

504. You spoke of the revenue of the Harbour Board: do you know whether the Harbour Board has to pay anything on the construction of the railway?

*Mr. O'Conor*: No.

505. *Mr. Fish.*] Who pays the interest on the cost of construction?

*Mr. O'Conor*: Nobody.

506. *Mr. Fish.*] Is it not a fact that the Commissioners will have nothing to do with the freight on the railway?—I cannot say.

507. You say you have barely enough trucks for present use?—About the right quantity.

508. Then, if you were to increase your output or get coal from other works you would be short?—Certainly.

509. Then, in order to get a better result from the field it would be necessary for the Government to provide more trucks?—Yes.

510. When the harbour-works are completed, what increase do you expect in the output, or do you think it will be only limited by the demand?—It will be only limited by the demand.

511. That is, you could put out any quantity?—We could put out 2,000 tons a day: this year we have put out 76,000 tons in six months.

512. Would not that largely increase the revenue of the Board? You say you do not do as much as you would like, because you cannot get bottoms big enough?—We cannot get large enough vessels. We cannot get any foreign trade at all.

513. *Mr. O'Conor.*] Have you entered into any calculation as to the probable increase of trade to the railway and to your company by the acquisition of foreign trade when these harbour-works are completed?—It is very hard to estimate what the foreign trade will be. The foreign trade at Newcastle (I got it from *Mr. Hickson* when I was there) would be about a million and a half tons. We ought to get a considerable share of that.

514. Do you think, if the circumstances and conditions of the harbour were improved, that the quality of the coal itself would enable the collieries there to compete for the foreign trade?—Certainly: the coal is 25 per cent. better than the Newcastle coal; that has been proved by experiment. We can produce our coal cheaply on a large scale.

515. *Mr. Fish.*] Would not the charges of the railway operate against that result?—Of course, if we should still want facilities we could not do it.

516. Have you a map of the field?—Not here.

517. *Mr. O'Conor.*] You said the revenue of the harbour was £27,000?—£53,000 since 1885.

518. But that would include everything—rents and receipts from all sources: does it include borrowed money?—No; not borrowed money.

519. But it includes rents of the coal reserves, and revenue from all sources? Do you think it would not be possible, without increasing the management expenses, to increase very much the trade there?—What trade?

520. The trade of the port?—I think it is possible to increase the trade to double if you can get more water.

521. What do you think is required to get more water?—I think you ought to have a large dredger. But, whether or not, you ought to dredge at the staiths.

522. You are aware that there are small dredges working: do you think that both expensive and tedious?—Yes; both expensive and tedious.

523. You think that ought to be seen to at once?—Yes.

524. Do you not think that any loss to the trade is equally a loss to the Government?—

525. How much would it cost to bring the large dredge from Lyttelton round to Westport?—I think £500 would cover all expenses.

*Mr. Guinness*: That expense would be soon saved.

526. *Mr. O'Conor.*] What would be the difference in the dredging-power of a large dredge, such as the *Erskine* dredge at Lyttelton—you know that dredge, I suppose?—I have seen it. I do not know any particulars about it.

527. What do you think would be the difference?—I suppose it might do 500 tons a day; but I cannot speak definitely. I understand it will not dredge deep enough at the staiths—that there now it can only dredge at low water. When the tide rises they have to dredge in shallow water until the tide goes down again.

528. Do you think that by vigorous management, if employed towards the completion of the harbour-works, it would not be possible to put the place in good working-order for deep vessels in twelve months?—I doubt it. I do not think it could be done.

529. I do not mean the whole of *Sir John Coode's* plan; but you might deepen the water at the bar and the staiths?—That could be done; but engineers are divided as to the effect of it. Some say that if the dredging is carried out without the training-walls it will silt up again.

530. *Mr. Fish.*] What is the shortest time, in your opinion, in which the whole thing could be completed?—I do not think the whole could be completed in less than three years.

531. But there could be great improvements made in the interim?—Yes; very great improvements.

532. *Mr. O'Conor.*] In the meantime, have not the Government handed over the whole of the property in the railway-trucks—everything, in point of fact—to the contractor?—I do not know what arrangement the Government has made with the contractor.

533. You must be aware that they handed over all the property to him?—The contractors are doing the work, but I do not know on what terms they are working.

534. *Mr. Guinness.*] You mean the harbour-line?—Yes; the harbour-line.

535. *Mr. O'Conor.*] You are not aware of the particulars of the contract?—No.

536. *Mr. Guinness.*] Who has the right to put coals on board the steamer? but first let me