

or justifiable. It is unreasonable to ask the Government to acquire the tramway—firstly, because the tramway is not in such a condition as would justify its use by the Railway Department, and would have to be reconstructed; secondly, because the traffic of the tramway, if extended, would be earned mainly at the expense of the existing State line; and, thirdly, because the Department does not consider that the tramway, if extended, would be a payable proposition. The Department further contends that the tramway in its present condition is of little or no value, whether regarded intrinsically as a tramway or as a going concern to be acquired on the basis of capitalized profits.

WILLIAM JOHN PHILLIPS sworn and examined. (No. 21.)

1. *Mr. Skerrett.*] You are a farmer residing where?—At Sandon, adjoining Bunnythorpe.
2. How long have you resided there?—Forty-four years.
3. What is the extent of your holding?—420 acres.
4. I think you have given consideration to the question of the subdivision of the lower part of the Manawatu County?—Yes.
5. Would you mind indicating on the plan the general portion of the Manawatu County to which your evidence will relate; your evidence is confined to the Manawatu County?—Yes, starting from Moutoa.
6. It is practically the line between the Manawatu River and the Rangitikei River, extending to the east to the Oroua?—Yes.
7. It makes a total of nineteen holdings containing 41,705 acres?—Yes; they are coloured on the plan with a brown line and yellow inside.
8. *The Chairman.*] The holding you referred to in the statement is that marked on the plan coloured brown and yellow?—Yes, except the southern portion of Sir James Wilson's station.
9. *Mr. Skerrett.*] This is a copy of the subdivision [produced]?—Yes.
10. It reads, "As to the suitability for subdivision of blocks of land in the Manawatu County, at the present time properties to the following extent are held: One holding of 7,227 acres, one holding of 7,303 acres, one holding of 4,227 acres, one holding of 3,433 acres, one holding of 2,033 acres, one holding of 1,825 acres, one holding of 1,765 acres, one holding of 1,754 acres, one holding of 1,519 acres, one holding of 1,500 acres, one holding of 1,385 acres, one holding of 1,359 acres, one holding of 1,323 acres, one holding of 1,019 acres, one holding of 977 acres, one holding of 820 acres, one holding of 803 acres, one holding of 757 acres, one holding of 676 acres: making a total of nineteen holdings containing 41,705 acres. The capital value of this land, as shown by the Government valuation rolls, is £424,278, and the unimproved value £323,250. This valuation was made five years ago; and if the properties were reassessed to-day a greater value would be shown. The whole of the 41,700 acres is admirably suitable for closer settlement, and could be subdivided to great advantage. 8,000 acres of it is as rich land as any in the Dominion, and could be subdivided into farms of from 50 to 100 acres; 25,000 acres could be subdivided into farms of from 100 to 200 acres, 8,700 of which could be divided into farms of from 200 to 400 acres. On an average basis the total nineteen holdings could be cut up into 301 farms supporting 301 families. The greater portion of the farms would be used for dairying and agricultural farming, and the produce would all be hauled over the railway. Only the larger portions in the county have been dealt with; but in addition there are a large number of properties of about 500 acres which could be subdivided. In our opinion the extension of the tramway would have a tendency to induce settlers to subdivide their properties" ?—Yes. [See Exhibit 20.]
11. Do you think that the construction of the extension to Marton would have a tendency towards the subdivision of those properties?—Yes, because they could get the stuff away.
12. I think you have, in conjunction with Mr. Penny, prepared a statement correlating the holdings in the Manawatu County. The area of the Manawatu County is 267 square miles, or a total of 170,880 acres?—Yes.
13. And each of the holdings with which your evidence deals, and which is capable of subdivision, amounts to 41,708?—Yes.
14. There are two large holdings in the county not suitable for subdivision?—Yes.
15. Where are those holdings situated?—On the Rangitikei River. [Statement put in.]
16. You are aware of the conditions of carting in the Sandon district?—Yes.
17. What would be the cost of carting chaff to the railway-line for a distance of, say, half a mile?—4s. 6d. per ton.
18. What would it be for carting it two miles?—You would not be able to take many loads on account of the time in loading. It would not be much more than about 6s. per ton altogether.
19. Take six miles, for instance: what would be the cost per mile for cartage?—That makes it very awkward, because you cannot make two trips a day for six miles, but I should say 10s. or 12s.
20. And eight miles?—Fifteen shillings.
21. Is it feasible, in your opinion as a farmer, to cart agricultural produce to a railway-station distant over four miles?—No, and it is not likely to be.
22. *The Chairman.*] Are you aware of the distances in Canterbury: you do not suggest that all the farmers have railways within four miles?—No. The reason of that is that we cannot afford the time for the horses to be taken off the farm.
23. But there is only one central line of railway, in the centre?—Yes; but we have only a certain number of horses on a farm, and when one crop is out we have to put in another, and we cannot afford to do our own carting.