

10. What is the date of his report?—16th October, 1880. The length of the railway is twenty-two miles, so that £74,000 cannot be a very high value for it. The average cost of construction of New Zealand Railways is about £8,000 a mile. I think they average that.

11. And this is considerably under £4,000?—Yes. Of course this is an exceptionally cheap line as lines go. All the Canterbury lines are cheap, but I think the average is quite £4,000 a mile.

12. Do you know anything of the district and the nature of the traffic on the line?—Yes, a little.

13. And the nature of the traffic?—Well, the traffic is the ordinary sort of traffic as obtaining in Canterbury—chiefly, I should think, grain and other agricultural produce. I cannot, however, speak with any certainty upon this matter. Mr. Maxwell would be the proper person to tell you about the traffic.

14. Do you know anything of the district it taps—what kind of country it is?—The land it taps is fairly good land. It is subject to very high winds. That is the greatest objection. But I think the character of the land is very fair.

15. Is it an agricultural district?—Yes; I should certainly call it so.

16. Almost entirely?—Yes; but varying in quality.

17. Is it a district likely to increase in population and agricultural productions?—Yes, I would think so. If agriculture pays well anywhere in Canterbury it should pay fairly well in the district tapped by this line. Of course, I do not suppose it would be as high-class land there as in Southbridge and in some other parts of Canterbury. I have seen much better land about Southbridge and Waimate.

18. Do you, personally, know anything of the condition of the line—of the rolling-stock and permanent-way?—The rolling-stock is the property of the Government, all of it. The Government is working the line, so I presume the rolling-stock there is in as good order as in other parts of the colony. But it is not specially confined to that line; it is interchangeable with the main-line stock.

19. And the permanent way?—That was in very good order when I saw it last, but that was some years ago.

20. *Mr. Montgomery.*] Have you made any estimate of the cost of constructing this line at present prices—that is, if it was made now?—No; I have not.

21. Then the estimate as given to the Committee has nothing to do with the value of the railway as to what it would cost if constructed at the present moment?—No; at least not necessarily so; but the difference would be merely in proportion to the prices for work and materials ruling five or six years ago as compared with prices now.

22. So that railway might, in point of fact, be constructed for a great deal less now than it was then?—That is, presuming that the prices for work are less now than they were in 1879.

23. For work and for ironwork and work generally?—It would depend upon the relative prices.

24. You have not estimated what would be the cost of constructing the line at the present moment?—No; I have not. I never made an estimate at all myself. The estimate I quoted just now was Mr. Blair's estimate.

25. Then, the value now might be a good deal less than the estimate given then?—Speaking theoretically, it might be so.

26. You have examined all the papers before the Committee, and are aware of their contents?—Yes.

27. Is there anything in them to guide the Committee as to the value of the railway at the present moment, taking material and labour at present prices?—No; I do not think so—nothing as distinct from the estimate made by the Government engineer in 1880.

28. *Dr. Newman.*] What was the date of this estimate of £80,000?—October, 1880.

29. And how long was the line making—two or three years?—I do not think it was more than a year or two actually in progress.

30. The whole of the 22 miles?—Yes; it was made very quickly.

31. This estimate of £74,000: does that include the cost of floating the company?—I cannot say. The £74,000 is the company's own estimate—namely, the amount which the company announced to the ratepayers that the railway would cost.

32. Then, it might have cost £20,000 less?—Yes; speaking theoretically, it might, or £20,000 more; but it is not probable that it varied either way to anything like that extent.

33. And there is really no guarantee, then, except the statement of the directors, that it cost £74,000?—There is no guarantee, except the estimate of the Government Engineer, that it was value for £74,500 when he saw it.

34. Then, they might have put down any sum they pleased. Have you any documents to show how they brought it up to £74,000—any proof beyond the statement of the directors that it actually cost £74,000?—No; we have no proof of that. We have their statement that that was their estimate; but we have nothing to show that it did cost exactly that amount. It was done by the company, and it would be next to impossible for the Government to say exactly what it would actually cost; but we have the estimate of the Government engineer to the effect that its value, when he saw it, was £74,500, and that when completed it should be value for £80,000.

35. Are there any bridges or cuttings on this line?—Yes; there are bridges, and cuttings and banks.

36. Is it not all level country?—Well, it is what is called "level country;" but there are, nevertheless, cuttings and banks—some of them, I should think, 8 to 10 feet deep.

37. Any bridges?—No bridges of any magnitude.

38. *Mr. Barron.*] Have you made a personal inspection of this line as it now stands; or will you tell the Committee whether it would be better to get Mr. Blair's evidence on that particular point, he having been immediately concerned in the work?—Mr. Maxwell is the person immediately in charge of the line, as General Manager of Railways, so if you want to know its present