

way. But seeing that we have to find capital to work the lines, of course it is only reasonable that a proper sum should be included in this case.

223. Does the stock have to be kept in repair at the expense of the Government, as on the Government lines?—The Government stock is maintained at the expense of the Government, and a charge is made to the company.

224. As a charge made for interest?—Yes; all included in the agreements for working.

225. Could you state what the details of the charges last year were?—You will not find the details of how much is charged for interest and how much for repairs separately. You will only find the charges for rental of stock at a rate per mile.

MONDAY, 31ST AUGUST, 1885.

Mr. MAXWELL'S examination continued.

*Rakaia to Ashburton Forks Railway*—continued.

226. *The Chairman.*] I think, Mr. Maxwell, you have been asked whether you anticipate any considerable increase in the traffic on this line, say, during the next seven years?—That depends so much on outside causes that it would be very difficult to give an opinion. As to the price of grain, for instance, that would affect the question very largely indeed. If the price of grain goes up you would get a good traffic, but if it remains down then, I presume, the traffic would be very slack. There is a large country there which is, I suppose, capable of carrying more people than it does now, and I should anticipate that, unless something extraordinary happens, there would be a considerable increase.

227. To what extent do you think it would increase, taking the probabilities into consideration?—I could not venture an opinion.

228. You have been over the whole district: does the land appear now to be generally all under cultivation?—I have not been over the whole district. I know the country generally. I have been over different parts of it during the last ten years, but I could not tell you what portion remains uncultivated.

229. From your knowledge of the country, do you think there is much cultivation going on, and that there is as much inducement to cultivate as there will be for the next seven years?—I could not answer that; I have not sufficient knowledge of agriculture.

230. *Dr. Newman.*] Do you think that there is likely to be any increase of traffic from the fact that the Government owns the feeding and main line?—I do not think so.

231. *Mr. Montgomery.*] Do you know the quality of the land about there?—No; I do not profess to be a judge of the quality of land. I have seen very good crops growing about there. From what one sees of other portions of Canterbury it appears to be average land.

232. Do you know whether the land is all settled?—No.

233. Whether an increasing or large agriculture is going on?—No.

234. You do not know the average amount of wheat—bushels to the acre?—No; I do not know.

235. You do not know whether the land is very light land?—No.

*Waimate Railway.*

236. *The Chairman.*] Could you tell us the present condition of this line?—It is in good order as far as the state of the line is concerned. It is doing very little business as far as the traffic is concerned. I think we run two trains a week.

237. On the Waimate line?—Yes. The company has the discretion as to how many trains shall be run. They were consulted; we took their opinion on that.

238. Two each way?—Yes.

239. And what is the character of the traffic on the line?—I believe there is some wool goes over in the season.

240. Principally wool?—Yes.

241. Not much grain?—No; I do not think there is much.

242. Can you give us the returns of revenue and expenditure?—I am rather in a difficulty about giving you any fair statement of what the revenue and expenditure has been, because the line last year had a mishap. It was insufficiently constructed in some respects, and suffered very much from floods; and large sums of money expended in reconstructing it were charged in the working expenses. So that our statements of what was spent on the line are not fair samples of what the working expenses should be.

243. That is, last year's?—Yes.

244. But the previous year's?—I think traffic was suspended for some time during the previous year. I can tell you what was done in the first four months of this year in revenue and expenditure. We are doing very little traffic on it. The receipts were £110 for the first four periods ending the 18th July, 1885.

245. For sixteen weeks?—Yes; and the expenditure was £126.

246. That includes repairs to the line?—Yes; leaving a debit balance of £16 against the line. During the coming four months we shall get something better than that, because the wool will give more traffic.

247. Could you give any idea as to the probable traffic?—I think it must depend very much upon whether or not settlement is going on in the country round and beyond the line. Whether that settlement will take place or not, it is impossible for me to say. But I believe it is a very good agricultural country from what I am told.

248. Could you not say whether there is any prospect of immediate increase in the traffic?—The company should be in a better position to judge of that than we are; and if the company con-