential?—Time is the biggest factor of the lot, and the poorer the land the longer it takes.

132. Where transport is necessary there are alternative methods—heavy railways, light railways, lighter lines still, and good roads. Could not some other form serve the purpose of transport to this area efficiently?—A second-class railway, I think, would answer the purpose—something after the style of the Taupo Totara Timber Co.'s line.

133. Have you had experience in roadmaking on the pumice lands?—We made our own roads.

134. Is it a fact that a road is easily formed, and that it stands up well?—It is easily made and easily kept.

135. You can cheaply get good transport roads?—Yes.

136. Would not a good road serve for years to give what is required for the area between Rotorua and Taupo?—Yes, unless a very big scheme of settlement is undertaken a road would carry all the traffic necessary for years.

137. For a big scheme such as you contemplate, how many millions of money would be required?—I should say, anything between fifteen and twenty millions.

138. Do you know Karioi and Waiouru?—Yes.

139. Are not they pumice-land areas?—Yes.

140. How do they compare with Reporoa?—They are better country.

141. Is there any close settlement there?—Practically none.

142. Is there a railway there?—They are close to the North Island Main Trunk Railway.

143. I want to put this to you as a practical man: Here you have better pumice land, with a railway running right through it, and even roads built through it, and yet it is not developed. Do you consider, in view of those important facts, that a railway would of itself develop the lands of Rotorua-Taupo, seeing that one has not done it at Waiouru and Karioi?—The proof that the railway there has not done it is proof that the country to be developed is not economically developed by a railway.

144. Have the settlers under your company made many applications to the State Advances Office for loans?—Yes—some twice, and others three times.

145. Have they been at all successful?—No; we had no loans granted.

146. Did not the State Advances Office have special valuations made with a view to the applications?—Valuers have been to the district. I do not know how long they were there, or what they did. They never attempted to find out anything about the producing-value of the land.

147. Would it be safe to assume that the Government valuations were too low for the amounts asked?—That is what I take to be the case. In spite of the fact that the county rates have been increased by 300 per cent. we cannot borrow money on the land.

148. *Mr. Vaile.*] Are you the Mr. Campbell who wrote a letter to the *Dominion* newspaper attacking this railway?—Yes; but I did not attack the railway. I wrote the letter, but it was the country that I attacked.

149. You displayed in that letter a great animus against the country?—I do not think so.

150. You said there was no soil?—There is not, either. There is nothing on top there.

151. Was not the business of your company to develop its land and sell it?—We took up the land with the one object of developing and getting rid of it.

152. So your object is to sell that land?—We have not got anything out of it. We will never get anything out of it till we have sold the whole of the land.

153. What did you pay for the land?—Various prices: £3 an acre for some of it, and £5 for some.

154. And £7 for some?—No.

155. That is included in the £23?—No; that is the development cost pure and simple.

156. I was at Putaruru for the week-end, buying a horse. I asked the settler with whom I was dealing, "Why are you so bitter against our railway?" and he said, "If all that land comes on to the market we cannot sell ours." Is that your view?—No.

157. What is the elevation of Waiouru?—It runs up to about 3,000 ft. I would sooner farm at Waiouru at 3,000 ft. than on the Rotorua-Taupo land at sea-level.

158. Have you ever been on my land?—No. As I have said, I have just passed it.

159. How near to it have you been?—Only on the road; but it has been pointed out to me.

160. Three or four miles away?—That is so.

161. Are you a good enough judge of land to form an opinion from that distance?—At three or four miles off I could see it well.