

276. You say that the directors, being local men, would be more likely to know the local requirements; and I suppose you think that, if it were possible to work the line with profit, they would be more likely to do it than the Government?—I think they are the most likely to know if it was advisable to run more trains.

277. I suppose your experience of Government ownership leads you to believe that, irrespective of the amount of profit made on a line, pressure would be likely to be brought to bear for more accommodation than is really required?—I should not like to say that. I have never had any pressure from that quarter (Waimate).

278. I speak of the question generally as in connection with railways. Of course you must have had it brought under your notice that frequently the public ask for accommodation with the railways which you, as an expert, do not think necessary, and which certainly would not increase the profit on traffic?—Yes.

279. And so, if the Government owned this line, you would be likely to have such pressure brought to bear on you, which might lead to greater loss than if the line was worked by the directors?—It might be so; but there is not much scope for anything of that kind.

280. You have said that the line would be cheap at the price offered; but it is quite possible that the line might be dear at any price if it could not be profitably worked?—Just so.

281. Your experience of this line up to now is that it would be dear at any money as far as the traffic has gone?—So far, there have been no profits.

282. *Mr. Cowan.*] Do you know whether the two trains a week are sufficient to overtake the freight?—I really do not know. As I have said, the directors in Waimate would be the most likely men to know the district and to know the wants of it. If they thought the trains were insufficient I presume they would wish to run more. But we are doing as they wish.

283. Has it been brought under your notice that the road is competing with the line in carrying?—No.

284. Do you not consider that if a daily train were run, with the present prospect of freight, the annual percentage of loss would be increased?—I am not prepared to say that. I think I should try it if I were working the line on my own responsibility.

285. What is your estimate of the cost of running trains for eighteen weeks?—That depends on a great number of conditions. In this case we merely run the engine that works the Government branch up the line and back again with such wagons as are necessary. That can be very cheaply done.

286. But looking at this line, which, as you have stated, produces a loss of £16 a week?—No; has made a loss of £16 for sixteen weeks.

287. Yes, £16 for sixteen weeks. If you ran a train every day, and there was no prospect of an increase in the traffic, would you compute the additional loss for sixteen weeks?—Yes; I can make out £180; but this answer must be qualified. We should not run a daily train unless it were found that more traffic resulted.

288. *Dr. Newman.*] Do you know why this railway, which was to have been sixteen miles, was only done to nine and a quarter?—I do not know.

289. How long has the line been open?—Since the 24th April, 1883.

290. Could you tell us the loss in the first year?—No, I do not think I could give you that.

291. It was a loss, though?—I do not see how it could be otherwise, because it cost a great deal to reconstruct the line.

292. Did the company originally run more than two trains a week?—No.

293. Is there any rolling-stock attached to this line?—No.

294. Does that loss for sixteen weeks include the charge for rolling-stock?—Yes.

295. It includes all cost to the Government?—Yes; the line is worked at the risk and expense of the company solely.

296. Could you give us any idea whether there has been an increase of traffic during the two years it has been running?—There has been no increase.

297. *Mr. Wilson.*] You say the line is worked at the risk and expense of the company solely. Do you take into consideration the amount which the railways cost?—No; I am merely speaking of the working. As far as the working is concerned, the whole of the cost is at the risk and expense of the company.

298. About the collection of rates: have you any local knowledge on that subject?—No. I understand the rates on land are meant.

299. So that you cannot inform the Committee whether there would be any difficulty in collecting the rates if the Government took the line over?—No.

The following statement shows the revenue and expenditure yearly, from the 4th February, 1883, to the 31st March, 1885, inclusive:—

Periods.	Revenue.			Expenditure.		
	£.	s.	d.	£.	s.	d.
4th February, 1883, to 31st March, 1883	70	10	3	229	1	7
1st April, 1883, to 31st March, 1884	429	11	4	1,419	14	6*
1st April, 1884, to 31st March, 1885	434	6	11	761	12	10*

*Duntroon-Hakateramea Line.*

300. *The Chairman.*] Will you tell us, Mr. Maxwell, what is the character and condition of this line, the nature of the country it opens up, and the nature of the traffic connected with it?—

\* The expenditure in these years was exceptional.