

1877.
NEW ZEALAND.

OTAGO MAIN CENTRAL RAILWAY COMMITTEE,
(REPORT OF THE, TOGETHER WITH MINUTES OF EVIDENCE.)

Presented 7th September, 1877, and ordered to be printed.

ORDERS OF REFERENCE.

Extracts from the Journals of the House of Representatives.

THURSDAY, THE 23RD DAY OF AUGUST, 1877.

Ordered, That a Select Committee, consisting of the Hon. Mr. Ormond, Mr. Pyke, Mr. De Lautour, Mr. Macandrew, Mr. Hislop, Mr. Fisher, Mr. Carrington, Mr. Bunuy, Mr. Larnach, and the Mover—three to be a quorum—be appointed to consider the necessity of constructing a main central railway through the Otago Provincial District to Clyde and Cromwell. The Committee to have power to call for persons and papers, and to report within ten days.—(*Mr. Stout.*)

THURSDAY, THE 30TH DAY OF AUGUST, 1877.

Ordered, That the name of the Hon. Mr. McLean be added to the Central Otago Railway Committee.—(*Mr. Macandrew.*)

FRIDAY, THE 31ST DAY OF AUGUST, 1877.

Ordered, That the time for bringing up the report of the Otago Main Central Railway Committee be extended for seven days.—(*Mr. Pyke.*)

TUESDAY, THE 4TH DAY OF SEPTEMBER, 1877.

Ordered, That the petition of 3,150 residents of the Provincial District of Otago be referred to the Otago Main Central Railway Committee.—(*Mr. Kelly.*)

REPORT.

THE Select Committee appointed to consider the necessity of constructing a Main Central Railway through the Otago Provincial District to Clyde and Cromwell have carefully inquired into the merits of the following proposed lines of railroad, with regard both to the cost of their construction and the advantages which they respectively offer for settlement and traffic:—

- Route No. 1.—Kingston to Cromwell *via* Frankton.
- Route No. 2.—Waipahi to Cromwell *via* Teviot.
- Route No. 3.—Lawrence to Cromwell *via* Clutha Valley.
- Route No. 4.—North Taieri to Cromwell *via* Strath Taieri.
- Route No. 5.—Palmerston to Cromwell *via* Macrae's.
- Route No. 6.—Palmerston to Cromwell *via* Sbag Valley.
- Route No. 7.—Oamaru to Cromwell *via* Maerewhenua Pass.

Route No. 1.—With regard to the first line, your Committee find that it would not open any country available for settlement, nor would it be suitable for the traffic of the interior.

Route No. 2 appears to be a desirable line so far as Tapanui, but, for reasons which appear in the remarks upon Route No. 3, your Committee cannot recommend that it be carried further.

Route No. 3.—The line from Lawrence to Cromwell would be the best if the question of communication only were under consideration, but it would pass through a rocky gorge for the greater part, and would open only a small area of Crown lands for occupancy and settlement.

Route No. 4.—The line *via* Strath Taieri commands the largest quantity of Crown lands available for settlement, presents the fewest engineering difficulties, passes entirely through Crown lands, and has the great advantage of being the nearest and most direct line from the interior to Dunedin. It has been shown in evidence that this line will directly open 1,200,000 acres of Crown lands, of which it has been variously estimated that from 400,000 to 500,000 acres are immediately adapted for agriculture. In addition it affords railway communication for 1,065,000 acres of land above Cromwell, which is the natural outlet for all the traffic of the basin of the Clutha River and the Hawea and Wanaka Lakes. This line possesses the further recommendation of having been selected by Mr. Blair, the District

Engineer, after a personal inspection of the several proposed routes, as the best in an engineering and economical point of view; and Mr. Blair's opinions are fully sustained by the evidence given before your Committee by the Surveyor-General, Mr. Thomson, the Assistant Surveyor-General, Mr. McKerrow, Mr. Roberts, merchant, of Dunedin, the Hon. the Minister of Lands, and the Hon. Sir Francis Dillon Bell. The highest summit level on this line would be 1,500 feet, and it is worthy of remark that, from Cromwell to the West Coast at Jackson's and Open Bay, the highest point to be surmounted is only 1,700 feet above the sea-level—namely, in the Haast Pass; and the continuation of this line to the West Coast is only a question of time. It has been stated in evidence that a public company could be formed in Dunedin to construct the Strath Taieri line, under Government supervision, provided a concession were made to them of 300,000 acres of land, being about one-fourth the area of the unsold land which would be tapped by the said railway.

Route No. 5 is condemned on all hands as impracticable.

Route No. 6, *via* Shag Valley, would have the advantage of giving immediate traffic returns, but the summit level at the highest point is 2,100 feet as against 1,500 feet on the Strath-Taieri line; and, although this line would, equally with Route No. 4, tap the Maniototo Plains and the interior, it would not open the same quantity of land for settlement. It seems, however, desirable that a branch line should be constructed from Palmerston to Waihemo, a distance of about fifteen miles.

Route No. 7.—This route would connect the interior with Oamaru; and, equally with the Shag Valley route, would tap the interior from the Maniototo Plains, but the nature of the country through which it would pass, and the altitude of the mountain ranges, 2,500 to 3,000 feet, which it would traverse, preclude it from favourable consideration at present.

Your Committee have therefore agreed to report—

That the route to Cromwell *via* Strath-Taieri is unquestionably that which opens up the largest area of unsold land available for pastoral and agricultural settlement.

That the respective County Councils of Taieri, Maniototo, and Vincent, failing the Colonial Government undertaking the work, are prepared to do so, on condition of a given area of land being placed at their disposal, and to hand over the line when completed to the Government.

That the Committee recommend the construction of this line to the favourable consideration of the Government; and, failing the Government undertaking its construction, it is absolutely necessary, in the interest of settlement, that the work should be forthwith proceeded with, either by the counties concerned or by a private company; and that, in either case, with a view to accelerate the progress of the work, and of diffusing employment throughout the district, the work of construction should be commenced at each end of the line, and at one or more points in the centre, simultaneously.

And your Committee further recommend,—

That a Bill should be introduced into Parliament during the present session, so as to give effect to their report without delay or loss of time, which, in the present condition of the labour market, would, in the opinion of your Committee, be injurious, if not disastrous, to the best interests of the country.

7th September, 1877.

VINCENT PYKE,
Chairman.

MINUTES OF PROCEEDINGS.

TUESDAY, 28TH AUGUST, 1877.

The Committee met pursuant to notice.

PRESENT :

Mr. Bunny,
Mr. Carrington,
Mr. Fisher,

Mr. Macandrew,
Mr. Pyke.

Order of reference of 23rd August read.

Resolved, on motion of Mr. Macandrew, That Mr. Pyke be appointed Chairman.

Resolved, on motion of Mr. Macandrew, That Mr. J. T. Thomson, Mr. J. McKerrow, and the Hon. Donald Reid be summoned to attend to give evidence.

Resolved, on motion of Mr. Carrington, That the very best map of Otago procurable be obtained for the use of the members of this Committee.

The Committee then adjourned until Wednesday, the 29th August, at 10 o'clock.

WEDNESDAY, 29TH AUGUST, 1877.

The Committee met pursuant to adjournment at 10 o'clock.

PRESENT :

Mr. Pyke in the chair.

Mr. Bunny,
Mr. Carrington,
Mr. De Lautour,

Mr. Fisher.
Mr. Hislop,
Mr. Macandrew.

The minutes of the previous meeting were read and confirmed.

Mr. J. T. Thomson attended and gave evidence, which was duly taken down by the reporter in attendance.

Resolved, on motion of Mr. Macandrew, That Mr. John Roberts be summoned to attend the Committee, to give evidence at the next meeting.

The Hon. Donald Reid attended and gave evidence, which was taken down by the reporter.

Mr. J. McKerrow attended and gave evidence, which was taken down by the reporter.

The Committee then adjourned until Thursday, 30th August, at 10.30 o'clock.

THURSDAY, 30TH AUGUST, 1877.

The Committee met pursuant to adjournment at 10.30 o'clock.

PRESENT :

Mr. Bunny,
Mr. Carrington,
Mr. De Lautour,

Mr. Fisher,
Mr. Macandrew,
Hon. Mr. Ormond.

Resolved, on motion of Mr. Macandrew, That Mr. De Lautour do take the chair in the absence of Mr. Pyke.

The minutes of the previous meeting were read and confirmed.

Mr. John Roberts was examined.

Mr. Pyke here resumed the chair.

Notes of evidence given by Mr. Roberts having been read over to him, he received the thanks of the Committee and withdrew.

The Committee then adjourned until Tuesday, 4th September, at 10.30 o'clock.

TUESDAY, 4TH SEPTEMBER, 1877.

The Committee met pursuant to adjournment at 10.30 o'clock.

PRESENT :

Mr. Pyke in the chair.

Mr. Carrington,
Mr. De Lautour,
Mr. Fisher,

Mr. Macandrew,
Hon. Mr. McLean.

The minutes of the previous meeting were read and confirmed.

Order of reference of 30th August read.

The Chairman stated to the Committee that he had applied for and obtained leave from the House for an extension of the time for seven days in which to bring up their report.

Order of reference of 31st August read.

The Chairman informed the Hon. Mr. McLean as to the action taken by the Committee up to the present date.

Resolved, on the motion of the Hon. Mr. McLean, That the House be moved to request the attendance of the Hon. Sir F. Dillon Bell at the next meeting of the Committee.

The Committee then adjourned until Wednesday, 5th September, at 10.30 o'clock.

WEDNESDAY, 5TH SEPTEMBER, 1877.

The Committee met pursuant to adjournment at 10.30 o'clock.

PRESENT :

Mr. Pyke in the chair.

Mr. Bunny,
Mr. Carrington,
Mr. De Lautour,
Mr. Fisher,

Mr. Hislop,
Mr. Macandrew,
Hon. Mr. McLean,
Mr. Stout.

The minutes of the previous meeting were read and confirmed.

The Hon. Sir F. D. Bell attended to give evidence, which was duly taken down by the reporter in attendance.

Order of reference of 4th September read.

Petition of 3,150 residents of the Provincial District of Otago read. (Appendix A.)

The Chairman laid before the Committee, copy of a resolution passed by the Clyde Council, dated 3rd July (Appendix B). Copy of resolutions passed by the Vincent County Council, dated 24th July (Appendix D). Copy of resolutions passed by the Maniototo County Council, dated 28th July (Appendix C).

Resolved, On motion of Mr. Macandrew, That the following draft of resolutions for adoption by the Committee, be printed and circulated among the members :—

Having taken evidence as to the relative merits of the various proposed lines of railway into the interior of Otago, the Committee find,—

1. That the route to Cromwell *via* Strath Taieri is unquestionably that which opens up the largest area of unsold land available for pastoral and agricultural settlement.

2. That it is the route that will best meet the requirements of the majority of the mining population now in Otago.

3. That the respective County Councils of Taieri, Maniototo, and Vincent, failing the Colonial Government undertaking the work, are prepared to do so, on condition of a given area of land being placed at their disposal, and to hand over the line when completed to the Government.

4. That a public company can be at once formed in Dunedin which will undertake to construct this line under Government supervision, provided a concession is made to them of 300,000 acres of land, being about one-fourth the area of the unsold land which will be tapped by the said railway.

5. That it is the duty of the Government to construct this line, and that, failing this, it is absolutely necessary in the interest of settlement that the work shall be forthwith proceeded with, either by the counties concerned or by a private company; and that, in either case, with a view to accelerate the progress of the work, and of diffusing employment throughout the district, the work of construction should be commenced at each end of the line, and at one or more points in the centre, simultaneously.

The Committee then adjourned until Friday, 7th September, at 10.30 o'clock.

FRIDAY, 7TH SEPTEMBER, 1877.

The Committee met pursuant to adjournment at 10.30 o'clock.

PRESENT :

Mr. Pyke in the chair.

Mr. Bunny,
Mr. Carrington,
Mr. De Lautour,
Mr. Fisher,

Mr. Hislop,
Mr. Macandrew,
Hon. Mr. McLean,
Mr. Stout.

The minutes of the previous meeting were read and confirmed.

Mr. Macandrew read and handed in a telegram he had received from R. H. Leary, Dunedin, dated 6th September. (Appendix E.)

The Committee considered draft of resolutions.

Resolutions proposed by Mr. Macandrew.

Amendment to resolution 1 (Hon. Mr. McLean): Add at the end of the resolution, " But the line from Palmerston appears to be the one that would bring in the quickest return on account of the large number of people now settled in Shag Valley, as also the shortest to construct. This Committee recommend that the Government should at once have inquiries instituted by a Commission of two, one to be the Engineer-in-Chief and the other to be a resident out of the Provincial District of Otago, to investigate and report which line would best serve the interests of the public, and be the most desirable to construct."

Amendment negatived.

Another amendment proposed by Mr. Hislop: Add at the end of resolution, " Inasmuch as it is the longest line, but that the line *viâ* Dunstan opens the most country in proportion to its length.

Amendment negatived.

Resolved, That the route to Cromwell *viâ* Strath Taieri is unquestionably that which opens up the largest area of unsold land available for pastoral and agricultural settlement.

Resolution 2 struck out.

Resolved, That the respective County Councils of Taieri, Maniototo, and Vincent, failing the Colonial Government undertaking the work, are prepared to do so on condition of a given area of land being placed at their disposal, and to hand over the line when completed to the Government.

Resolution 4 struck out.

Amendment to resolution 5, proposed by Mr. Fisher, to leave out the words " it is the duty of the Government to construct this line," in order to add, " the Committee recommend the construction of this line to the favourable consideration of the Government, and, failing the Government undertaking its construction."

Amendment agreed to.

Resolved, That the Committee recommend the construction of this line to the favourable consideration of the Government, and, failing the Government undertaking its construction, it is absolutely necessary in the interest of settlement that the work shall be forthwith proceeded with, either by the counties concerned or by a private company; and that, in either case, with a view to accelerate the progress of the work, and of diffusing employment throughout the district, the work of construction should be commenced at each end of the line, and at one or more points in the centre, simultaneously.

The Chairman laid before the Committee a draft report, which was read.

Resolved, on motion of Mr. Carrington, That the report be adopted, and that the Chairman be instructed to present the same to the House at its next sitting, and to move, that the report and evidence taken be printed.

Read and approved.

MINUTES OF EVIDENCE.

WEDNESDAY, 29TH AUGUST, 1877.

Hon. D. REID being in attendance gave evidence.

Hon. D. Reid.

1. *The Chairman.*] You are Minister of Lands, Mr. Reid?—Yes.
2. We sent for you to ask you to give us any information you can with respect to the projected lines of railway from the coast to the interior; there are seven altogether. I do not know how many of these you are acquainted with?—I do not know anything at all of the Oamaru branch, very little of the Macrae's or Shag Valley branches; I know a little of the one of Lawrence, and most of the line of Taieri.
3. And do you know the country between Kingston and Cromwell?—I have simply passed over it in the coach from Frankton to Cromwell. I have passed up the lake from Kingston to Frankton.
4. With regard to the Strath Taieri line. In the first place, do you know this country at the back of the Taieri?—Yes.
5. And up to Strath Taieri?—I have not been up the river side beyond Hindon.
6. And you do not know anything of the Strath Taieri?—Oh, yes; but not of the valley from Hindon to near Blair Taieri.
7. Is it difficult or easy for railway making?—It is apparently an easy country. My opinion is, that after you get above Hindon there are parts difficult, owing to bluffs, until you get to the open country near Blair Taieri.

8. What is the character of the land for settlement?—When it gets up as far as Barewood Station it is comparatively good land until it reaches Strath Taieri. Barewood Station is an educational reserve. It is bounded by Sutton Stream and Deep Stream. The land on Hindon Station also, some of it facing down on Deep Stream, is very fair quality. It was projected to have opened some of it on deferred payments. When you get up as far as Strath Taieri Hundred it is very good land, and it is good land all the way towards Hyde, *Hon. D. Reid.*
29th Aug., 1877.

9. And beyond that towards the Maniototo Plains?—I do not consider it very good land, but I suppose it is as good as is left now.

10. *Mr. Macandrew.*] Have you any idea what quantity of land has been sold on the proposed route from Taieri to Clyde?—Well I think the line where it branches from the main line would pass through a distance perhaps of three or four miles of sold land in the Taieri—that is, between the Taieri River and the main line. Then it goes through Crown land the whole way, except a small quantity of freehold land in the Strath Taieri Hundred, in which about 8,000 acres have been sold.

11. *Mr. De Lautour.*] Do you think the country in the Maniototo Plains would keep a population, provided a railway was made up through it?—Some parts of the Maniototo Plains are, I believe, fit to carry population, if they were provided with a good means of access. I have only passed over the Maniototo Plains, and cannot say that I am so well able to speak of them as people are who have resided there. These plains are, I believe, subject to droughts in summer time and to severe frosts in winter.

12. Has all the land been taken up in all these interior plains?—I think the land in Strath Taieri open for sale has all been taken up.

13. *The Chairman.*] And Ida Valley?—I believe so; I cannot say positively, but can get all that information if it is required.

14. There has been no large quantity in these interior plains ever opened to the public, has there?—Not a very large quantity. I think in the Strath Taieri Hundred there were 8,500 acres.

15. We have had no practical test as to whether the land would be utilized or not?—There is nothing to believe that it would not be occupied if the people had the chance. With respect to the Hindon Station, when Mr. McKerrow and myself passed through the province with a view to select land to be opened for settlement, we considered that part of Hindon Station would be well adapted for deferred-payment sections. That is higher land than a good deal of this line would pass through.

16. Are you aware whether every section offered in the Manuherikia Valley has been taken up?—I believe so, generally, but cannot speak positively.

17. There is a small gold field at Hindon?—Yes.

18. It communicates with Mount Ida gold field?—There is access to the Mount Ida gold field. It is an accessible route.

19. It also communicates with the Dunstan District?—It is accessible.

20. Does not the railway pass through the Mount Ida, Hindon, and Dunstan gold fields?—The proposed railway does, certainly.

21. *Mr. Hislop.*] Has there been no application for land in here (points to map)?—It is not open for occupation.

22. Have there been any clamours for land about here (points to map)?—Strath Taieri has been opened, and the whole, about 8,500 acres sold. I believe the Strath Taieri block was opened in 1870 or 1871.

23. *The Chairman.*] Was there not great depression amongst the farmers even in the lower plain. It was no test of settlement?—It was not a fair test of settlement, there was great depression at the time, there being no road to the land. The means of access to the Strath Taieri Hundred is *viâ* Outram, which makes a long circuit, of course, as compared with proposed route.

24. Has there not been a large demand for land at Ida Valley and Moonlight Flat?—Yes.

25. *Mr. Macandrew.*] Supposing that line is made right on to Clyde, have you any idea how many families might be profitably located in the territory on the same scale as in the Taieri now, for example?—Perhaps there might be ultimately a thousand families located.

26. Who could not be profitably located now?—They could not be located without the means of access; without a road of some sort.

27. *The Chairman.*] We will now come to the Tuapeka line. You know the country between Lawrence and Clyde?—Yes.

28. What do you think of that as a country for settlement?—It is not very good land.

29. Is that private property or Crown land?—I think nearly all the good land is private property.

30. And between the Teviot and Clyde is there any available land?—It is very limited. If any, it is in patches.

31. *Mr. Macandrew.*] I understand you to say that the line, if taken from Lawrence to Clyde, the land would be very limited as compared with the other?—Very limited. It would open up scarcely any additional land for settlement.

32. *The Chairman.*] What kind of country is it from Kingston to Frankton?—It is very limited in extent.

33. You would not think there were 8,000 acres on the side of the mountains?—No.

34. Do you know the country between Frankton and Cromwell?—Yes; the country just on that side of the river where the line is marked is rocky, I should not think it fit for agriculture; but there is some very good land about Arrowtown, very good farming land.

35. *Mr. Macandrew.*] I would put this general question—assuming the interior of Otago is to be opened up, are you of opinion the line by Strath Taieri is that which would affect the greatest area of available country?—Clearly the line by Strath Taieri is the line that will do the greatest good to the interior of the province; it will open up the greatest area of land for settlement, as well as meet the requirements, in my estimation, of the interior districts; it will bring them in direct communication with the chief seaport.

Hon. D. Reid. 36. *Mr. Carrington.*] You have a good knowledge of that country?—Yes; I might be allowed to say that in the year 1864 there was a Select Committee of the Provincial Council to inquire as to the best road to the interior. Mr. Macandrew and I were members of that Committee; I dare say the evidence taken by that Committee would be available. I can send for the report of the Committee. It was for a road; railways to that part were not thought of then. The question was which was the best road to the interior. There was a good deal of valuable evidence taken at the time, but it was never printed.

Mr. Thomson.
29th Aug., 1877.

Mr. THOMSON examined.

37. *The Chairman.*] Your name is J. T. Thomson?—Yes.
 38. And you are Surveyor-General of the colony?—Yes.
 39. This is a copy of the Public Works Report (produced)?—Yes.
 40. There are seven intended routes for railways into the interior?—Yes. To what part of the interior?
 41. *The Chairman.*] All converging at Clyde?—Of course. If it is to Clyde, I would give one answer; if to Cromwell, another.
 42. Will you be good enough to give us the information we require. Do you know the route from Mosgiel, say, by way of Strath Taieri?—Yes; I know the country well between the Taieri, Strath Taieri, Maniototo Plains, and Ida Valley.
 43. I will ask you first as to the character of the country by this route?—It is generally easy excepting, say, at two points; one point is between the Taieri Plain and Strath Taieri, and the other between Hyde and Taieri Lake. Starting at Mosgiel, then you cross the Lower Taieri Plain until you come to another valley near the North Taieri, which enters into the valley of Taieri River. I forget the name of that valley. It is near the Presbyterian church, not very far from Mr. Donald Reid's place. From there to Cromwell it is pretty easy, excepting at the above two points.
 44. *Mr. Macandrew.*] It is almost all level country?—Excepting these parts above stated.
 45. *The Chairman.*] What is the character of the land through which that line would pass?—It is generally pastoral, with some pieces of agricultural land. It is generally pastoral country.
 46. And at Strath Taieri?—There is a good piece of agricultural land there.
 47. And Maniototo Valley?—There is some agricultural land there.
 48. And Ida Burn Valley?—Yes; there is some agricultural land there.
 49. And Manuhierikia Valley?—There is not much agricultural land there.
 50. Have you seen that lately, since it has been cultivated?—No; not since.
 51. You are not aware that they are growing very heavy crops in Manuhierikia Valley?—I am not. It would be only in small pieces at any rate; it is generally gravelly and light.
 52. Can you inform the Committee what proportion of this is Crown land, and what proportion is private property?—The greatest portion is Crown land.
 53. Are you aware that anything is sold beyond the Taieri?—In the Strath Taieri I think about 40,000 acres have been sold. I may be wrong, because I have not been watching the land sales for some time.
 54. And beyond that?—I do not know how much has been sold. I have not been watching the land sales.
 55. Do you know anything of the country beyond Cromwell?—Yes.
 56. Towards the West Coast?—Yes.
 57. Is that level country?—It is quite level to Wanaka Lake, and quite level up to Hawea Lake.
 58. You do not know it beyond that?—I have seen as far as the eastern slopes of the Southern Alps. It is quite level up to Matukituki Valley. I have seen up to there (Lake Wanaka).
 59. *Mr. Carrington.*] Has there ever been a section taken of this line?—I do not think so. We took the levels in various parts. This is 900 feet here (Taieri Lake), and I made this (Rough Ridge) 1,500 feet.
 60. *The Chairman.*] You estimate the line referred to, at the corner of Rough Ridge, at an elevation of 1,500 feet?—The summit level would be that.
 61. The country descends that you pass through?—Yes.
 62. Until you get to 600 feet?—To 500.
 63. What is the highest point, then, up to the lake?—About 1,000 feet. When I took the levels, it was done by a small theodolite. These were done afterwards by a larger theodolite.
 64. *Mr. De Lautour.*] That summit level would not be on the line of the proposed railway?—The railway must go over the summit.
 65. Yes; but some miles higher up. That might account for the discrepancy of the figures?—Yes.
 66. *The Chairman.*] There is no necessity of going up higher than 1,500 feet?—As an engineer, I would require to take the levels before answering that question; but as a surveyor, I should think not.
 67. As to the Palmerston route, do you know anything of the country between Palmerston and Blair Taieri?—Yes; I know it intimately.
 68. As a line for the construction of a railway, which would you consider the easiest and least expensive route—that from North Taieri or that from Palmerston?—This is more level, but more difficult (by the River Taieri); this is highest (by Macrae's).
 69. What is the difference in length from Dunedin?—I have not ticked that off.
 70. What kind of land is this in here (Palmerston line)?—Poor hilly land, but it would be higher. This (by the Taieri River) would go level, but it is very difficult of construction. It goes through what Americans call a canon; it would have to go for thirty miles alongside the river.
 71. You are speaking of the first twenty miles or so?—Yes.
 72. *Mr. Hislop.*] Is there any good land on this side of the Gorge?—It is almost all pastoral.

73. Is it easy of access to this Gorge?—It is very steep. The whole of this—the land on the Deep Stream—will ultimately be agricultural land, because I have seen excellent crops of oats and turnips taken off that land, and land which will do that is fit for anything. That is at an elevation of 2,500 feet. So that ultimately, when the population spreads, a great deal of what is now called pastoral will become agricultural land. The line by way of Palmerston goes over a high altitude—by the Taieri River it is nearly level; but the line by way of Taieri would probably be an expensive line to work, in consequence of frequent sharp curves. Mr. Thomson.
29th Aug., 1877.

74. *Mr. Macandrew.*] Have you any idea of the area of agricultural and pastoral land that a line from Mosgiel to Naseby, say, will affect or influence—what area of agricultural land to Naseby, say—we will call that the first section of the line?—Taking it all, I should think there would be 150,000 acres of agricultural land.

75. And how much of pastoral?—An immense quantity, two or three millions of acres.

76. And 150,000 acres of agricultural land?—Yes.

77. And then from Naseby on to Clyde, how much agricultural?—You might get, probably at a rough guess, 100,000 acres of what you would call agricultural land.

78. That is, 250,000 acres from Mosgiel to Clyde?—I should think so. Of course I must guard myself against stating positively. A narrow investigation may possibly disclose more.

79. And millions of acres of pastoral country?—Six or seven millions of acres; six millions, say, to the Upper Clutha.

80. That is as far as?—Clyde. That would not all be affected by the railway. Taking the watershed, there would be about 2,500,000 acres.

81. *Mr. De Lautour.*] I should like to ask whether the experience of the department has not been that classification, so far as agricultural land has been concerned, has not been very satisfactory hitherto? What I mean is, that land classed as pastoral country has been taken as agricultural country when it could be got?—Of course I have seen a great difference of opinion on the subject, and of course it is the stockowner's interest against the mining and agricultural interest. These take different views. I have been quite run down before now when called on to decide what was agricultural and what was pastoral land.

82. I want to know whether the reports as to what was pastoral and what was agricultural land have given satisfaction?—Whenever a survey has been exceedingly correct, a great deal of bad feeling has come on the department for having stated what the truth was. When I stated that this was agricultural land, there was a perfect storm of indignation from one side; and when I said this was pastoral land, the opposite class was against me.

83. *Mr. Macandrew.*] I suppose that as population increases almost the whole of that country will be agricultural land?—When I first went up the country in 1857 I stated that one-fourth of the province was capable of raising corn and vegetables; that there were about four millions of acres fit for agriculture; but in the meantime, with a sparse population, that does not hold good exactly. I think experience will show that my estimate was correct. I told the people at the same time that the province would carry 4,000,000 sheep. They laughed at me, but it has carried what I said it could.

84. *The Chairman.*] We shall now come to the Tuapeka line. You know the country between Lawrence and Clyde?—Oh yes; very well indeed.

85. What is the character of that?—Generally it is difficult for railway construction. Of course, there are some parts easy. That part is easy from Roxburgh to Etrick.

86. What length is that?—About ten miles.

87. And the rest is difficult?—Yes, between Dunkeld and the Menzionburn. It would require an actual investigation of the spot to give a very certain opinion, but it appears to be difficult.

88. What is the character of the land for settlement?—There is a band of agricultural land from Roxburgh down to Menzionburn.

89. Is that Crown land or private property?—A large portion of it is private property.

90. Are you aware whether there is any available Crown land on the whole route of this railway?—There is not very much; I do not suppose there are 20,000 acres at the utmost.

91. Would it be an expensive line to make?—Very expensive from Alexandra down to Roxburgh.

92. Now, you see those yellow lines on the map?—Yes.

93. Do you know the country in the Waitaki Valley?—Yes, the whole of it.

94. Do you know the land between Duntroon and Naseby?—Quite well.

95. And the Kyeburn Valley and Naseby?—Yes.

96. What is the character of that country?—It is very good to Livingstone, and then it becomes very difficult until you get down into the Maniototo Plains.

97. That is over the ranges?—Yes.

98. What is the character of the country between those two points?—It is very rocky.

99. What is the summit level?—About 2,500 feet, judging from my recollection, but I may be wrong.

100. What is the character of the country as regards settlement?—It is very bare between Livingstone and the Kyeburn.

101. Any of it fit for agriculture?—No.

102. The land below Livingstone—is that private property or Crown land?—Private property.

103. There is no agricultural country on that line Crown land?—Not until you get down to the Taieri Plains.

104. *Mr. De Lautour.*] Would you tell us what distance of rough country there is between Livingstone and Kyeburn?—I should think about twelve miles.

105. And between Mosgiel and Blair Taieri?—About twenty-two miles.

106. And do you consider that the cost per mile of constructing the ten miles would be greater than the cost per mile of constructing the twenty-two miles?—I could not give an opinion without actual levels.

Mr. Thomson.
29th Aug., 1877.

107. Would the cost of the twenty-two miles be more than the cost of the ten miles?—It might not; but I could not give an opinion exactly. It would require an accurate engineer's section to do that.
108. I understood you to say there were no Crown lands below Livingstone?—I do not think there are.
109. Would you give that answer subject to correction. I understand there is a considerable area, and you might refresh your memory before the evidence is complete?—Of course I would.
110. There is no agricultural land in the Upper Maerewhenua country?—No.
111. Have you any idea of its mineral value as regards coal?—I am not aware there is coal there. There is slate, and there might be copper. I believe copper will be found.
112. Mr. Hislop.] Taking the watershed, you say there would be 2,500,000 acres?—Yes.
113. And supposing this line was constructed to Kyeburn, and extended ultimately, it would have some effect in opening this country?—Yes.
114. Then the Deep Stream country would be balanced by the Livingstone country?—Nearly so.
115. The Chairman.] The Waitaki country is already in communication with the main line?—Yes.
116. And the Strath Taieri is not?—At least, it is farther away than the other.
117. The line from Duntroon to the Maniototo Plains is about forty miles in length?—Yes.
118. What is the distance from Mosgiel up to the commencement of this point from which it would have to commence?—About fifty-five miles up to the commencement of the second rough part from North Taieri to Hyde. I think that would be about fifty-five miles.
119. How far is the point you commence at from Dunedin?—It is about ten miles from the North Taieri to Dunedin.
120. You know the country between Kingston and Cromwell, by way of Frankton?—Yes.
121. What kind of country is that?—It is level alongside the lake, except just here at the Staircase.
122. What character of country is it—agricultural or pastoral?—Some of it is agricultural land, but it is mostly pastoral. There is a narrow strip along the edge of the lake which might be made agricultural land, except at the Staircase.
123. How much do you think there is of that narrow strip fit for agriculture?—About 8,000 acres, from the foot of the lake to Frankton.
124. And from Frankton to Cromwell?—There is no agricultural land to speak of.

WEDNESDAY, 29TH AUGUST, 1877.

MR. JAMES MCKERROW examined.

Mr. McKerrow.
29th Aug., 1877.

125. The Chairman.] What are you, Mr. McKerrow?—I am Assistant Surveyor-General of New Zealand.
126. You have had a great deal of experience in traversing the Provincial District of Otago, have you not?—Yes.
127. You were formerly reconnoitering surveyor?—Yes.
128. In that capacity you have travelled over the greater part of the country comprised within these proposed railway routes?—Yes.
129. Taking them in the order we have hitherto done, commencing with the Strath Taieri, will you be good enough to inform the Committee, first, what is the nature of the country with regard to its suitability for railway construction?—From North Taieri to Strath Taieri is a piece of extremely difficult country. The line would require to pass up a steep rocky gorge, where there would be enormous steep cuttings and the bridging of tributary streams.
130. What is the length of the first section which you say would be so difficult?—About twenty-four miles from North Taieri on to Blair Taieri.
131. And from Blair Taieri to Hyde?—The construction would be very easy. It passes up a beautiful level valley a distance of 16 miles. Then from Hyde to the Taieri Lake, a distance of nine miles, it would be ordinarily easy, neither very difficult nor very easy, and a fair average. Then from the Taieri Lake to the Rough Ridge it would also be a very easy construction—a distance of sixteen miles. Then from Rough Ridge to the Poolburn Gorge, a distance of say eleven miles, the construction would also be very easy. Then from the Poolburn Gorge, a distance of about three miles, the construction would be extremely difficult, passing through a deep rocky gorge, which cannot be avoided. Then from the Poolburn Gorge to Clyde, a distance of about twenty-four miles, the construction would be very easy. Then from Clyde to Cromwell, a distance of thirteen miles, it would pass through a gorge where the construction would be the average in railway construction along the river bank.
132. The second question is this: What is the character of the country through which this line would pass?—We will take it in the same sections. From North Taieri to Blair Taieri the country may be described as semi-pastoral, semi-agricultural, the pastoral predominating. From Blair Taieri to Hyde it passes through a very fine agricultural district. From Hyde to the Taieri Lake the country is again semi-pastoral, semi-agricultural. Then from the Taieri Lake to Rough Ridge on to Poolburn the country may be said to be half agricultural and half pastoral. It is a great level plain, rather a high elevation probably for growing wheat. Then from Poolburn Gorge to Clyde it passes through a very fine valley (Manuherikia), of which a belt four or five miles wide may be said to be all agricultural. Some of it is very shingly, but under irrigation and perhaps shelter it would grow oats.
133. In speaking of this country between Rough Ridge and Poolburn, what kind of country is that?—It is country I have described now as semi-pastoral, semi-agricultural, and I believe it would grow oats very well; but it is at a very high altitude, varying from 1,200 feet up to 2,000 feet.
134. Now, what would you say was the total area of land available for agricultural settlement from North Taieri up to Clyde, that would be rendered accessible by the construction of such a line?—There will be 1,200,000 acres opened up.
135. Agricultural?—Oh, no; mixed.

136. How much would be rendered accessible for agricultural settlement?—I did not consider that point, but I think I might say a fourth of it, or perhaps a third. We do not know what will grow there, because at one time they thought wheat would not grow beyond Taieri; then we shifted to Clutha; then to Queenstown, which is now one of the finest wheat-growing districts in the colony. Mr. McKerrow.
29th Aug., 1877.

137. Your answer is that it would render available 1,200,000 acres?—Yes. Of that 1,200,000 acres the whole of it is Crown land, with the exception of about 40,000 acres, which is a very important point.

138. Of these 40,000 acres how much is the education reserve?—I excepted the education reserve.

139. Is the 40,000 acres besides the education reserve?—Yes; I think it would be more nearly 30,000 acres when I consider it.

140. Mr. Macandrew.] How many families do you think could be located there?—Mr. Reid said 1,000. I consider that a family could do very well on every 1,000 acres of it. If you have 1,000 families settled that means 5,000 people. These will give employment to probably half the number of townspeople.

141. You described the country from Blair Taieri to Clyde, and said it was easy to make a railway?—Yes.

142. What is it as compared with the Waiareka Valley?—Very similar.

143. You think a railway could be constructed for about the same price?—Yes; it is all a series of plains.

144. Mr. Hislop.] Do you think only a portion of the land would be opened—namely, that alongside the railway line?—I should think it would double the value of the land tinted on the map. This Strath Taieri Hundred was opened up and advertised, and a lot of Taieri settlers went up and started farming, but they found they could not work two establishments on account of the hilly road intervening, and came back. The Strath Taieri land is at present unavailable for settlement on account of its inaccessibility.

145. Are these mountains to the west side of the railway?—They are mountain slopes.

146. Can it be said the railway will open up this country?—Yes, up to the watershed.

147. But not beyond it?—No.

148. Mr. Macandrew.] You say that this line would render available 1,200,000 acres?—Yes.

149. Have you any idea what would be the ultimate value of that land, assuming the line were made, per acre?—I really believe you could sell 400,000 acres at 30s. an acre, that is £600,000, and the remainder would sell on an average at 15s. an acre; that would bring it up to £1,200,000, after the railway is constructed.

150. Supposing now that you were asked to indicate what would be the best line to open up into the interior of Otago, which would you recommend, knowing the country as you do?—I will qualify the reply a little. The Strath Taieri route would open up the most country suitable or available for settlement, but in my opinion the best interior line to reach Clyde and the districts beyond, inclusive of ultimate extension to the West Coast, is the railway line *vid* Lawrence.

151. That would be because it is the shortest?—And, because it goes over the lowest country. If looking at it in a selfish light, and I resided at Cromwell, I would say the line should go that way.

152. At the same time the Strath Taieri is the line that will open up most country for settlement?—Certainly.

153. Mr. Carrington.] From your professional and local knowledge, would you be kind enough to say which you consider the very best line for opening out the interior of the Otago Province, with a view to getting to the West Coast?—I would say that the Strath Taieri line is the best line for Otago only; but if you look at it in the colonial sense, the Clutha is the best railway line.

154. The Chairman.] As this Clutha line has been brought up, I will ask one question about it. Between Lawrence and Clyde, up the valley of the Clutha, is there any land available for settlement?—Not very much.

155. Then it would be merely a line of communication, not for the settlement of the country?—It would open up 260,000 acres of Crown land, instead of 1,200,000 acres by the other route.

156. How much of that 260,000 acres would be available for settlement?—I do not know.

157. Do you think 1,000?—More than that. There might be 10,000 acres fit for agriculture of this 260,000 acres.

158. Another projected line is a line from Palmerston by Macrae's?—My opinion is you need not make any inquiry about that; it is an absurd proposition.

159. There is another line which starts also from Palmerston up the Shag Valley. What is your opinion of that line?—My opinion is that the engineering difficulties would be so great that it should also be set aside. I may say that, with regard to this Shag Valley, I think it a proper thing that a branch railway should be made to Luk's, near Sir F. D. Bell's station.

160. There is another proposition to make a line from Kingston to Frankton and from Frankton to Cromwell. What is your opinion about it?—It is very practical; it could be done.

161. Would that open up any country for agricultural settlement?—It might open up a few thousand acres. It would be a great convenience to farmers at Arrowtown.

162. With regard to the Oamaru line, there is a proposal to take a line from the Waitaki Valley over the mountain to Kyeburn. Would you give us your opinion as to the character of the country, as to the construction of the railway, and the character of the country opened?—From Duntroon to Livingstone it passes through an excellent piece of agricultural country. Then from Livingstone to Kyeburn it passes through a succession of mountain gorges, where little or no settlement is possible, and where the engineering difficulties would be enormous.

163. Mr. Hislop.] What do the difficulties consist in?—There is a succession of spurs coming down to the main valley, and you would require to cut round these spurs, and bridge these tributary streams. You could not go over the pass, which is close on 3,000 feet high. You would have to tunnel. The difficulties would be so very great, and the expense so much, that I do not think it can be entertained in comparison with these other lines.

Mr. McKerrow.
29th Aug., 1877.

164. It is about ten miles from Livingstone to Kyeburn?—Fourteen miles. It would be the difficult part.
165. Would you think that fourteen miles would cost more than these twenty-four?—I will not say. I am not accustomed to estimating for works.
166. *The Chairman.*] Which of the two lines opens the most country for settlement?—Of course, the Strath Taieri.
167. *Mr. Carrington.*] With reference to the line opening 1,200,000 acres, of which 40,000 acres would be agricultural land, I wish to know if you have got a name for that line from end to end?—It is very well named—the Strath Taieri line to the interior.
168. *The Chairman.*] Beyond Cromwell, do you know the country; how far towards the West Coast?—Up to the forest of the Makarora.
169. Would that open up a large area of land?—It would. There is 1,065,000 acres from Cromwell to Makarora Bush.
170. Supposing the railway be carried so far as Cromwell at present, would that be beneficial, and calculated to assist in opening the country beyond Cromwell that you have described?—Certainly.
171. It is the natural outlet for all the country in that valley?—Yes.
172. *Mr. Macandrew.*] And from Cromwell to Lake Wanaka it is almost dead level?—It rises in forty miles about 300 feet.
173. *The Chairman.*] Can you tell us the elevation at the head of Lake Wanaka?—The lake itself is put down at 1,089 feet. That is a mistake. It is only 920. The land at the head of the lake is only a few feet more.
174. What is the elevation of Cromwell?—700 feet.
175. There are no hills to go through—no cuttings, no bridges?—Yes; a bridge would be required where you cross the Clutha once.
176. Not near Cromwell?—Yes; you must cross the river near Campbell's Station, Wanaka.
177. Then, there would only be one bridge of any formidable dimensions?—Yes.
178. Can you tell us the elevation of Haast Pass?—1,700 feet.
179. That is the highest point between Dunedin and the West Coast by that route?—Yes; it is the only true pass in the Middle Island; the rest are going up and over spurs. There is no end of timber at the other side of the pass. From Lake Wanaka to the West Coast it is dense timber. It is important you should know that the Strath Taieri route passes through lignite deposits which are extensive. They are adjacent to it all along. But for that lignite, the diggers would very likely have had to give in long ago.

THURSDAY, 30TH AUGUST, 1877.

Mr. JOHN ROBERTS examined.

Mr. J. Roberts.
30th Aug., 1877.

180. *Mr. Macandrew.*] Your name is John Roberts?—Yes.
181. You reside in Dunedin?—I am a merchant in Dunedin, and am engaged in business as run-holder in Strath Taieri.
182. What extent of land would be opened up by a line of railway to Naseby and Clyde?—A line to Naseby and Clyde would open up about 1,000,000 of pastoral and agricultural land.
183. What would be the value of the land?—The value of the land would be increased perhaps from 5s. to 7s. 6d. per acre. The price of agricultural land would be enhanced from £1 to £1 10s. per acre beyond present upset price.
184. Do you think a public company could be formed to construct this line of railway?—From evidence I have gathered in Dunedin there would be no difficulty in getting a company to construct a line, if given a pre-emptive right over 300,000 acres at 20s. per acre.
185. Do you know the country through which it is proposed to carry a railroad?—I know all the Province of Otago.
186. Which of the proposed lines of railroad do you consider, from your knowledge of the country, would open up the most agricultural land?—Knowing the whole country in Otago, and that the coast line is opened up, the line up the Taieri is the only line that would open up the whole interior. The Clutha line extended would go mainly through a gorge with no extent of available Crown lands; whereas the Taieri line would open all the big plains—Strath Taieri, Maniototo and Serpentine, Ida Valley, Manuherikia. The interior line *via* Strath Taieri would not pass through more than from six to ten miles of private lands.
187. What inducement would a company require to carry out a line of railway?—5 per cent. guarantee would be sufficient to induce a company to take the matter up. The cost of construction to be estimated by the Government Engineer.
188. Would such company be prepared to relinquish the line to the Government when so required on their being recouped the actual cost of construction?—It seems rather a one-sided arrangement when the guaranteed interest is low to ask companies to give up their property for cost of construction. I think arbitration would be fairer.
189. Would a company undertake the construction of the line, subject to the tariff charges being fixed by the Government?—I have no doubt a company would take the line up. The fares might be regulated by Government. A company could be formed in a month upon the basis of a 5 per cent. guarantee.
190. Then, I understand you to say that, from your own knowledge of the disposition of capitalists, there would be no difficulty in forming a company to undertake this work, if necessary?—Yes; I have taken much interest in the matter in Dunedin.
191. By the proposed District Railways Bill, which I presume you have not seen, the Government would guarantee 7 per cent.?—If Government gave a 7 per cent. guarantee, the limit for the purchase of the line might be fixed at 10 per cent. over the cost, and I think such limitation would be fair. I have not seen the District Railways Bill, but as it is defined by the Chairman—a 7 per cent. guarantee, and 10 per cent. upon cost of construction when repurchased—the Bill would be very favourable.

192. Would a company be prepared to commence operations simultaneously at different points on the line, so as to expedite the work?—No doubt private companies would agree to begin at each end. The nature of the line is such that economically it could only be carried out by simultaneous construction of earthworks at several points along its course. *Mr. J. Roberts.*
30th Aug., 1877.

193. *Mr. Macandrew.*] In the event of the line being extended to Lake Wanaka, and commenced at both ends, would not this offer greater facility for sleepers and other timber being supplied from the Hawea and Wanaka forests?—Timber might be got cheaper, I think, by coast. I doubt if the timber at Wanaka is sufficiently durable.

194. *Mr. De Lautour.*] Do you know the quantity of land which has been sold in this district?—I believe about 9,000 or 10,000 acres have been sold in the Strath Taieri, certainly not 40,000 acres.

195. Would the country between North Taieri and Blair Taieri be suitable for small farms?—I believe the land between North Taieri and Blair Taieri for about twenty-four miles could be cut up into grazing farms of from 1,000 to 1,500 acres each. At present the country is not considered agricultural land. The same remark might be applied to the country on the east side of the Taieri River. I do not consider that country as being wholly pastoral country. There is, on the east side, from 120,000 to 150,000 acres, which could be cut up into 1,000 acre sections with advantage. Snow never lies there for more than a day, and it is eminently adapted for settlement in moderate-sized sections. In each of the 1,000-acre blocks I should consider there might be a fourth or a fifth ploughable.

196. I understand you to say that on each of the 1,000-acre blocks to which you refer, from 100 to 200 acres would be found fit for agriculture?—Yes; good crops are grown 1,500 feet above the sea—oats and magnificent turnips. The high ground on the east side would not probably ripen wheat.

197. Would the low land you have spoken about grow wheat?—The land capable of being ploughed on the low ground I have spoken about would, I consider, grow wheat. I cannot speak from experience, but I am trying wheat myself this year in Strath-Taieri.

198. You consider that a company would make this line if a guarantee be given?—I think for a guarantee of 300,000 acres a company would be inclined to make a line from near Mr. Reid's corner, or the Chain Hills tunnel, at the junction of the main south line, to Clyde or Cromwell.

199. In the event of Government acceding to this project, would the company take land in different blocks?—The nature of the country is such that a block could not be taken good enough. Possibly the company would elect to take the land in 10,000-acre blocks, so as not to spot the country too much, at about one-third frontage on the line. Upon the first twenty-four miles a company would not care to exercise a pre-emptive right, as it is not land that would be greatly enhanced in value.

200. *The Chairman.*] Can you state whether the traffic, as estimated in the report of the Select Committee of the Otago Provincial Council, 1873, is accurate?—The report of the Select Committee of the Otago Provincial Council, 1873, on the proposed line to Cromwell *via* Clutha, estimates a traffic of 12,000 tons per year, exclusive of the traffic by Naseby, Black's, and all the down traffic. I could not gauge its accuracy.

201. What do you estimate would be the traffic upon this line?—The quantity of wool sent down from the line of coast affected is about two-fifths of the whole produce in Otago, taking 3,500,000 as the number of sheep in Otago proper—that is, about 1,500,000 sheep, taking the wool of seventy-five sheep to equal a bale of wool, would give 20,000 bales, or about 2,500 tons of wool. From Strath Taieri about 1,000 to 1,500 tons of grain would also be sent by the line. I state that amount because the labour available is limited. The increase of production would be regulated by the labour market.

WEDNESDAY, 5TH SEPTEMBER, 1877.

Sir FRANCIS DILLON BELL being in attendance was examined.

Sir. F D. Bell.
5th Sept., 1877.

202. *The Chairman.*] Your name is Sir Francis Dillon Bell, and you are a member of the Legislative Council?—Yes.

203. You are invited to attend this Committee meeting, Sir Francis, with a view to being asked some questions respecting the proposed line of railway from Palmerston to the interior by Shag Valley. It was at Mr. McLean's suggestion you were invited to attend, and I presume Mr. McLean will proceed with the examination?—I shall be glad to give the Committee any information in my power.

204. *Hon. Mr. McLean.*] You know that proposed line by way of Stoneburn?—Yes.

205. And away round by Moonlight Flat into Blair Taieri?—Yes.

206. What is your opinion of that line?—My opinion is that it is very impracticable, because there would be deep gullies to cross—either the Waikouaiti River, or the Tipperary Gully—which, in my opinion, would make the gradients impossible for a line to be made within any reasonable cost; but a more serious objection exists—that is, that the quality of land through which such a line would pass, with the exception of a small quantity of good agricultural country at Moonlight Flat near Macrae's, is really inferior, and I doubt whether it would tempt people to settle.

207. Then it is no use asking further on that. Now, taking the line by Shag Valley, the one proposed and partly advertised by the Provincial Government to be made—

Sir Francis Dillon Bell: Do you mean as far as Waihemo?

208. *Hon. Mr. McLean.*] Yes, into the interior. Is that line practicable?—It is practicable and easy, but there is an altitude of 2,000 or 2,100 feet to overcome. The quality of the land that the line would go through for about ten or fifteen miles before it reaches Maniototo Plain is, in my opinion, not very good. The advantage that there would be to the State in making that line, if the gradients were not so inferior, as they must be admitted to be as compared with the Strath Taieri line, is this: That in the first place, for a length of about twelve miles from Palmerston up the valley, the land is in cultivation by well-to-do farmers, to whom it would be a great advantage to be connected with the main line; and for a distance of perhaps six or seven miles above my place, which is some seven miles itself from the termination of the level land in the valley to which I refer, the land is of very fine quality, and,

Sir F. D. Bell.
5th Sept., 1877.

although broken and hilly, would undoubtedly grow corn very well. But the chief advantage in constructing any line to connect the interior plains with the coast by way of Palmerston is this: that all the traffic which exists from the interior to Dunedin now comes through the valley, and, if the railway were made up it, every five miles that would be made of that line would be productive of traffic immediately, and be at once remunerative. Therefore whatever money was spent in making a railway by that way would very quickly bring in revenue. I am obliged to say that, looking to the evidence which Mr. Blair's report gives as to the character of the gradients, and the altitude to surmount, in the line by Strath Taieri, I should say that, in an engineering point of view, there would be no comparison between that and the Shag Valley line; the Strath Taieri line would certainly be best. The disadvantage to the State of making that line, as compared with the Shag Valley line, would be, that the exact reverse would happen of the advantage I was pointing out in the Shag Valley case: for, in my opinion, the line would have to be made all the way from Outram to the Upper Taieri Lake in the plain, before it would tap any part of the traffic that comes down from the interior. On the other hand, the land that would be made available for settlement by the opening up of the Strath Taieri country is undoubtedly the best and the greatest in extent. I should say that the settlers in the valley are very anxious to have the railway made up to the point I was mentioning to you (Waihemo) where land is cultivated; but the people in Palmerston and immediately around, so far as I have had any means of knowing their minds, are not only not particularly anxious for the line from Palmerston, but rather averse to it.

209. That is, supposing it only goes up as far as your place, and does not go into the Maniototo Plains?—Yes. It is a remarkable thing that at a meeting which took place at Palmerston, where I think Mr. De Lautour, one of the members of the Committee, was present, there appeared to be a great amount of enthusiasm among the settlers for the line; but, when we came to try to get the settlers together to press the matter, they one by one seemed to retreat from any action; and I feel very uncertain now as to whether the Palmerston people really would care to have the railway made into the interior that way. I am persuaded, for my own part, that if that is their opinion it is very foolish, because, both as regards the interests of the State and their own, it would be far better to have the line made that way: and if the Committee want to know what my opinion is as between the Strath Taieri and Shag Valley lines, I should say that it is best for the State to make the Shag Valley line, because it would immediately produce a revenue; but I speak in the matter against what is my own personal interest, for it is not my interest as a squatter for the railway to be made that way.

210. We have got so far as to satisfy us that up to your place there would be no difficulty about making a line, that it would be quite easy of construction, and would be the most payable?—There is not the slightest doubt about that.

211. You are quite satisfied that the land from Palmerston up as far as your place is level land?—I do not say it is level as far as my place, but as far as Waihemo it is; and there is no real difficulty between that and my station, which is some six miles farther on.

212. How many miles would that be altogether?—About eighteen miles from Palmerston to my place, and the line to that point would be immediately payable and productive. The land is occupied by well-to-do farmers for a distance of twelve miles from Palmerston: for six miles farther up it is my land, and there is not much cultivation yet: from there up the valley it is Crown land.

213. How far is it from your own station and the eighteen miles we have got to, to the Maniototo Plain at the Kyeburn or Malloch's hotel?—It is about twenty-two miles altogether: of this about sixteen miles are hilly, and after that there is perhaps six miles of tolerably level ground on the Kyeburn side; some of this last part is very good land.

214. Now, that gets into the same plain as Route No. 4 gets into at another point?—Yes.

215. Where does Route No. 4 get into the Maniototo Plain?—At the Upper Taieri Lake.

216. Then from there to Cromwell the line opens up exactly the same country as the other line would?—Exactly.

217. The only difference in opening up Crown land for settlement would be between the Maniototo Plain and Dunedin, and Maniototo Plain and your station?—Yes.

218. So that the whole of the land that has been stated in evidence by Mr. McKerrow, after you get on the Maniototo Plain, would be opened up by this line the same as the other?—Exactly.

219. Supposing we take these sixteen miles construction, where it would open up Crown lands, as against this construction down here to the West Taieri—a distance of forty miles from Palmerston to Kyeburn—eighteen miles of that would be through land already sold, and the other twenty-two miles would be to open up land for settlement?—Yes.

220. And as to that twenty-two miles as compared with twenty-two miles there, what is your opinion of the land it would open up for settlement?—I think there is no doubt whatever there is more available agricultural land open for settlement by the Strath Taieri than by the Shag Valley route, but I doubt whether there is any land on the Strath Taieri route so good in quality as some 4,000 or 5,000 acres by the other line, between my station and Morrison's. The character of the land there is excellent; it is very rich soil, though it is all hilly and ridgy land. As regards land fit for settlement, there is no comparison between the quantity in the Strath Taieri line and the quantity in Shag Valley, though I think there are 5,000 acres in the Shag Valley line better than any I know on the Strath Taieri. I speak of the character of the soil; as regards adaptability for settlement, I still think the Strath Taieri line is the best.

221. What I want to establish is, that that line goes up through good agricultural country and would be immediately productive, whereas this goes through Government land where there is no settlement, where the line would be very bad of construction; but after you get to the Strath Taieri there is good land, and it is easy of construction?—I could not say that I agree with you that the Shag Valley line is difficult of construction. My opinion is not worth anything on an engineering point, but I should be disposed to place a great deal of reliance upon Mr. Blair's view. The altitude to be surmounted by Strath Taieri is easy; there is no altitude to be surmounted that exceeds 700 feet, and therefore I assume the engineering difficulties are much less. But upon that my opinion is not worth having.

222. Taking from each side of the line here in Shag Valley—I mean taking the distance from each side of the line—is there a greater scope of land for settlement on each side of the line than could be got on the Strath-Taieri line?—No.

223. You are aware that the hills here, in riding up the Strath Taieri, come down very steep to the line on each side?—Yes; and so they necessarily must on the Shag Valley line. There is no flat land on the Shag Valley line, it is all hilly land; though the character of some of the soil is surprisingly good.

224. Would not you think that line would give facilities for opening up such land as Moonlight Flat?—Certainly.

225. Moonlight Flat would be more available by the Shag Valley line than the Strath Taieri line?—I do not think there would be much to choose: whether the Strath Taieri line or the Shag Valley line were made, I think the Moonlight Flat country would be made available pretty nearly the same.

226. So that in that case both lines would still bring it nearer Dunedin than Palmerston?—I do not think there is much difference in the total quantity of country which the railway line would serve; but, as I said before, the advantage which the Strath Taieri line has is, that along that line there is more available country adapted for settlement by people of moderate capital; while the advantage of the Shag Valley line is, that it would be immediately productive of revenue over every ten miles that were made of it, which the Strath Taieri line would not.

227. Taking Cromwell as the end of the route, what would be the difference in distance between Palmerston and where the main line is made to, and Palmerston and Cromwell, and Cromwell and North Taieri, where the railway is made to?—I cannot say that I carry the distance sufficiently in my mind, but it is stated in the report. But as regards the transit of produce, the railway, if made from Palmerston, would be quicker.

228. You will acknowledge, I suppose, that Mr. Malloch, of Waikouaiti, is well acquainted with that line?—Yes.

229. These are the distances he gives; will you read them out, and say whether you agree with them or disagree with them? [Witness looks at newspaper wherein Mr. Malloch gives the distances.] Supposing you take off the main line between Palmerston and Dunedin, what would be the difference in the number of miles to construct in order to get to Maniototo?—We should have to make a line of sixty odd miles, instead of a line a little under forty.

230. So that you would save over twenty miles of construction by adopting the route *via* Palmerston?—Certainly. The distance is pretty correctly stated in that newspaper. I am not sufficiently acquainted with the Strath Taieri line to do more than say that I am certain there would be quite twenty miles less construction by taking the Shag Valley line. According to Mr. Malloch's statement, there would be thirty miles less.

231. We will go back now to before the time railways and roads were made. By the surveyors, this road up Shag Valley towards the Maniototo Plains, and this one up the Strath Taieri, were both surveyed, I believe, and it was considered that from Dunedin this Shag Valley line was the easiest to make into the interior?—Certainly.

232. And that road was made in consequence of the easiness to make it compared with the one up Strath Taieri?—Yes; to make a road up the Strath Taieri would have necessitated gorge cuttings, which at that time would never have been thought of. It must be admitted that if the line is made from Palmerston upwards, it will tap the traffic at every ten miles it is made; and that if the Strath Taieri line is made, it will not tap any traffic till it reaches the Maniototo Plains. I am obliged to admit, on the other hand, that the low gradients on the Strath Taieri route are very much superior as engineering gradients, as an altitude of 2,100 feet has to be surmounted at Pigroot.

233. *Mr. Carrington.*] That makes a difference in working?—Yes, in haulage.

234. *Mr. Macandrew.*] Do I understand you to state, from your knowledge of the interior of Otago, that of all the proposed routes now indicated, that by Strath Taieri opens up the largest area of available country for settlement?—I have no doubt of it.

235. And the only advantage which you say the Shag Valley route presents would be that there would be a more immediate traffic return?—I should put it in a different way. In the Shag Valley line there would be an immediate return; in the other there would only be a distant return.

236. What distance of time would you reckon?—Well, that would depend on the time it took to construct the railway from Outram to Strath Taieri: that time, whatever it might be, would have to elapse before any revenue whatever could be derived; whereas, if the line is taken from Palmerston, at every five or ten miles made, there would be revenue.

237. Do you consider the immediate realization of funds, say for a year or two years, would counterbalance the other disadvantages?—No, I would not say so; I should say that if you could afford to wait for the receipt of revenue, it would be better to take that line which would open the greatest quantity of land for settlement.

238. Do I understand you to say that the soil on the Strath Taieri route is bad?—I did not say so. I said it was good, but that there were 5,000 acres on the Shag Valley line which I thought superior.

239. What is the extreme altitude which the railway would have to cross between your place and Malloch's?—2,100 feet.

240. What would be the extreme altitude *via* Strath Taieri?—Under 700 feet.

241. I presume you admit that is a very important consideration?—I have already said it is; for haulage it is a very great consideration.

242. *The Chairman.*] How much Crown land is there available for agriculture by the Shag Valley route?—I do not think it would exceed 10,000 acres at the outside.

243. *Mr. Macandrew.*] Right on to Cromwell?—No; to Malloch's. Between my place and the plain, I do not think there would be more than 10,000 acres fit for the cultivation of corn.

244. *The Chairman.*] Touching the traffic, all the traffic from the interior, and after you get to Malloch's, would go down either of these alternative lines?—Yes.

Sir F. D. Bell.
5th Sept., 1877.

245. Then the line which you think would give an immediate return is that between Palmerston and Waihemo?—Yes. Whatever is the traffic that has to come down from the interior comes down now by dray, and as you made a section of five or ten miles of the Shag Valley line, you would tap so much of that traffic, and shorten the dray road.

246. You would do the same with the Strath Taieri line?—When you reached Strath Taieri, but not before.

247. What would be the traffic on this line which the Palmerston line would have in comparison with the Strath Taieri line; it would simply be that arising from the cultivated land in the vicinity of Palmerston?—Yes; but you must not take it simply in that way. You must take it that the line which would go by Palmerston, with the exception of fifteen miles, would go through land which is or would be immediately brought into cultivation. If the line went up through Shag Valley this land would be cultivated at once.

248. What is the immediate return of which you speak on the one line as compared with the other, if both lines tap the traffic from the interior?—I repeat that all the traffic there is from the interior will get to Dunedin by either line, which ever of the two is made; but, inasmuch as the dray road from which the traffic now comes is one that goes by Palmerston, every section you made upwards from Palmerston would tap all the existing or growing traffic; whereas if the railway were made by Strath Taieri, you must make the railway to Strath Taieri before it would tap any traffic whatever from the interior.

249. Supposing the line is commenced simultaneously at the middle and at both ends?—I do not think there would be a single pound of traffic on the middle section. If the line were commenced at the middle and at both ends, that would not affect the question of traffic from the Taieri Plain to Dunedin one bit.

250. Mr. Macandrew.] Is there no dray road now along the Strath Taieri plain?—No, not through.

APPENDICES.

APPENDIX A.

TO THE HONORABLE THE SPEAKER AND MEMBERS OF THE HOUSE OF REPRESENTATIVES OF THE COLONY OF NEW ZEALAND.

THE PETITION OF THE UNDERSIGNED RESIDENTS IN THE PROVINCIAL DISTRICT OF OTAGO, IN THE SAID COLONY.

HUMBLY SHOWETH,—

That your petitioners are strongly impressed with the urgent necessity that exists for taking immediate steps for the construction of a line of railway which will open up the interior of this part of the country; leaving the Southern trunk line in the neighbourhood of Mosgiel, proceeding through the extensive and fertile plains of Strath Taieri, Maniototo, Ida Valley, and Manuherikia, thence up the valley of the Clutha towards Clyde and Cromwell.

That such a railway, your petitioners are advised, presents no engineering difficulties; it could be cheaply and easily constructed, and would open up for settlement at least 500,000 acres of Crown lands, all comparatively level and fit for the plough. These lands are capable of settling and supporting a large population, and their judicious disposal would, after the construction of the railway, realize more than the cost of the whole work.

Your petitioners believe that the importance of the proposed railway can scarcely be overrated. Apart from the large and favourable field for settlement it will open up, the line will develop an extensive traffic in agricultural produce, wool, stock, general merchandise, building materials, and passengers, besides largely increasing the prosperity of the inland towns, and extending around and beyond them the sphere of settlement and enterprise.

From statistics and information which have been collected, your petitioners are satisfied that the proposed line will immediately on completion pay working expenses and interest on cost, and that there is no part of the colony where a railway is more urgently required. No other projected branch line would develop so much material prosperity, or be the means of indirectly adding so much to the public revenue.

Your petitioners, therefore, very respectfully but earnestly beg to express the hope that such measures may be adopted during the present sitting of Parliament towards the attainment of the above object as to your honorable House may seem fit.

And your petitioners will ever pray.

R. H. LEARY, Mayor of Dunedin.
And 3,149 Others.

APPENDIX B.

Mr. C. HEUSTON, Town Clerk, Clyde, to V. PYKE, Esq., M.H.R.

SIR,—

Town Clerk's Office, Clyde, 21st July, 1877.

I have the honor to forward a copy of resolution passed at a meeting of this Council held on Tuesday, the 3rd day of July, 1877:—

That it was unanimously agreed that every exertion should be used to procure a railway to Clyde and Cromwell *via* Strath Taieri, and to request that you will accord your co-operation and support thereto at the next General Assembly.

I have, &c.,
CHARLES HEUSTON,
Town Clerk.

APPENDIX C.

Mr. H. WILSON, Clerk of Council, to V. PYKE, Esq., M.H.R.

SIR,— Office of Maniototo County Council, Naseby, 28th July, 1877.
By direction of the Council I have the honor to enclose copy of resolutions passed at meeting of Council held on 25th instant, and to request your co-operation and support towards proposed interior railway scheme.

I have, &c.,
H. WILSON,
Clerk of Council.

1. That as the line *via* Strath Taieri is the one which, while not estimated to cost more than the other, will most largely benefit, not only the county, but the country generally, owing to its being the most direct to the capital and shipping port, and opening the largest quantity of good land for settlement, this county will heartily co-operate with those of Vincent and Taieri in an endeavour to open up the interior by that route.

2. That the member for the district be asked to use his best endeavours in the General Assembly to secure the construction of this line by the Government; or

3. Failing the Government undertaking the work, to endeavour to secure grants of land within the several counties interested, for the purpose of enabling the Council to proceed with the work, subject to such conditions as the Government may think fit.

4. That copies of this resolution be forwarded to the Chairmen of Taieri and Vincent Counties, the Dunedin Chamber of Commerce, the Minister for Public Works, and the Otago members of the General Assembly, asking for their co-operation and support.

APPENDIX D.

RESOLUTIONS *re* RAILWAY EXTENSION.

Passed by the Vincent County Council at a Meeting held at Clyde, 24th July, 1877.

1. That this Council heartily co-operates with the movement to construct a railway between Dunedin and Cromwell *via* Strath Taieri, as a means of opening up an immense area of agricultural land, and being portion of an ultimate scheme of connecting the East and West Coasts *via* Haast Pass by railway.

2. That it is absolutely essential to the best interests of the county that the necessary work should be commenced simultaneously at both ends.

3. That, in the event of the Government being unwilling to undertake the construction of the proposed line, this county is willing to do so in conjunction with the counties of Maniototo and Taieri, under the supervision of the Public Works Department, provided the counties are endowed with public land of equal value to the cost of the line.

4. That this Council desires to accord its approval of the movement to construct the proposed line of railway from Wakatipu to Cromwell, believing that it would be of very great benefit to this county.

5. That copies of the foregoing resolutions be forwarded to the Councils of Taieri, Maniototo, and Lake Counties; also to the Dunedin Chamber of Commerce, and to the Minister for Public Works, and to the members for Wakatipu, Southland, Wallace, Invercargill, Dunstan, Mount Ida, Taieri, Caversham, and Dunedin, asking their co-operation and support.

APPENDIX E.

TELEGRAM from Mr. R. H. LEARY, Dunedin, to J. MACANDREW, Esq., M.H.R.

Dunedin, 6th September, 1877.

PRELIMINARY meeting influential men held yesterday to promote company to construct interior railway considered Bill now before Parliament inapplicable to the line, and the money could not be raised under its provisions. If Government will give special and reasonable powers, company will be floated, and cost of construction subscribed at once. If Government prepared to entertain proposal, promoters will visit Wellington to negotiate. Intense interest in the matter here. Please Minister Public Works and reply.

R. H. LEARY,
Chairman.

By authority; GEORGE DIDSBURY, Government Printer, Wellington.—1877.

