

349. Are the differences in the rates heavy?—In some cases.

350. Then, it would be quite in keeping with what has been done already, if the Government acquire these lines, to maintain the present tariff?—I could not say what any Government might do. I can only say that at present we are working different rates—widely different rates—and always have been ever since the provinces gave up control of the railways. There has never been uniformity of rates in New Zealand, and there is never likely to be, as far as I can see.

351. Do you speak of different rates levied on different lines in the same provincial districts, or of different rates in different provincial districts?—We do not take cognizance of different provinces; we only, as far as possible, take cognizance of conditions.

352. I asked the question, because you stated since the Provincial Districts of Canterbury, Otago, and other parts of the colony gave up the lines?—They always have been different. There was no uniformity then, because the railways were in different hands.

353. And there is no uniformity now?—No.

354. *Dr. Newman.*] Have the Waimea Plains Railway raised their rates?—Yes; all four lines, which were worked in the way I have described.

355. And all four raised their rates?—I do not think the Waimate rates were raised, because it was not working so soon as the others.

356. *The Chairman.*] Could you give the Committee any information or the names of any of the lines on which the larger rates are charged, either in Canterbury or Otago?—The Lyttelton and Christchurch line. The rates differ entirely there—more than in any other part, except on the Port Chalmers and Bluff line.

357. But I mean the branch lines—the country lines?—Here are the principal branch lines on which higher rates are charged—Oxford, Springfield, Little River, Mount Somers, Waimate, Duntroun, Ngapara, Tapanui, Wyndham, Kingston, Riverton, Outram.

358. And is the extra charge on these lines as great as on the district lines?—No.

359. Nearly as great?—No, not nearly as great. No railways in the hands of the Government have such heavy mileage charges as on these district railway lines.

360. *Mr. Cowan.*] Does not the discrepancy on the Government line resolve itself into a question of haulage?—To some extent.

361. You say that in Canterbury the rates are lower than in other districts?—No; on branches, higher.

362. *Mr. Dargaville.*] With reference to the remark in D.-5, “Notwithstanding the fact that the rates have been raised, the public still continue to largely use the line.” You have seen that, I presume?—Yes.

363. Does the fact of the company having raised its rates in that way induce competition by way of road traffic?—No.

364. Then, notwithstanding the raising of the rates, the line affords a great convenience to the public?—Yes.

365. It is largely used?—Yes.

366. *Mr. Wilson.*] Is it your opinion that the prices offered are fair prices?—I could not give any opinion on that.

367. What I mean is, if you were acting for a private company, would you, as an expert, advise that company to buy those lines at these prices?—I could not give an opinion on such an abstract question as that.

368. *Mr. Barron.*] Mr. Maxwell is really the only expert we have examined, or are likely to examine, in regard to the profit of working the railways. I think one question is very important, if he will only answer it, and that is this: Whether, looking at the question from an economical point of view, and apart altogether from the Government relations with the company, he would consider these prices to be advantageous. That is, whether he would advise a private company or individual to buy these railways?—I think, on a mere profitable or economical view, No; but it would not be prudent for the Government to take that point of view. It is assuming a state of things which does not exist. It is not reasonable for the Government to take a view of that kind. Of course it is competent for the Government to take any view they please.

369. You say it is not reasonable. Why do you not think so?—I do not think it is reasonable that the Government should put itself in the position of a private speculator, considering that the colony is the owner of the main system of railways with which these are connected, and that the districts served are a part of the colony.

370. *Mr. Dargaville.*] But, if the Government wished to purchase these lines with the sole object of making them a profitable speculation, they could effect that by raising the rates to an extortionate amount?—If you raise the rates in certain directions; but I doubt very much whether it would be advisable to raise them beyond what they are at present. They are already very high.

371. The monopoly the Government would have, if it choose to avail itself of that monopoly, would place the people of the district very much at its mercy for the transit of goods?—Yes, to a certain extent.

372. The position of the Government, however, in that respect is different to the position of a private company, whose only object would be to make the highest profit on the traffic?—Yes; certainly.

373. *Mr. Montgomery.*] Have we got the rates and fares as compared with the Government lines?—You have it in the memorandum of agreements for working the line.

374. *The Chairman.*] As contrasted with the Government lines?—No.

375. *Dr. Newman.*] Where would we find the Government rates?—They are in the *Gazette*.

376. *Mr. Montgomery.*] Will Mr. Maxwell supply the rates—mileage rates—upon these lines