

hotel out of four in the Taupo area. This railway will link up in one continuous run Rotorua, Waiotapu, Rotokawa, Aratiatia, Huka Falls, Wairakei, the lake, Tokaanu, the mountains, and the Wanganui River—I submit, one of the most remarkable, if not the most remarkable, natural series of scenery in the whole world. If you wish to attract overseas tourists to this country you must not simply concentrate everything on one spot like Rotorua. A man after travelling thousands of miles wants to see more than one place. Beyond these sources of revenue from the railway I have mentioned there are other extraordinary sources, such as sulphur and oil; and there was one other aspect mentioned by my enthusiastic friend Mr. Eustace Lane—the possibilities of Taupo as a military centre. There he was voicing not his own but General Sir Andrew Russell's views; and when Lord Kitchener came to New Zealand he advised the authorities not to place their military establishments at Wellington, Auckland, and such places, but he recommended Waimarino, in the centre of the country. Another great advantage is that this railway taps the great lake with its 100 miles deep-water frontage. Now, there have been a great many attempts before this Committee to fog the issue, by the suggestion of other lines for the railway. It has been suggested that this country might be developed by the Taupo Totara Timber Co.'s line, by the Tongariro line, by a railway down the Rangitaiki Valley, and by other fancy routes. I have no quarrel with the Taupo Totara Timber Co., except that their freights are so high as to be useless and that they refuse to carry the goods of other concerns. They charge freights which are more than double the Government freights. If I were to go to a carrier and say, "What is your price?" and he threatened to charge me double the ordinary rate, adding that he had not got the proper rolling-stock and I must provide it myself, I should recommend that man to a climate where summer frosts, of which we have heard so much, would not trouble him. The Commission of 1921 reported that it would cost £1,000,000 to bring this line up to the standard of a Government secondary railway and extend it to Taupo. Then, we have the Tongariro Timber Co. I want to point out to you that this concern, although it has been in existence for twenty years, has done not a tap to develop its resources. This railway is completely in the air, like the coffin of the late Mr. Mohammed, which a member of this Committee has mentioned more than once. It is not there, nor is there any prospect of its being there; and if it were there they are not bound to carry anybody else's timber. There is nothing to bind them to carry any other timber but their own. Then, there is the railway down the Rangitaiki Valley: well, there is no present prospect of it; and in future, when that railway is required to carry timber, the quantities offering will be so immense that it will be required as well as the Rotorua-Taupo Railway. Then, there were various fancy routes, such as that suggested by Mr. Knutzen. He mentioned that as being Mr. Holmes's route. But that is not correct; Mr. Holmes was instructed to report upon four different routes for connecting Rotorua with Taupo, and this is his summing-up: "From the above remarks it would appear that whether the question be viewed from the standpoint of cheapness of construction, suitability of the line when constructed, future working-expenses, probable traffic (and therefore revenue), or from the point of view of satisfaction to the travelling public and the greatest good for the greatest number, the route from Rotorua via Waiotapu is unquestionably the one to be adopted."

8. *Mr. Semple.*] How does that compare with Mr. Knutzen's route?—Mr. Knutzen would follow the same route to Reporoa, but he would there cut across the hills towards the Main Trunk line. Mr. Holmes recommended the route to follow the red line. Of course, this is a matter for engineers. I do not care a fig where this railway goes, as long as it is built. Now, the suggestion has been made that a light railway will serve the area. We do not mind a bit—the petitioners do not care a bit whether it is a light railway or a heavy railway, or any other kind of railway, as long as it carries our manures and takes away our stock at the same price that other people similarly situated are paying for similar services. So that if this Committee finds that a light railway is sufficient, we are quite pleased. Then, again, the question is raised that a road will serve the district as well as a railway. I have pointed out—and the evidence cannot be challenged—that the average freight per ton per mile on the New Zealand railways is 2·41d., and upon the road it is 1s., a ton. Now, we want our freight to be carried at that 2½d., and we do not want to pay 1s. That is the essence of our contention. Last year the railways carried 7,367,000 tons of goods, while the lorries carried 85,000 tons; so that the traffic on the railways was ninety times the traffic on the roads. The railways carried 586,000 tons of manure, and the lorries carried 7,500 tons; the railways carried all the heavy necessary traffic which we require for the development of the district, and the road is practically useless for that purpose. We want the benefit—if the country is to be developed we must have the benefit—of the long-distance through freights on the railway. The Public Works Department has failed to produce their estimate of the cost of this road, so that we have nothing to rely upon, except the estimate of Mr. Dyson, the late Public Works Engineer in that district. He estimated that the cost of the road would be as much as or more than that of the railway, and that for a road only 12 ft. wide. Well, if the railway can be provided as cheaply as the road, surely the former is the better proposition, since the ratio of road freight to railway freight is as five to one—1s. per ton as against 2·41d. Now, there is one practical test which one would apply if he were in business: it is that a railway into a country will greatly increase values. It has been said that it will raise values from 2s. 6d. to £2. I think that is extravagant, but it certainly increases the value of land, and that is because it gives added facilities. Another thing that has been brought to your notice is the effect of road traffic: all our supplies of benzine, oils, tires, motors, even the bitumen of which the road is made, are bought abroad, and from a country which will take nothing from us in return—one of the main causes of unemployment. If we could supply the United States with £5,000,000 worth of butter there would be employment for a great number of people, but they will not take it. Now, in regard to the construction of this railway, it is said, "Oh, put it off," or "It will be time enough in ten or fifteen years." "Why," I say, "why not have this benefit at once?" You are asked to put off the construction of this line till a more convenient season, but "Now is the accepted time." It has been shown to you—and it needs no demonstration—that if this railway is not constructed now, so as to permit of agricultural development, the whole of that area will be under trees or under weeds. This railway has been assailed from time to time with a bitterness and hostility such as would be incredible if it had not actually occurred. No other railway has been subjected to the same amount of inquiry. There is a great prejudice against