

sidered it necessary to run more trains we should run more. But the trains as they are run now are run by arrangement with the company.

249. Has this arrangement lasted for a long time?—Two trains have been run per week for more than a year now.

250. I should like to ask you whether in your opinion this is the most suitable line to open up the district through which it runs. If the Government were going to construct a line there, would the direction now taken be the best to open up the district?—I believe it takes the only possible route to go into the country. It goes on from the Waimate Government branch, and extends through a gorge about four or five miles. Then it gets into an open and undulating country beyond. It is the only convenient route.

251. Is it likely to be an expensive line to keep in order?—Not now, I think. The line has been put into a suitable condition.

252. Are the rates charged by the company on this line higher than on the Government lines?—Yes.

253. Materially higher?—Yes, a great deal higher.

254. Could you give us any idea what effect the lowering of the rates would have on the lines?—I should say that you would get less revenue.

255. Would it be likely to increase the traffic?—It might do so.

256. You think that if so the present directors would have taken that course?—I should think so: they are local men and would know all about the country.

257. *Dr. Newman.*] Did they start at these rates?—Yes.

258. Do you think there would be any saving effected in working expenses if the line was taken over by the Government—of directors' fees, for instance, and for supervision; and to what extent?—There would be no directors' fees, of course, and no expenses on account of the company's staff (of which I know nothing); but I do not think there would be any diminution in the other expenses. I think the only chance of doing anything more on that line at present is to run a more frequent service and try the effect. We cannot do much traffic as long as there are only two trains a week. The natural result of that is that people do not use the line. It is only nine miles for them to go to Waimate.

259. Are there as many stations now on the line as would be required if the line was owned by the Government?—I think so.

260. Any additions required?—I do not think there would be anything necessary.

261. *Mr. Dargaville.*] The line is 9 miles 10 chains 30 links in length. It is proposed to pay £33,900 for it. Should you think that was a fair value for the work?—It cannot be an exorbitant price. I cannot say more than that, or offer an opinion as to the price, without the whole details. If the line is about nine miles in length, and the price £33,900, that is about £3,700 a mile. It must be cheap at that—certainly it cannot be extravagant.

262. At the date of these agreements—I suppose a few months ago—was the line in fairly good working order?—Yes.

263. What kind of rails, for instance, have they?—Iron.

264. What weight?—52lb. iron rails. They are the heaviest class of rails we use.

265. Is the line run in such a direction and into such kind of country as to be capable of extension with advantage?—I do not know the country beyond following up the line. I know the country up the Waitaki Valley and Duntroon to Hakateramea. It goes in that direction.

266. Is that good country generally?—There is limestone country in that direction.

267. Only two trains are run weekly, by arrangement with the company. Do you not think that if trains were run more frequently there would be a corresponding increase in the receipts?—There might be more. It would be worth trying. But there is a very small population surrounding the line.

268. Do you not think that the company, in imposing such a high tariff, have in view merely their own interests as a company of shareholders, rather than the convenience of settlers in the district?—I could not say what their object is.

269. But do you not think it stands to reason that they would be less disposed to consult the interests of settlers than the Government would be?—I should think so. No doubt the company would consult its own interests first.

270. And that therefore the transfer of this and other lines from the companies to the Government might be fairly expected to have one good result: that the interests of the community at large would be studied to a greater extent, in preference to the interests of a few shareholders?—Yes; I think that might be so.

271. *Mr. Montgomery.*] Is the district settled by farmers?—I do not know anything about the district surrounding the line.

272. And the land through which the railway runs, is it generally owned by private individuals, or is it Government land?—I do not know. For the first four miles there is no country settled to speak of. The latter part of the line runs into open lands, on which, I believe, there are some farmers settled. But I do not know anything of the position of the lands, or their ownership generally.

273. You do not know the prospects at all of that land?—No, I do not.

274. *Mr. Barron.*] You say that the Waimate line was insufficiently constructed, and that in consequence there was some expense in making it good?—Yes.

275. Do you think it was generally insufficiently constructed, or that there were only one or two weak places in it discovered after construction, and which might have been discovered in any work?—It is, generally, well constructed now. The floods just after its construction found the weak places out. They have been put right, and the line is fairly well constructed.