

MINUTES OF EVIDENCE.

GREYTOWN, WEDNESDAY, 10TH MARCH, 1880.

Mr. GEORGE ASHCROFT sworn and examined.

1. *The Chairman.*] You are the Traffic Manager of the Wellington and ^{Featherston} Eoxton line?—I am the General Manager.

2. The Commission wish to obtain information as to the relative cost of working the incline of $2\frac{1}{2}$ miles in reference to the other portions of the line. Probably you are not in a position, without reference, to give the exact figures; but you will be able, I suppose, to say substantially what is the difference in the cost primarily of working the incline and the other portions of the line?—We have been very careful over this. I have not the figures in my head, but the result of the working of the Fell incline is that it adds 5 miles to the $2\frac{1}{2}$ miles already existing—that is to say, the charge is made as though the incline was $7\frac{1}{2}$ miles long, instead of $2\frac{1}{2}$ miles.

3. That is, that the cost is three times greater per mile?—Yes; but the difficult element in that calculation is simply this: that, however small the business done, you must keep a staff to work the Fell engine. Those men would not be one-half or one-quarter of their time employed, but still their wages must go on; and the only saving would be in the actual wear and tear of the metal, and a little saving in coal. That staff would remain pretty constant if we were doing at least five times the traffic we are now doing. I think you may take the ratio of $2\frac{1}{2}$ to 7 as a fair measure of the increased expenditure.

4. *Mr. Clark.*] That is, at the present time?—At the present time.

5. *Mr. Wright.*] I should like you to tell me what increased traffic, in your judgment, it would be possible to carry with the present rolling-stock on the Wellington and Featherston line?—Fully five times the present traffic. There would scarcely be any additional expenditure. There would perhaps be a little more consumption of coal.

6. Will you tell the Commission what has been the percentage of expenditure to receipts during the last six months, ending 31st December?—It stood 87 or 88 on this line; but I speak from memory. The exact figures can be obtained from the records.

7. What was the percentage as shown by the latest returns?—The percentage was down to about 80 on the 6th March of the present year. This is the latest return, and is not yet published.

8. Was that reduction due to increased traffic, or to a reduction in the train mileage?—To both causes. The traffic did increase slightly; but I may say that the whole of the economy was due to decreased mileage.

9. In these traffic returns do you debit the cost of carriage of railway materials for works in progress?—One-half the ordinary rates are charged for actual haulage, but there are no terminal charges.

10. Has there been any material reduction in materials for railways in progress carried on the line in the months of January and February?—I should say Yes, decidedly. The Public Works material comes in fits and starts; it is never a continuous traffic.

11. But there has been a material reduction?—Yes, a very material reduction. Previously the whole of the material for the bridges has been drawn. All the heavy cylinders were brought up.

12. As those materials were debited with one-half the ordinary rate for carriage, do you not think the improved percentage is in a measure due to the cessation of that traffic?—No, I think not; and for this reason: that every addition to the receipts, even though at a loss, would make these percentages better, because there would be a larger figure to divide by. These accounts are very defective, and give no true account of our traffic—that is to say, anything added to the gross amount would appear for the time being to be better when it was no better; for any increased wear and tear would not be shown.

13. You have stated that the cost of working the Fell incline is about three times the cost of a proportionate mileage on the ordinary line?—Yes—on the ordinary line plus this difficulty, that we cannot reduce that cost in proportion to any diminished business. I wish the Commissioners to see that very clearly. We are saddled here with that difficulty.

14. If I understand your answer properly, it means that with a less traffic it might be four times, or even five times, the cost to work the traffic on the ordinary line?—Yes, if we take the cost at reduced rates. Supposing that we must reduce the cost, we could not reduce that part of it, and then the proportion, instead of being 1 to 3, would be 1 to 4.

15. On the other hand, if the traffic is very largely increased, the proportionate cost would be reduced?—Very considerably diminished.

16. To what point do you think it possible?—I should not be at all surprised to find that I could bring it down to just one-half; you will see that that arises from the fact that a certain staff must be kept, which could be doing much more work.

17. *Mr. Clark.*] You stated that the rolling-stock upon the line under your charge is sufficient to do five times the work?—Yes.

18. Do I understand that the staff at present employed would also be sufficient to do five times the work?—Yes. There would be some additional porters, labourers, and cadets for the actual entry of accounts, for the increased business; but practically you may say there would be no increase in the charges—the bulk of the charges would be as they are at present.

19. You say that you have reduced the proportion which the expenditure bears to the receipts to 50 per cent?—Yes, to 80 per cent.