

62. It is more stock-grazing country?—Yes, far more for stock-raising than for dairying.

63. In your experience, can land suitable for stock-raising—either sheep or cattle—be occupied in small areas as arable land on which you can grow crops for dairying purposes? Land that is suitable alone for the grazing of stock cannot be occupied profitably in as small areas as land which is suitable for dairying purposes?—It cannot be occupied in such small areas.

64. *Mr. Myers.*] You are quite satisfied that, as far as growing root crops is concerned, that country has passed the experimental stage?—Decidedly. Of course, you have land of many varying descriptions there. On the greater part of it root crops can be grown.

65. But no cereals?—Cereals as a rule will not be produced there; neither is the North Island a cereal-producing country. As a matter of fact, I have bought oats myself as long ago as 1876 grown by the Maoris in that country.

66. Oats and barley can be grown in the North Island: it is more a question of harvesting, is it not?—No, it is more that it is a suitable country for grazing. It is more profitable for grazing than for cereals.

67. By fertilizing the land you think fruitgrowing can be carried on profitably?—Yes.

68. And maize?—I should think not. Maize requires very rich land. Maize in itself is a great consumer of plant-food.

69. An expert stated yesterday that it could grow maize?—As far as that goes, I have seen maize grown there very successfully, but that does not apply to any great extent of the country.

70. What would you think the average cost per acre would be to break in the land and fertilize it, having regard to the nature of the country you are acquainted with?—I suppose the farmer considers he has done very well when he gets rough land into use at £6 to £10 an acre.

71. Presuming that the company were allowed to purchase this land and break it in, would it not be more suitable for close settlement because labour is naturally required to keep it in a satisfactory condition?—Undoubtedly.

72. And you would consider, if subdivided, it should not be in less than or about 500 acres?—I think so.

73. *Mr. Dalziell.*] Apart from the quality of the soil, are the general conditions in this district suited to settlement?—Yes.

74. Would you say they are exceptionally favourable—the climate, for instance?—I should think the climate is the finest in New Zealand. Apart from its present isolation, it would be eminently suitable, so far as health conditions are concerned.

75. And the cultivation of the soil would be very cheap in the working of the land?—It is very light land, and easily worked.

76. It does not contain much clay, and is easily ploughed at any time and in any weather?—The greater part could be cultivated at any time.

W. D. S. MACDONALD, M.P., examined. (No. 10.)

*Witness:* In regard to this country, the great bulk of it is in the Bay of Plenty Electorate, and during the past three years I have been considerably interested in the country and have been through a large portion of it on three occasions—that is, from Taupo to Mokai, and from Taupo to Rotorua *via* Atiamuri, and from Rotorua to Taupo *via* Waiotapu.

1. *Mr. Fraser.*] Where is Mokai?—The end of the company's railway. On each occasion that I travelled through the country I was looking at it with the view of thinking out the best method of settlement—the general character of the land and its capabilities for settlement purposes—and I came to the conclusion that there were very large areas of land that could be profitably occupied for farming purposes—that is, principally sheep-farming. Of course, like all large areas of country in the North Island, there are patches of the land that I consider would be of no value at all from a productive point of view—that is, for grass or agriculture. It would be suitable for tree-planting and shelter. To my mind the greatest necessity for opening up and developing that country would be the means of transport—that is, for bringing manure and other materials required for farming, and also for transporting stock from the country to the nearest markets by rail. Of course, it is clear that the best means for doing that is by railway. From Putaruru to Mokai and on to Taupo, the company's line would pass through large areas of country that I consider could be profitably worked in reasonably-sized areas. My idea is that the areas of that class of country to be held by one person should be about 500 acres to 5,000 acres, because a great deal of the low-hill country cannot be cultivated, and will need to be crushed heavily with stock to bring it into grass. On my last visit to that part of the district I went over Mr. Vaile's and Mr. Butcher's properties at Strathmore, with a view to seeing what farming operations they were carrying out on the land. I found that on Mr. Vaile's property a considerable amount of work had been done in ploughing and growing root crops, and at the time of my visit there were several paddocks of turnips that seemed to be from fair to average crops—a crop that would run about six to eight sheep to the acre for several months. There are, of course, some considerable areas of swamp land throughout the portions of the district I visited. The main swamp I saw that seemed to me to be of the greatest value was near Waiotapu. That is already in occupation as freehold land. There are about 10,000 acres in that swamp. It is really what could be classed as first-class land when drained. There is a good fall down the Waiotapu River into the Waikato River. Shortly I might say, on viewing the country I was convinced that very large areas of it would be suitable for profitable occupation, providing there were means of transport to the land; and without railway communication it seems to be practically impossible to develop the country, because in growing root crops it would be used for fattening purposes for some years to come before stock could be successfully wintered on the land. Stock would have to be fattened on rape or turnip and trucked away to the nearest market. In my