

of importance, then, of course, a report from an independent officer could be got on the subject, and the Committee could see whether it is feasible or not. It would be a crying shame to burn this timber. In the Province of Marlborough there is a great need for timber, and also in other parts of New Zealand the supply is failing where the bush has been recklessly cut down. Therefore it seems desirable to utilise it in some profitable way, and not burn it.

25. *Mr. Mackintosh.*] Are you aware whether there has been any approach made to the present owner of the tramway? Is he prepared or disposed to sell?—I do not think he will be difficult to deal with if he is approached fairly. He would be anxious to sell.

*Mr. Mills* : I might clear that point up. Two years ago, when the Hon. Mr. McKenzie was over in Marlborough, this matter was brought before him. One of our principal men, Mr. Dalton, went on to explain matters from his point of view with regard to this line, and then stated to Mr. McKenzie that the land in the other valley had given 25,000ft. of timber to the acre. He said, "Now, if you take my advice, you will get Brownlie to say definitely whether he will sell or take a certain price; bring that to a head before you do anything more." A letter was written to Messrs. Brownlee and Company asking them if they were prepared to sell, and at what price. The reply was that they were prepared to sell, and stated their price as £20,000. [Letter here put in evidence.] I know they let recent contracts for the line at an average price of £3 10s. per chain.

26. *The Chairman.*] What is the general feeling of the people in the district as to the purchase of this tramway, or as to the probabilities of getting another outlet from the valley?—I have heard only a few people speak about Croixelle's Harbour; and I have heard some people say that is the proper way to get out without a tramway. The feeling is against the purchase of the tramway.

*Mr. Mills* : At the top end of the Ronga Valley the saddle is 800ft. high, and that has to be crossed to get to Croixelle's Bay. This little bay is not a suitable place for shipping timber, because it is nearly all mud-flats. You would have to go about five miles further on to Okiwi Bay to load any fair-sized vessels.

Evidence by letter from Mr. JOHN DUNCAN, Picton, 26th August, 1894.

SIR,—

The member for Waimea-Sounds, Mr. C. H. Mills, has asked me to put my views upon the opening of the Rai Valley before you, and this I now do as briefly as I can.

The placing the Rai Valley upon the list of forest reserves has, in my opinion, proved a serious drawback to Marlborough. It has resulted in twenty years' loss of settlement, and this without the slightest compensating advantage; values of both land and timber being now even less than when first reserved. The continued reservation of this block means only continued stagnation in the northern part of Marlborough, for any progress there can be insured only by the removal of the present restrictions.

I am aware of some difference of opinion as to whether the block in question should be let in sawmill areas or in moderate-sized sections to suit small settlers, and I regret my acquaintance with the whole of the reserve is not intimate enough to entitle me to say which is the better course to adopt. There need be no question that if it were equally well timbered as other forests I have had experience of in this province, and situate as it is, that to utilise it for sawmilling purposes would yield by far the best returns, opening as it would do a field for the use of private capital, the employment of a large industrial population, with the attendant advantages to settlers in the province, besides a big return for tithes to Government, with the land to the good, and in a better state after the removal of the timber for the incoming settler.

The existing road would not, of course, give the necessary facilities for developing the timber trade, but under the circumstances I mention communication by rail with the natural outlet—the Port of Havelock—would be required and warranted. Many years since, a sum of money was voted for a railway for this purpose, but some local difference of opinion operated against the work, and the vote lapsed. I may say there was perfect agreement that the work was necessary—the difference was where the port terminus should be.

Now, failing a sufficiency of timber for sawmill settlement, of course the only other step is to survey the block into sections of moderate size, and if this were done I feel sure the whole would be taken up by *bona fide* settlers within twelve months; and further, rather than delay settlement, even if the Rai Valley was proved to be heavily timbered and the Government unwilling to give the necessary facilities for fostering and developing the sawmilling industry, it would be better to give occupancy of the land to small settlers. This would be an extreme step, but I believe would prove in the interest of Marlborough, but at the same time entail a strong reflection upon any Government so doing. Immediate action in withdrawing this large area from the limits of forest reserves would be but an act of justice to a district long neglected and with but little land of any value open for settlement.

The first step then to take, if not already taken, would be to obtain reliable estimates of the quantity of sawmilling timber upon the block, and to practical men the rest is easy. Sawmilling, without doubt, as yielding the best returns all round, if the timber is abundant, for its situation, will warrant the expenditure required for railway connection with the port, and settlement in moderate-sized sections if the timber is but sparse, with the certainty that it would be occupied with little loss of time.

R. Thompson, Esq., M.H.R.,  
Chairman Waste Lands Committee, House of  
Representatives, Wellington.

I have, &c.,  
JOHN DUNCAN,  
Chairman, Pelorus Road Board.