from railway or any other communication at present that it costs them 4s. per hundredweight to get their flour to their sections from Kaihu. In the summer I believe it can be done for 3s. The whole of that country is bush land, and of first-class quality. There are tracts of sandy or gum country extending inwards from the west coast which could not be considered particularly good, but that applies to the whole of the north on both sides. The land is capable of producing, acre for acre, with any other ordinary land in the whole of the Dominion, but the facilities to bring goods in and produce out absolutely put it out of the question. Moreover, there is in the Waipoua Riding, or at the top end of the Kaihu Railway, within fourteen miles of the present terminus, a forest belonging to the Crown containing at a low estimate 300,000,000 ft. of marketable timber. That consists of kauri, kahikatea, rimu, matai, and other woods. There is only one possible way for it to go — down the Kaihu Valley Railway extension. The whole of that country is Crown property, and would make first-class settlement land if available for settlement. Taking into consideration my knowledge of the timber, and the rapid rate it is disappearing at, I contend this forest will be the only timber forest available for building purposes in Auckland in the very near future. The district from end to end, as far as I know, is suffering at present from want of railway communication, and Auckland is our only port. It is idle to think that any other port will be of any value to us, because all our trading connections and all our traffic practically lie with Auckland. The little we do with the south is practically limited to produce alone. I maintain the nearest possible connection with this district to Auckland should be the best one. feed the western district it will be necessary for us to get a connection with the Trunk Railway at Kirikopuni. If our ultimate object is Russell as a port, probably Taita and Mangakahia would be the best. I know Opua well, and consider there is no better port in the north, or better facilities for handling goods. The country adjoining Opua, of course, does not lend itself to agricultural purposes, but the back country in all directions is good. I do not consider that the railway from Taita to Mangakahia, however, would be a practicable one. There are three distinct watersheds, and a railway across that country would necessitate extensive cuttings and tunnels. Moreover, I consider that in discussing that railway we are discussing something that may be of interest twenty years hence, when the Bay of Islands may be farther ahead. I would advocate the nearest possible connection with Dargaville and the Main Trunk, and also a distinct connection from the spot where we cut the western route with Whangarei. I maintain that the western route will supply the greatest want, for the reason that, taking it for granted that both waterways are of equal merit, our waterway does not give us a connection with Auckland, nor does it give us a connection in any way without transhipping on to the railway to Auckland. As a shipper, I would be inclined to pay more freight to-day if I could get direct connection with Auckland, because of the loss and delay incurred in transhipping. I know the country from Tokatoka to as far as the proposed western route, and I know that in the winter it is impossible for the people there to deliver any produce on the river except by pack-horse. Even if equal conditions prevailed, and the freight was 7s. 6d. per ton to both places, I still maintain that the western route would be the best, because the western roads are not available for settlers during nine months of the year. It must also be taken into consideration that Whangarei in the near future will produce an enormous amount of coal, and we are buyers of coal. We have a few outcrops of coal in this district, but we will not for many years to come supply sufficient to meet our own needs. I maintain that if the railway only came to the 27-mile limit, to pass Kirikopuni, it would serve this district, provided we get a connection from Dargaville to Kirikopuni. Moreover, it would find a market for the Whangarei people a hundred miles nearer home for coal. To serve the country as a whole, and give Dargaville and Whangarei a sort of T connection, I maintain that the railway from Kawakawa to Hokianga will serve a splendid lot of country. If the railway comes to Mangakahia great difficulties will be encountered, whereas if it does not go past Kirikopuni it will serve an admirable tract of country for many years to come, especially when it is remembered that the Whangarei-Hokianga line is to be constructed. The mere fact of a Railway Commission being set up to consider the merits of the two routes of railway places both routes on a level footing to start business on. It proves to me that the schemes on either side were nearly equal. Moreover, the routes from McCarroll's Gap to the southern portion of the Tangihuas practically serve the same country, and probably a straight line there would serve the same purpose, providing there are no engineering difficulties. It is therefore only a question, so far as I can see, on which side of the Tangihuas the line is to go. Whatever conditions prevail on the east coast they cannot possibly be so severe as prevail from Tokatoka to Okahu, otherwise settlement on the east coast would be retarded.

3. Mr. Evans. You are very largely interested in the land yourself?—Yes.

4. Do you know that sometimes vessels coming back from Canterbury to the Kaipara take freights as low as 5s, per ton?—I have been in business here for many years, and have availed myself of all the cheap freights. I never heard of any freight from a southern port under 10s, a ton.

- 5. Do you believe the settlers in this vicinity, if the railway was constructed to-morrow, would all send their goods by rail?—I am quite satisfied they would.
- 6. It would be a very expensive business to construct a railway through this country: do you believe the railway would pay eventually?—I have no data, of course, but my opinion is that it would pay.
- 7. Have you any idea of the rate of interest the sixteen miles from Dargaville to Kaihu is paying?—It has been one of the best-paying lines in the country up to two years ago.
 - 8. What is it paying now?—Just about working-expenses.
- 9. Is there any prospect of the other line paying better?—Yes. The Dargaville-Kaihu line is only a short one, and does not feed any extent of country.