

the Westport Coal Company said that the terminal charges at Westport and Lyttelton would be about 9s. That has been reduced to about 4s. 6d., or half; so that it would cost 14s. 6d. a ton to bring the coal from Westport to Christchurch by rail.

108. Is it not true that you could get more coal through in railway-trucks?—Yes.

109. Without very much breaking?—Oh, yes. Some people get their coal from the ship's side—I do myself; but generally consumers get it from the dealers, which means a considerable loss.

110. Was it not shown that the land-carriage would deliver the coal in Canterbury generally cheaper if delivered in the railway-trucks instead of being sent by ship?—Yes.

111. If sent by the railway it would be delivered as one ton, whereas if it were sent round by ship it would be reduced to three-quarters of a ton?—Yes.

112. You estimate that the benefit of the completion of the railway would be a very great one, and that the loss of it is not to be computed by hundreds or even by thousands?—Yes. There is a considerable loss to Canterbury in the matter of timber since the Oxford Bush has been burnt down. Then, there is the dredging industry. It costs a Canterbury man £25 or £30 to go to the West Coast now, and if the railway were constructed all that extra expenditure would be saved. I think, considering all these circumstances, that to put the loss to the colony through the non-construction of this railway at £250,000 is moderate and fair.

113. The Railway League pressed the colony to expend three millions of money on the construction of this railway if they could not get a company to undertake it, and you now say that the loss to the colony through its non-construction is only a quarter of a million?—I have only gone into the question of the loss of settlement.

114. You put that as a minimum estimate—a bed-rock estimate?—Distinctly as a bed-rock estimate upon which a business man would argue before advancing the money.

*Mr. Bell:* I may say, with regard to Canterbury, that there are certain figures which I should like to place before the Committee. I do not think it is right to suggest that there has been any great loss of settlement there because the land most suitable for settlement has been selected by the Midland Railway Company, and it has been settled not closely, but in large blocks. I do not want to call evidence of the loss of settlement in Canterbury, although the Commissioners are of opinion that the Midland Railway Company have picked out the eyes of the country.

*The Chairman:* You might get a return of what proportion of the total reserve is situated on the east slopes of the land.

*Mr. Bell:* I am told that such low-lying land as has not been selected by the Midland Railway Company is required for pastoral purposes, so that it is not fair to suggest that there is a loss there.

*Mr. J. Allen:* What did the Government pay for the B1 land which they bought back from the company?

*Mr. Dalston:* I think it was £6,612 that they paid to get back Block 41.

*Mr. Bell:* It was an advance on the B1 value.

Mr. ARTHUR D'OYLY BAYFIELD in attendance, and examined on oath.

115. *Mr. Bell:* What are you?—I am a Land, Estate, and Business agent in Westport.

116. How long have you lived in Westport?—I have known the West Coast for thirty years, living there for twenty years, with an interval of ten years. At Westport, thirteen years.

117. You have been familiar with the history of the promotion of and the attempt to construct this railway?—Yes; I was the first secretary to the Nelson committee formed in 1885.

118. You were one of those who believed that it would be a benefit to the colony?—Undoubtedly.

119. Have you seen any reason to change that opinion?—None whatever.

120. You know the reserve that has been made, and have a certain knowledge of a part of the land in it?—Yes; particularly the northern part, and I have a distant knowledge of the southern part as far down as Ross.

121. Have you as an agent had requests made to you to obtain land there?—Yes.

122. Many?—I will not say many, because we discovered that the land was locked-up, and I advised inquirers that it was no use applying. I had forwarded applications to the Land Office, and in one or two cases to the company.

123. Are you aware that a number of persons on the Coast and elsewhere desired to settle there?—That is undoubted. I should like to say that the Commissioner of Crown Lands who gave evidence yesterday stated certain figures with regard to the applications; but had lands been open there would have been many more.

124. Have you been able to form an estimate of what the settlement would have been if the reserve had not been there, what improvements would have been made, and so forth?—I have made my own estimate.

125. And of the damage to the colony?—I have made what I consider is a fair estimate of the loss to the colony.

126. Will you state what you think is the loss to the colony?—Taking first the land question, I will deal with eleven blocks, of which I have most knowledge, and then draw my deduction from that as a basis. I find in the eleven blocks that there are 216,200 acres, the value of which is put down at 10s. an acre. I have formed the opinion that had the railway been completed, one-third of that land would have been turned to account. The line of thought I have taken on the matter is this: that it would be fair to assume, on a 5-per-cent. basis, that revenue would have accrued to the colony had the railway been pushed along and completed. On that basis, for that particular area, I made it a value of £35,000. I take that for ten years, five years before the contract time to finish and five years after. That would give an annual loss of £1,750 for that particular part. Of course, there is the area as a whole, and what is fair to assume for