

I think the Railway Commissioners would be the proper persons to give an opinion on that point. I do not know enough about the country to offer an opinion. Possibly by combining the knowledge I have got of railway matters with the knowledge Mr. Smith has got of the land we might between us be able to come to some conclusion. I myself do not know enough about the country to give an estimate of what the traffic would be.

159. *The Chairman.*] I see in this paper, 198-D., 1889, the value of the land upon which the railway runs is given as £4,074, but that includes three acres in Dargaville, valued at £3,700?—It is valued at £1,000 an acre, but I think it is over-valued. These are the only estimates we have got. They were made up by Mr. Williams for the company.

159A. The £270 covers the “not known” items?—Yes.

S. PERCY SMITH, Surveyor-General, examined.

160. *The Chairman.*] You valued this land on behalf of the Government?—Yes; on behalf of the Government originally.]

161. What price was it valued at for the company? It is stated that the area of land handed over to the company was 14,301 acres: what was that valued at?—It was valued at various sums. Part of the land which was withdrawn from sale for railway-endowment purposes was valued in blocks, and the blocks, parts of which were granted to the company, were valued thus: 15s., £1 7s. 6d., £1, and £2 an acre.

162. What was the total value?—The total value was about £14,000. I am speaking from memory now.

163. In Mr. Barstow's statement he says that the Government have been offering land of equal quality in the same neighbourhood at very much lower prices, and thereby prevented the company from realising on their endowments at the prices at which the Government valued them to the company?—Well, that statement is not quite correct. I think you have the plan of the land before you. Will you allow me to show you. This Block XII., of Tutamoe, was valued—a certain part of it at £1 an acre, and some portions at 7s. 6d. an acre. The lands which were withdrawn for endowment purposes are the lands immediately adjoining those which were sold by Government at 7s. 6d. an acre, and were valued to the company at the same price of 7s. 6d. an acre. One section was sold at 10s. an acre. A small block in the corner of the endowment was valued at £2 an acre, because it has a considerable amount of kauri upon it.

164. One complaint Mr. Barstow made especially was that a section had been sold at 10s. an acre, while the land on the adjoining block was valued to the company at £2 5s. an acre?—The difference in the price would be accounted for by the amount of kauri on the land.

165. You think, generally speaking, Government have been selling land—taking the kauri into consideration—at no lower price than the price at which the endowment was valued to the company?—I think not. The value of these blocks was arrived at in this way: the quality of the land varies very considerably; in some parts the land is open land, and in some parts it contains kauri. The presence of kauri, of course, makes the land very valuable; but, in arriving at the value, a mean value was taken for each block. Some parts were not worth perhaps more than 7s. an acre, while others were worth probably £2 per acre or more.

166. Mr. Barstow made another complaint, that, in sketching out the endowment land, the line was made lower down, thus cutting off a large quantity of kauri country; that instead of leaving out less valuable land, the kauri bush had been severed in half?—That is the case. My predecessor objected to the line suggested, because it left a large portion of the country without any frontage, to the disadvantage of the Government. The line was therefore altered several times, and, as finally settled, it necessitated the leaving-out of a large quantity of fine kauri.

167. *Dr. Neuman.*] In view of Government taking over the railway, can you tell us if there would be any chance of Government within twelve or eighteen months selling their lands—I mean the lands the produce of which would be drawn into and would benefit this railway?—Yes; but to a very small extent only, and for this reason the roads, necessary to precede settlement have not been commenced in the district. I refer to lands outside the endowment.

168. Are not people buying large areas of land there?—Not very large quantities. There are about thirty settlers who have taken up land there.

169. Could you sell one-half of the Crown lands?—No.

170. Could you sell one-quarter?—It must be remembered that there is a very large area of Crown land there—over 120,000 acres. No; I do not think you could sell one-quarter of the Crown lands there within any short period.

171. You are aware that one-third of the proceeds of the sales would be ready for road purposes at once; would that facilitate sale?—It would, by providing more means of settlement; but I apprehend even then you would not get one-quarter of the Crown lands there settled in two years.

172. How much Crown land altogether do you reckon would be drawn into this railway?—I do not think you would have more than 80,000 acres affected by the railway.

173. *The Chairman.*] Without roads?—Even with roads. I think the country which will eventually—say, in the course of ten years—be affected by the railway will not be more than 80,000 acres.

174. At present that country is tapped by the road to the Mongonui Block?—Yes, to a limited extent; it is a bridle-road.

175. If the railway is completed to the terminus would not there be easier access by the railway?—Yes.

176. The Commissioners say 90,000 acres, and Mr. Barstow 300,000 acres will be opened up by this railway?—I do not think the produce from more than 80,000 acres would come down that railway. There are two blocks—the Waoku plateau and the Mangakahia Blocks. The Mangakahia