95. My friend Mr. Gully says the timber was there before 1891, but I think the railway was not?—The railway was not.

96. Has the railway improved the value of the land for timber purposes?—Yes; the railway

has given access to it.

97. We are dealing with Block 80. Is there timber upon that block, on the hatched portion?— Yes; there is timber on that Block 80.

98. Of what kind?—Different kinds of timber; most of it birch.
99. That is not such a good class of bush as on Block 81?—No; there is a splendid bush in Block 80, where Livingston's shafts are marked, and where you see Spring Gully, Mud Gully, and

100. Is that silver-pine bush?—No; that is a red-pine bush.

101. Is the timber you have spoken about on the hatched portion of Block 80 marketable timber? Does it add to the value of the land in your opinion?—It is not a good bush.

102. In Block 77—the one above 81—what timber is there there?—Near Ngahere Railway-

station there is a very fair bush, on a terrace there, worked by Algie.

103. Silver-pine bush?—Yes; some of it; some of it red-pine bush—different classes. It is a bush I should estimate about 6,000ft. to the acre of different timbers.

104. How long has Algie been cutting there?—He has been cutting for a very long time.

105. You say it would run about 6,000ft. to the acre?—Yes.

- 106. And how much do you think has been cut out by Algie?—About 600 acres. 107. That would be about 3,500,000ft.?—Yes, somewhere about 3,500,000ft.
- 108. Is there any one else cutting timber on that block?—No, I do not know of any one else cutting timber on that block. On the block between Windham Creek and down towards Ngahere Station there are three or four tramways running in all directions to the station.

109. Is his mill near the station?—His mill is at the station.

110. In your opinion, what is the value per acre of that timber on Block 77, assuming that the timber was not cut—with the railway there, of course?—It would give you an idea of the value if you take 6;000ft. to the acre, and the royalty allowed on that.

111. I want you to give me an idea, not me to give you one.
112. Mr. Stringer: What is the royalty?—Threepence a hundred.
113. Mr. Cooper: That would be 15s. an acre for the timber alone?—Yes.

114. Have you formed any estimate as to the quantity of timber there is on Block 77—that portion, say, north of Kangaroo Creek?—In Sections 4 and 5, in the hatched portion of Block 77, south of Kangaroo Creek at the corner, there is another splendid bush. That is a splendid piece of land, with a splendid bush upon it.

115. What kind of bush?—A birch bush.

116. Could you give us any estimate of the value of it per acre? How many acres are there? —There might be about 100 acres of very good flat land and bush down at that corner. 117. That is birch bush, you say?—Yes.

118. What do you consider the value of that bush per acre under the present conditions, with the railway adjacent?—That would contain about 20,000ft. of saleable timber to the acre.

119. Hon. E. Blake.] What would your notion of royalty be?—About £2 10s. to the acre, at

3d. per hundred.

120. Is there any other timber on that portion, for instance, between Kangaroo Creek and Deadman's Creek?—Yes, that is timbered country, too.

121. What kind of timber?—The timber is not so good on that portion.

122. What class of timber is it?—Birch.

123. Is it marketable?—Yes; it is marketable. It is a mixed bush.
124. Could you suggest any value? You say it is not so good as the timber in that triangular piece?—I do not think that would be so valuable for timber purposes.

125. Between Dilman's Creek and Deadman's Creek, is there timber there?—Yes.

- 126. What kind?—The same as between Kangaroo and Deadman's, but it would not be so valuable as the other.
- 127. Do you know of any cutting going on between Deadman's and Kangaroo, and No Town and Deadman's ?—No.

128. Is there any cutting going on there?—No.

129. I understand the only timber-cutting that is going on, as far as you are aware, is on Blocks 77, 80, and 81—Algie, Mortenson's, and Sweed's ?—Yes.

130. Now, dealing with Block 79?—That is mixed West Coast bush, but I should not consider

it available for timber purposes; it is rather out of the way.

131. What kind of timber is there upon the hatched portions of Block 79?—The usual mixed West Coast bush. It is birch, and not very valuable.

132. Now, on 74, Mr. Fenton, what do you say about the bush upon that?—Hahn has a sawmill on Section 71, adjoining that. He gets his timber from the hatched portion between Callaghan's Creek and Ahaura.

133. What kind of timber ?—Birch and pine.134. How long has he been working there ?—I could not say.

135. Has he any trams running through that bush?—Yes, in different directions.

Mr. Gully here wished to raise an objection to the admission of this evidence on the ground that it was irrelevant. He contended that the particular subject-matter of the examination was the claim not for loss of land by the reservations, but a claim for loss of timber. Clause 18 of the contract showed that if the land was outside the reservations then the right of the company was not Whether the timber was on the land within or without the reservations, they had the right to select it; and how could it be said therefore that the reservations in any way infringed the company's right to the timber?