

There is another crushing-plant at Jerusalem, which is operated by Bullock and Co., private contractors, who supply most of the metal to the Ministry of Works, the Wanganui County Council, and the Department of Maori Affairs for roading and for concreting various houses that have been built in that area recently. The crusher at the Pitangi Plant has been operating since about 1931. The Jerusalem crusher has been used for three years, the coming season will make its fourth year. Asked whether the demand for metal was petering out he said the demand was much greater, but it was a matter of finance. The metal is definitely wanted. There are other spots where metal is being obtained from the river. He says that on occasions the royalties have varied from 6d. to 2s. 6d. per yard dependent on the locality and the scarcity of the commodity but he did not want to create a false impression. The royalty would be nothing like 2s. 6d. per yard, possibly they might get 3d. per yard—that might be the value. Metal will always be required on these roads. The river metal is first class both for roading and sealing.

From certain of the figures which came out in the evidence, Mr. Spratt asked Mr. Frederick Harris, who made the calculations in relation to the loss of the fish-supply, to make an estimate of the value of gravel taken over past years and of the probable future value of the gravel to be taken. Mr. Harris put in the following statement:—

Wanganui-Jerusalem section—25,000 cubic yards per annum at 6d. per cubic yard : 16 years at £625 per annum	£	10,000
Taumarunui - Railways Department—25,000 cubic yards per annum at 6d. per cubic yard : 17 years at £625 per annum		10,625
Public Works—5,000 cubic yards per annum at 6d. per cubic yard : 16 years at £125 per annum		2,000
Local bodies, Taumarunui Borough, Kaitieke County, Taumarunui County, and Ohura County—3,000 cubic yards per annum at 6d. per cubic yard : 25 years at £75 per annum		1,875
		<u>£24,500</u>

Estimate for Future Quantities

Based on the estimates given it would appear that the minimum yearly requirements are—

	Cubic Yards.
Wanganui-Jerusalem section	25,000
Taumarunui-Railways	25,000
Public Works	5,000
Local bodies	3,000
Private users	2,000
	<u>60,000</u>

Royalty at 6d. per cubic yard on this estimated quantity amounts to £1,500 per annum.

However, as indications point to the probable increased use of this metal for concrete work—buildings, bridges, piles, fence-posts, &c., and other uses—it is conceivable that this estimate may fall very short of the quantities actually used and therefore the following figures are supplied merely as a memorandum of royalties computed on larger quantities:—

Royalty at 6d. per cubic yard = £250 per 10,000 cubic yards.

Cubic Yards.	Royalty Per Cubic Yard.	£
70,000	d. 6	1,750
80,000	6	2,000
90,000	6	2,250
100,000	6	2,500
120,000	6	3,000
150,000	6	3,750
200,000	6	5,000

I have set out the evidence and computations in detail as a matter of record for a reason which will hereafter appear. It is always difficult to estimate the potential value of property, and especially is that so in this case where the potential value has to be