

249. Where does the greater area of native timber served by the Rotorua-Taupo line lie?—So far as I know, there is none on the east side.

250. For the transport of timber from the bushes at Maroa, Kirikono, and Tauri-Tutukau it would be necessary to construct an expensive railway to the proposed Rotorua-Taupo line. The timber from those areas cannot be served by the proposed railway from Rotorua to Taupo without the construction of an additional expensive railway?—That is so. On the surface of things it would cost as much as our line, £120,000.

251. And then the freight would have probably three times the distance to go round to the Rotorua-Taupo as the distance by the Taupo Totara Timber Co.'s line?—It depends upon where you are going to touch the Rotorua-Taupo line. There would be seventy-five miles as against fifty miles.

252. *The Chairman.*] There is something that you desire to say?—Yes. I may be able to clear up some misapprehensions. It has been suggested that I have not given definite answers. I have told you that we are putting before the Prime Minister a proposal that the whole matter should be gone into without prejudice. I want to go into that Conference without any committal at all, and to be prepared to listen to any proposals that may be put forward as to the best means of providing transport in this country. I do not therefore want to put forward my opinion as to what is the best course to adopt. I say that we should get together, and have the experience of the officers of the Government Departments and those interested in the district, and let us thresh the matter out round the table, and adjust our particular views to one acceptable to the Government. As a matter of fact, the late Mr. Massey was very helpful to us. I do not want the impression to be created that his Government blocked the line. He went through the district, and he assured the settlers that they could rely upon our line being a permanent line. He then set up the Royal Commission to go into the question of how it could be brought about. It was not his fault that the Commission got astray on the Rotorua-Taupo line. He refused to allow the Commission to have anything to do with it. What happened in 1912 then was that a new Government came in, and the new policy of the country blocked us for the time being. It took some years after that to get going again.

253. You told us that you had some communication with the Prime Minister, and that he expressed some general opinion. Did that opinion relate to the Taupo-Rotorua line, or to some proposal of yours?—To our proposal. Our proposal was not in reference to any special scheme in the pumice country. It was merely that he should get one of his officers to collect and co-ordinate the evidence; and he said he thought it was a businesslike thing to do.

254. Had it any reference to the Taupo Totara line?—It had no reference to any particular scheme.

255. How many Royal Commissions have sat in connection with the Rotorua-Taupo Railway?—Only one, in 1922.

256. What was the purpose of the Commission of 1921?—It had to deal solely with our district, and had nothing to do with Rotorua-Taupo.

257. Did the Commission of 1922, unanimously or otherwise, recommend the construction of the Rotorua-Taupo Railway?—No. You have its report.

258. How do you read it?—It does not say that. On the contrary, it says there is no justification for it at present.

259. What could Tauri-Tutukau have been purchased for?—I understand that your company advised the Government to take over the Native land about there?—It seemed that my advice was a little late. About the time I wrote Dr. Rayner had purchased the Native land, so that the Government had no prospect then of buying it. I saw Sir Francis Bell, and he said they did not want to purchase that land. Even if they had it was too late, as Dr. Rayner had purchased it.

260. Suppose you had not been too late, what could it have been purchased for?—All I know is that the Government valuation for the purpose of the sale was £5,000.

261. What is the area?—Five thousand acres.

262. Is it within your knowledge whether the State has cut any bush at all from Tauri-Tutukau?—No. As far as I know, it is still all there.

263. I understood you to say that it was contemplated that a line should be put through there, from your line to Tauri-Tutukau and across to the other line. Who contemplated doing it?—I told you that I had been before Mr. Sterling, and asked him to have the question settled. The head of the sawmilling department came in and told him that that was where they proposed to take it out to the Rotorua-Taupo line.

264. I understand you to say that you are not opposing the Rotorua-Taupo line, and that you did not give any opinion about it at all; but I also understood you to say that in your opinion a light line of railway would serve all that is necessary at present?—Yes, that is our experience.

265. A similar railway to your own?—Yes.

266. *Mr. Vaile.*] With regard to the usefulness of your railway: you say you have never refused to carry other people's timber?—I have told the owners that we are not carrying timber until we come to an arrangement as to the rolling-stock.

267. That is to say, you refused to carry it?—No, it is not.

268. Do you know Mr. Sydney Palmer?—Yes.

269. Have you refused to carry timber for him?—That is a long time ago. I will explain the circumstances.

270. I want to know whether you refused or did not refuse?—That means that you do not want to know the facts.

271. Here is a transcript of the evidence before the Royal Commission of 1922—Mr. Sydney Robert Palmer's evidence. On page 253 it says, "I think we are only six miles from the Taupo Totara Timber