

18. As regards the water-supply, I think it is admitted that on the large holdings water is not a difficult question?—Yes. What I rather wanted to indicate was that a 10,000-acre block might be well watered, but quite inadequately watered if you are considering 200-acre holdings in that block.

19. Have you any idea whether water can be obtained by bores?—I do not know.

20. Would you recommend that the Government should start pioneering in that direction?—Absolutely.

21. You heard Mr. Galvin's evidence?—Yes.

22. Would you consider him an experienced officer, able to give evidence such as he gave as regards the agricultural development of the area?—I should say so. If he has kept his eyes open he has had very great opportunities of learning a great deal about the pumice country which he operates over. Particularly, he has very close association with the field officers, and with the settlers concerned.

23. You know Ruakura?—Yes.

24. Taking it in its undeveloped state, what comparison would you make from the prospects you see at Ruakura to-day with the prospects that would accrue with the same development and expense in the pumice territory?—I have no idea at all, because right through the period of development at Ruakura any settler could earn a living off the place from the very start. Speaking in a general way, I would say that the potentialities of building up the pumice country are huge, but whether those potentialities are economic or not time alone will tell. It has great advantages. There are the facts that it is easy to work, that access roads are easy, that it is highly responsive to phosphate manures, that you can get a good clover crop on it to help to build up the land originally—all very great advantages; but against them are certain disadvantages in building up the soil to a high state of production, and unless you can build that up to the maximum, as it were, you are not going to get economic returns.

25. Do you know Mr. Campbell's country?—I have been over it.

26. He says he has 4 in. of black soil. Does it compare favourably with the pumice country?—There are, you know, two schools of thought—one that considers the Tokoroa pumice country, which has a good deal of clay through it, as being far superior to what are termed the pure pumice country of the interior; while there are men, and men who have been farming in the interior pumice country, who will say that it has more potentiality in it than ground like that of Tokoroa.

27. That has not been finalized?—So far as what may be termed pure pumice country, eliminating Hautu from that, there has not been very much actual definite settlement so far on country in which the whole holding is of a pure pumice type. In the majority of instances of the holdings that have been taken up there has been an idea in the owners' minds that certain portions of the ground, at any rate, are quite good. We have the original Reporoa one. When Stead and Watt took Reporoa they were certain that the swamp area was well worth while. They got large areas—a lot of pumice country—which they did not make any serious endeavour to break in.

28. You have said that the nation will have to pay the cost of the economic breaking-in of this land?—The presence of inferior country in New Zealand which has potentialities of development, but a large liability, has to be recognized. That liability the nation will finally have to face.

29. If the Government is out to spend £5,000,000 on undeveloped country, is this area suitable for the expenditure?—So far as the undeveloped country in New Zealand is concerned, the pumice country and the gum lands of the north represent, so far as I am aware, the two largest regions of undeveloped country. When one speaks about waste lands, one's ideas naturally gravitate to either the one or the other.

30. Which would respond the more quickly?—They would both be slow. The gum-land country has the advantage of having very considerable areas close to the largest centre of population in the Dominion.

THURSDAY, 3RD OCTOBER, 1929. (No. 15.)

ALFRED HYDE COCKAYNE, further examined.

1. *Mr. Semple.*] You said yesterday in evidence that the progress on the pumice lands was very slow: is that due to insufficient capital or is there some other reason?—What I say will represent entirely my own opinions. The first reason I shall adduce for the slowness of settlement is the comparatively poor result that has been secured by the pioneer settlers of the area. I think the second reason is due to the very prevalent idea of people, when viewing it for settlement purposes, that it will require a very large amount of expenditure before a moderate livelihood can be made off it. A good many such settlers consider that it would produce a means of livelihood at the finish, but that it would be more advantageous for them to invest whatever capital they may have in land which, in their opinion, offers a more immediate return than does the pumice country.

2. Then the slow progress is not due to the possibilities of the land, but is due to settlers with a limited amount of capital?—Let me put it this way: The potentialities of the better classes of the pumice land are high, but these potentialities will never be developed except by actual expenditure upon them. The mere granting of access, the mere cheapening of materials for breaking in the country, will not alter the fact that the land itself is really no asset at all. It merely represents an area of ground on which, if you expend very considerable sums of money, and keep on spending them, you will probably, at the finish, get an interest on the whole of the expenditure. But the capital necessary being high naturally deters any one with a large amount of capital from going on that land, because men with large amounts of capital can go on land of a more attractive nature; and, on the other