

214. One man has a cattle-run on the outside next the Maruia, and there is a little settlement there. That is all?—There is a good deal of settlement at Matakītaki. There are two or three runs.

215. This land at Hampden. That has been purchased from the Crown years ago, has it not?—A certain amount, but not all, because the lot comes under selection.

216. Why did you not select it?—Because we had made a certain number of selections.

217. You had not any block there?—Let me explain it.

218. You said you put in no application?—No.

219. The country is very rough there?—It is rough country beyond the Buller Gorge.

220. And this Matakītaki Valley is not rich land?—Of course, you have the Hope Valley. The settlers have cleared a good deal there; they have got grass and cattle, but it is light land.

221. I suppose you are aware that light land growing birch and fern is always poor land?—It is a question of what you call poor land. It is poor in comparison.

222. You cannot call it agricultural land?—No.

223. What class of pastoral land would you put it in?—The second class. You can grow grass in that part, and probably keep sheep.

224. This land through which the railway was to run. You do not suppose that it ever could be the home of many people?—No. I suppose it will take a large area to give a man a living, as it is light land.

225. This is the line; you made no effort to extend the line beyond Reefton?—No, because we, of course, got all our capital for that particular purpose; and could not get further capital until that piece was completed.

225A. Can you give me the dates when your last contracts were made?—The last contract was let between Moana and Jackson's in February, 1892, and that was completed in March, 1894.

226. And what you have done since has simply been to maintain the line and put in groins in a river which was threatening the work already completed?—That is what you might call completing construction; because in all cases you have to watch the effect of rivers on works. You do not put in full expenditure in the first instance.

227. You have not gone on constructing more of the railway?—No; because we have been trying to get capital.

228. That is, since 1894?—Yes.

229. Now, about the Brunner deviation: I come to that next. When do you say you learned from the Government that they had consented to the deviation? It was in July, 1891, was it not?—I have not the dates. I do not remember them.

230. The 7th July, 1891, the petition says. That is when you got the notice, according to your petition, that the deviation would be allowed at the Brunner Lake?—Yes.

231. I want to know when you first let the contracts for the line around the deviation?—The part from Stony Creek to Moana—that is, the lake—on the 6th July, 1891; from Moana to Jackson's in February, 1892; and we opened to Moana—

231A. You did not let the deviation until 1892-93?—In February, 1892. That is when we began to let it.

232. You say you had seven months in which you did nothing?—But we could not.

233. Why?—Because we did not get the actual consent.

234. Until July?—I think it was later.

235. I am taking your own petition. This is what you say: "They delayed the consent until July, 1891, thereby causing unnecessary loss." Your complaints were therefore nothing, as you got the consent to the deviation before you did anything towards the construction of the line?—We had to finance in London. I might point out here that the delay we suffered in getting the consent upset financial arrangements in London, when otherwise probably—

236. Why should not you have made the line on one side of the lake or the other? What did it matter to the people of the colony?—It was of more advantage to the company in giving us a ruling grade to the foot of Arthur's Pass of 1 in 60, as against a ruling grade of 1 in 44, which meant a large difference to the working expenses of the line, and a benefit to the colony ultimately.

237. If you had to raise the money, would the people in England go into the question of grades?—No. It is all very well to say that. We had to finish the line to Reefton on the capital that was raised by debentures; but we could not go under our debenture prospectus on the London market again before we had completed that expenditure, consequently we had to suspend, as it were, or wait until we could certify that we had expended the debenture capital before we could go privately even to get the capital to finish the piece of line from Reefton to Jackson's.

238. Oh, then you had to finish what line?—The Reefton line.

239. Then you could not go until you had finished the Reefton line?—Practically we could have gone if we could have shown that we had a formal right. We could have got the money privately from another source.

240. You say your Reefton line was not finished until when?—1892.

241. So that your Reefton line had not anything whatever to do with this deviation?—It had a great deal.

242. You say it has anything to do with a deviation fifty miles away?—Simply that we, by our conditions of finance, were limited as to launching out until we could show, at least, that we had so arranged everything for our Reefton piece, otherwise the line could not be finished.

243. And the non-consent to the deviation at Lake Brunner had nothing whatever to do with the completion of the Reefton portion?—Yes; because we might, if we could have gone on, financed possibly the land-grants.

244. Let me understand you. The non-consent to the deviation could not have affected the construction of the Reefton line, excepting for financing, you say?—I say it would generally affect the work of construction.