

large areas of timber land. If I am right in my surmise that the revenue per mile will come down if you connect Whangarei with McCarroll's Gap, which I advocate, I think the line would still pay more than the Gisborne line per cent. on construction. In addition to being a good revenue-producer—I would put the amount one-half of the present return, say, £4 13s. per cent.—it would answer as the Main Trunk until such time as the settlement of the Mangakahia warranted a line being put through there. Railways must be served by water-ways. It is the same all the world over. Another fact that speaks for the advancement of this district is the number of agricultural implements that are coming in. Almost every day one can see some new machinery on the wharf. The dairying industry is only now coming to the front, and the settlers are becoming more and more alive to the fact that instead of surface-sowing it is better to have the ground turned over and grass put in and winter crops raised. Then there is another aspect. All over the world people are looking forward to a coming struggle, and a main consideration is strategical roads and railways. In New Zealand we have not bothered about it, but it is a proposition that should come before the Commission. If Whangarei were linked up with the main line at McCarroll's Gap it would make a good strategical line for North Auckland. It would enable quick mobilization. The Bay of Islands is a magnificent harbour, and we have a good one here, and with this gap linked up we would have quick direct communication with the headquarters at Auckland. Again, the cable-station is at Doubtless Bay, and it is necessary that that should be protected.

2. *Mr. Romayne.*] Are you aware that the Gisborne line at the time the Railways Statement was issued had a comparatively short mileage, and that there was an excellent road between the termini?—I only quoted the railway return as to the revenue earned; and twenty-three miles is given as the length of the Gisborne line and twenty-three miles for the Whangarei line.

3. Are you aware that when they were working the bush on the Kaihu Railway that line paid a high dividend for many years?—Yes. That was good kauri bush then; but until the land has got into good bearing-capacity it will not pay so well.

4. It is your opinion that when the line from Whangarei is connected with the main line the return of £9 6s. per cent. will be reduced?—Yes, unless we connect with the Main Trunk.

5. Could you give the Commission any idea of the millions of feet of timber that would be brought in to the railway?—No, I cannot give the figures, because those I got from others are not conclusive. Not long ago I wanted to secure for some southern people 100,000,000 ft. of millable timber and could not; but I find out that there is a tremendous quantity of timber to come down over this railway.

6. Are you aware that 100,000,000 ft. of timber would be equal to two years' export from the Port of Greymouth?—No.

7. *Mr. Steadman.*] Have you been through the gorge from Parakao to Kaikohe?—Yes.

8. What is the nature of the country?—Heavy bush.

9. Is it broken country?—Yes.

10. *The Chairman.*] Did you ascertain what amount of timber there was in the Ramarama Valley on the railway-line?—No.

11. Are you not aware that every tree was marked and measured by the Commissioner of Crown Lands two or three years ago?—I did not go to the Government about the matter, but I inquired from others.

12. You say the railway is not going to pay north of Hukerenui?—I said it was possible that the return per cent. would be cut down from what it is at present; but if you connect Whangarei *via* McCarroll's Gap, or thereabouts, with the Main Trunk line this difficulty would in all likelihood be non-existent; in any case, the line would still pay handsomely.

DAVID MILLER examined. (No. 10.)

1. *The Chairman.*] What is your position?—I am a farmer, and sometimes a flax-miller, residing at Mangapai, about sixteen miles from Whangarei. I know the country well from here to McCarroll's Gap, and I advocate that the line should be put through there as soon as possible. It is a very easy country through which to make a railway, and there are settlers right through. I think the Main Trunk line should eventually go by the western route. The great bulk of the population is on the eastern side at present, but on the other side the land is not opened up. Ten or twelve years ago it was all in native bush. The ownership at present is too large. The first thing the Government should do is to acquire this land and cut it up into smaller holdings.

2. *Mr. Evans.*] You desire to have Whangarei brought into connection with the main line at McCarroll's Gap?—Yes.

3. And that the Main Trunk line should not be gone on with at present?—That is so. It would not be payable under existing conditions.

EDMUND CAMPBELL PURDIE examined. (No. 11.)

1. *The Chairman.*] What is your position?—I am a schoolmaster, residing at Whangarei. I have been in and out of the district for the last twenty-eight years. For five years I was Inspector of Schools in charge of Whangarei northwards, excluding Dargaville, and for three years I was Inspector of Schools in charge of the district between Auckland and Whangarei. The Wairoa was excluded in both cases. I have been to Wairoa on, I think, three occasions. I know the whole of the country from Auckland northwards fairly well, in a general way. I happen at the present time to be secretary of the North Auckland Railway League, and on that account I have had to go into the question of railway-communication between Auckland