

the Midland Railway contract had never been entered into. If the losses were computed on the assumption that the railway was completed according to contract in 1895, then the revenue from the Westland District would probably have been doubled, or been at least 50 per cent. more than that given above. That brings it up to about £500,000, which would have been circulated in the district, and has been absolutely lost. I think that is all I have to bring before the Committee.

19. You are dealing with the Westland District only?—Yes.

20. *Dr. Findlay.*] I will take your last statement first. You say that £500,000 which would have been circulated in the district has been absolutely lost?—Yes, absolutely lost. I mean to say the difference between the circulation of half a million of money and the circulation of nothing is very considerable in the district. That is what I mean.

21. You do not mean that the £500,000 has been lost?—No.

22. You mean the circulation of that money?—Yes.

23. You could not conjecture the loss to the colony?—No, not exactly; but I should put it down at £75,000 for the loss to Westland for fourteen years.

24. To what extent do you think the railway which has been constructed by the Midland Railway Company has contributed to the benefit of Westland?—No doubt it has done a great deal of good.

25. It means necessarily from your point of view that the construction of that portion of the line has done some good. Have you estimated what the gain is?—It is all on the other side, for the loss to Westland has been very much greater than the gain.

26. How much of the £75,000 might be made a counter-claim for the advantage of the constructed railway?—That probably could be got from gentlemen who have been there lately. I could not say.

27. I think in 1893 and 1894 about thirty thousand or forty thousand passengers were carried on that line?—I believe so.

28. You are not acquainted with the passenger traffic yourself?—No.

29. Then you cannot give me any idea of what gain Westland obtained from the construction of the railway, as far as it has gone?—No.

30. Would half of the £75,000 be right?—I cannot say. That is a question which would require to be sifted very carefully. I cannot give an opinion, but I am satisfied that the district which the railway has served has received great benefits from it in connection with the timber trade in the Grey Valley, and also in the passenger traffic to Reefton, but I would not know how to compute that. In fact, Westland is some fifteen or twenty miles away from it, so that it has never realised any benefit from the railway.

31. How much of the Midland Railway is in Westland County?—Not a mile. Oh, *Dr. Findlay*, a gentleman near me draws my attention to the fact that a part of the Midland Railway is in Westland County, from Jackson's to Poerua, but there would not be much traffic on that portion until the railway has been completed to Canterbury.

32. *The Chairman.*] I understand it is the Westland Land District you are talking about?—Yes.

33. *Dr. Findlay.*] Is there not some thirty miles of railway, from Stillwater to Jackson's, in Westland?—Yes, there is. It did not strike me that it was in Westland. I thought it was on the other side of the Arnold. This would assist greatly in the timber industry.

34. Could you estimate what would be the gain to the Westland District of having these thirty miles of railway in it?—No.

35. Another point: You suggested a very large loss, although not to the colony precisely, to the Westland District from the non-expenditure of money there in the timber business?—Yes.

36. You fairly admitted that the timber is there still?—Yes.

37. And there is prospect of money being spent on the business?—I have only calculated the loss of interest.

38. You spoke of a loss of £500,000 which would be circulated in the district?—Yes.

39. That might still be circulated?—Yes; but the help may come rather late.

40. Do you mean that it was only during the last few years that the circulation of money was wanted, and that the timber trade was in such want of help that it could not get on without that money?—I do not say that.

41. No doubt there would be a loss of interest between the two periods, but that is all?—Just so.

42. I want to remind you of sawmills between Stillwater and Jackson's. How many mills are there?—I cannot say. The last time I was there was in connection with the Midland Railway Company, in 1895.

43. I understand that eight have been opened, and that these are open in consequence of the railway being there. Is not that an advantage which the railway has conferred on Westland?—Oh, certainly.

44. Are you prepared to admit that some of them would not have been in operation if the railway was not there?—I am quite sure of that; but if the railway had been finished in 1895, what should we have had?

45. Where do you suggest the mills would be opened if the railway was completed: would mills be opened along the line?—No; it would not affect it in that way.

46. So the construction of the railway would not affect the opening of mills?—It helped them, but I am not sure of how much land has been taken up for timber purposes. For instance, on the east side of Lake Brunner there is a large extent of timber country which has never been touched.

47. Do you know that 10,000 acres of bush land were offered to the National Bank recently?—I do not know.