

and extended line as a condition for the privilege of extending the line so as to connect with the Government railway-line. Your Honour will find that there will be no room for controversy or dispute, I apprehend, between my learned friend and myself as to the reasonableness or adequacy of the rights of purchase which the local authorities are prepared to concede. The sole question is, Is the refusal of the Railway Department to permit the extended light railway to connect with the Government railway at or near Marton just or well founded? Would your Honour permit me to observe that there appears to be no objection to the local authorities procuring under the Tramways Act an extension of the existing tramway from its terminus at Pukenui to Marton; but, of course, that would not permit a connection between the terminus near Marton and the railway-line. None of the statutes appear to me to prevent the operation of the Tramways Act, but the difficulty is that the Railway Department have refused for a reason—I believe there to be only one reason, which I shall presently advert to—to permit under any conditions the connection between the light railway and the Government railway-line.

*The Chairman:* What is the size of the light railway?

*Mr. Skerrett:* It is the same standard gauge as the New Zealand gauge. Your Honour will find that the rails are lighter, as it is a tramway, but sufficient for a light railway. Now, the second question brings under the consideration of the Commission the great advantages to be derived by the construction of an additional line from Marton to Levin, via Foxton, to form an integral part of the Main Trunk line, thus shortening the railway distance from Auckland to Wellington by seventeen miles—I am speaking approximately—and shortening the time occupied in the railway journey each way between those two places and from New Plymouth to Wellington by approximately one hour, and running through a rich district capable, we shall show, of increased subdivision and settlement, through which the line can be run on easy grades and avoid the shorter curves and heavier grades which exist markedly between Greatford and Feilding. Now, sir, I want to say at once that, despite the great advantages of the construction of this additional line, it is not suggested that the Commission should recommend the immediate construction of the line. That is not the suggestion. I will refer to that topic at a later stage. I shall venture to submit that this Commission could do a great service to the country in considering the question which the Governor has submitted to them—namely, in considering the advantages of the proposed extended line, and the general consideration of the aspect and condition of things which would make it ripe for the expenditure on this line. Now, I desire to say at once that, so far as our view of the matter is concerned, we do not think the construction of the additional line will in the slightest degree affect the trade or prosperity of Palmerston North. The members of the Commission are familiar with the situation of the tram-line and of the line generally. I may, however, say that the tram or light railway runs from Himatangi, on the Foxton Branch, to Pukenui, on the left bank of the Rangitikei River, a distance of eighteen miles. I desire the Commission to bear in mind that from Himatangi to Foxton there is a Government railway-line of 5 miles 58 chains. That is of importance, because, as you will see, this light railway does not junction at Foxton; its terminus is at Himatangi, on the Government railway-line, and the railroad from Himatangi to Foxton is and will be under the control of the Railway Department. From Pukenui, the Rangitikei River terminus of the light railway, to the point of junction is estimated to be between five and six miles. Will you permit me, sir, to give you a few figures which contrast the difference which goods coming from the centre of the Island have to travel in order to arrive at Sandon or Bull's, which is now about the centre of the district with which this tramway is concerned. The distance from Palmerston to Himatangi is fourteen miles; it is thirty-three miles from Marton to Longburn, from Longburn to Himatangi is fourteen miles, and from Himatangi to Sandon is fourteen miles. The tram extends, as your Honour is aware, four miles farther, to Pukenui, making eighteen miles of tram; so you will see that goods coming from the north, in order to get to Sandon or to serve this district by rail have to go round a loop-line of about sixty-one miles, and all this owing to the absence of a connection between Pukenui and at or near Marton of some five or six miles. Would your Honour permit me to give you a slight sketch of the history of this tramway, because there is some misunderstanding in the evidence which will be put before you. In the old Provincial Government days a horse tramway existed from Palmerston North, connecting with Foxton. That was then superseded by the railway from Palmerston to Foxton. After the construction of that railway-line the local authorities, and particularly the Manawatu County Council, bestirred themselves and constructed a steam tramway—this was never a horse tramway—from Himatangi to a point which I am not able to indicate, but not as far as Sandon. It went to a point convenient for the purpose of obtaining gravel and metal for roading purposes. Now, this tramway was constructed under a subsidy granted by the Crown under the provisions of the Roads and Bridges Construction Act. Your Honour will probably remember that in the early statute relating to roads and bridges the interpretation clause provided that a "road" should include a tramway, and so this line was constructed originally—this portion of it—by a subsidy. That is under the statute of 1876. Sir James Wilson points out to me that of course the local authority provided one-fourth of the money, so that the subsidy was three to one. But, your Honour, our statutes recognized the tramway, because a public statute passed in 1884 or 1885 authorized the lending of £3,000 without interest for the extension of this tramway. That has been repaid. Now, there has been more than one extension of the tramway, at least one being under the provisions of the Tramways Act. As your Honour is aware, it was extended to Pukenui, and from Pukenui there is a branch line which goes into the river-bed for the purpose of obtaining gravel and metal deposits. The county has a stone-crusher plant there, and it is proposed to further extend that piece of line for the purpose of working the almost inexhaustible deposits of metal which exist in the river. Now, it is very important to observe that by the Public Works Act of 1879 a branch railway was authorized from Greatford to Bull's,