

10. What area?—We have just got 7 acres down in oats. Then we have other paddocks, in which sometimes we put turnips and potatoes.

11. What is the total area in crop of yourselves and others?—We do not farm our property. Our main business is in connection with the tourist resort.

12. I mean in the locality generally?—No one attempts cropping much.

13. You mentioned fruit: what about fruit?—We have an orchard of about five hundred apple-trees, which grow magnificently. I am satisfied the country will grow fruit all right.

14. And fencing-material?—That is a big difficulty. When we want to fence off a portion of our land the cost of fencing is a big item alone in the first place, and then it comes to paying freight on fencing-wire from Auckland by the Government line and also on the company's line, and then we have to wagon it to the locality, so that it comes pretty heavy.

15. You have here on the map the totara forests dealt with by the Taupo Totara Company within twenty miles or more of Taupo?—I am not referring to the posts, but to the wire. We can get the posts from the bushes round about.

16. Do you realize how far 1 ton of wire would go in fencing? Do you realize that it is the posts that constitute the difficulty if you have long carriage to pay?—Yes, but it comes to this: We have all the ordinary expense a farmer in another district has in the way of getting posts, and then on top of that we have an extra freight on the wire and other material. We want also the manures. Then we have the extra freight to face on our goods in and our produce out again, when we have it.

17. This line is already built to Mokai?—Yes.

18. And helps you to get your materials and produce in?—Yes.

19. The line is fifty miles long?—Yes.

20. Do you know this country very well [map referred to]?—Generally, I do.

21. Is not this land within easy reach on both sides and in as good a position for settlement as the land would be supposing the remaining twenty miles of the line were completed?—I should think it would be.

22. Can you explain, then, why settlement is not progressing?—I think settlement is progressing. In the first place, the company has a large area in the neighbourhood of the line. Canterbury settlers are coming up and taking up the land. Mr. Rollitt is a Canterbury settler who has taken up a block.

23. From the company or from whom?—From the Selwyn Estate, I am informed. Then, another Canterbury settler, Mr. Hansen, has taken up land on the eastern side. If there was any certainty that the line was going to be permanently there it would do away with a good deal of hesitation; but it is no good people coming up thinking there is going to be a railway while in fifteen years or so the line may be taken up. We do not know that the company may be able to carry on their operations. We have no certainty that that line will continue to be open.

24. You do not seriously put it into the minds of intending settlers there that the line is likely to take unto itself wings?—I say this as being interested in property in that locality: that it is a matter of deep concern to us whether that line is going to remain there or not. It only taps the bush at present. The goods traffic is not sufficient to keep the line going, and if it were not for the timber I do not suppose it would run for a month as a business proposition, unless the owners were philanthropists.

25. Surely, if the land is able to do what is claimed for it, there is no possibility of the line being taken away when the timber is done?—The point is this: intending purchasers thinking of taking up land in that district would consider, as one of the first things before deciding the purchase, whether the line was permanent or not, and would not buy land in the locality if they knew the line might be taken up at any time.

26. It is claimed that this land is of such a productive character that if reasonable carriage facilities were given there is no chance of the line not paying. Well, then, assuming that all this land is taken up and the carriage is there, what chance would there be of the company taking up its line?—If I go and take up that land I may be confident that it is good, and be satisfied about the line even; but the trouble is to get other settlers to see it in the same light, and take up adjoining land, and I may be left in the lurch. That prevents us getting a start.

27. *Mr. MacDonald.*] There is settlement going on along the line from Putaruru?—Yes.

28. Undoubtedly, if the land were cut up into large areas, one difficulty would be the taking up of the railway?—Yes.

29. The possibilities are very great that the line would be abandoned, because it would provide for no settlement?—Yes, I think it is very probable. In fact, one settler who is up there now and is otherwise quite satisfied with his prospects considers that had he known that it was not a permanent line he never would have taken up his land; but he assumed that it was a permanent line.

30. *Mr. Laurensen.*] You said that if the line were completed you reckoned it would pay 7 per cent. on the cost of construction?—I think I said 75 per cent. of the Rotorua people's estimates could be taken off, and thus adopt less than 25 per cent. of their estimate of the increased traffic. The Rotorua people say that their line would bring in £25,000 a year. I said, "Cut that down by over three-fourths and make it £6,000 for increased traffic, and add that to the figures of the company, which are based on the present working." I add that to the company's present estimate, and that gives 7 per cent. on a capital of £180,000.

31. Mr. Buchanan asked you some questions: he asked you why settlement had not taken place, and you said it was because the settlers were not sure of the permanency of the present tramway-track?—That is one reason which keeps them away.

32. You think the company might take up the track?—Yes.

33. Your argument is that if the Government made the railway permanent that would cause