200. You are assuming that the bed of the river is owned either by the County Council or by the Crown, and that the Railway Department will be able to take the gravel without payment?—The Railway Department can take it from anywhere they like. It is so in this case. On the other side of the river the man there claims that you have to pay a rate or royalty.

201. Mr. Skerrett: I understand you to say that it is essential for this tramway, where the site exists now or as extended, that there should be reciprocal running-rights over the Government line?

-That is for the extension, yes.

202. Either for the extension or the present line to Himatangi?—It is essential for the benefit to us that we should take it to the junction and leave our trucks there, but they would obviously be paying us less.

203. That would not be a business proposition either from the county's point of view or from the Railway Department or consignor's point of view that you should tranship from one truck to another?

-No, we would never do that.

204. But that objection would apply equally to the existing tram which junctions at Himatangi?—Yes, I should say very largely so, but not altogether so.

205. But the same principle applies—it is only a matter of degree ?—Yes.

206. I understand you to say that there would be no difficulty, if the Government refused to supply trucks for the carriage of goods, in the county providing those trucks themselves?— I should say it all depends on the ratepayers. If the ratepayers say they want the trucks and agree to vote the money they will get them.

207. I understand you to say that the trade which you think will be diverted by the extension of the tramway to a point at or near Marton will not be a grain trade but will be to a large extent a trade

in oaten chaff?—That seems to me to be the likelihood.

208. The Chairman.] On your good corn land how many tons of chaff will you get per acre?—

It largely depends on the season.

209. Take the average season ?—2 to $2\frac{1}{2}$ tons. In a good season it will run 3 tons, and in some cases more, but $2\frac{1}{2}$ tons may be accepted as the general rule.

Statement by Mr. MYERS. (No. 20.)

Mr. Myers: Yesterday my learned friend Mr. Skerrett asked that I should prepare a memorandum giving the various heads of the Department's objections. I have done so. I propose to read it and hand copies to the members of the Commission. It is not intended to be exhaustive, but to give what I promised—namely, a general idea. It is as follows:—

DEPARTMENT'S OBJECTIONS.

- 1. As to the Construction of a New Line from Levin to Foxton and Himatangi to Marton.
- 1. Such a line is unnecessary, having regard to the volume of business, and is not likely to be required, if at all, for a very considerable time to come.
- 2. It would involve a very considerable capital expenditure, which the Department considers unnecessary and unjustifiable.

3. It would dislocate and disorganize the existing services in regard to both passengers and freight.

- 4. It would result in serious inconvenience to passengers on the Main Trunk line from Feilding, Palmerston North, and surrounding districts, Hawke's Bay, north of Palmerston, and Wairarapa, also to persons travelling by Main Trunk train from Wellington to Palmerston and Feilding. All such passengers might have to wait a long period in the early hours of the morning at Marton and Levin before being able to continue their journey.
- 5. It would not be a payable proposition, and would involve the Dominion in serious loss. It would necessitate a very large increase in the train-mileage. The bulk of the receipts from the line would only be earned at the expense of the existing line, and the receipts could not possibly recoup the working-expenses and the probable loss of earnings on the present line, let alone interest on capital expenditure on the new line.
- 6. It is proposed to reduce the grades in the neighbourhood of Kakariki, so that when this work is done there will be a uniform grade on this particular part of the line of 1 in 70, which will enable the maximum load to be hauled and largely increase the capacity of the line. This will cost only £50,000; but although this was recommended in 1913 and is part of the general scheme for railway improvement, the money required for this work and other more pressing requirements has not been available, owing mainly to altered financial conditions consequent on the war.

7. The duplication of the line between Palmerston and Marton suggested by Mr. Skerrett is not at all likely to be necessary. Even if any alteration should be required in order to increase the capacity of the section, such requirements can be satisfied by an occasional siding of—if it should be necessary—a length of even two or three miles. This is in accordance with recognized railway practice in other

parts of the world.

8. The Horowhenua, Manawatu, and Rangitikei Counties and the boroughs which are asking to have the new line constructed are already well served by the railway and by excellent roads giving access to the railway, and within a reasonable distance of the railway; and even if there were some reason to believe—which in the opinion of the Department there is not—that a new line would be a payable proposition, it is not in the interests of the Dominion as a whole that such line should be constructed while there are in the Dominion, and especially in the North Island, many districts