

7. Would you mind explaining the basis upon which this return is made?—It shows the traffic Thorndon to Levin—that is, all stations Thorndon to Levin—to and from stations between Marton Junction and stations north thereof.

8. That would mean that every train that leaves Thorndon goes to Levin and to Marton Junction?—Oh, no. This return shows the business, not the trains: it is the traffic.

9. *The Chairman.*] That is, there were 92,757 passengers carried from Thorndon to Levin?—Thorndon and all stations to Levin, inclusive, to Marton Junction and stations north—that is, the Main Trunk and New Plymouth.

10. The tickets were issued in Wellington?—Wellington and stations to Levin.

11. *Mr. Skerrett.*] So that 92,657 passengers travelled from Thorndon to Levin, inclusive, to Marton and north of Marton?—Yes, to and from.

12. That is not very useful, is it, in endeavouring to ascertain the revenue and expenditure?—I should say it is extremely useful in endeavouring to ascertain the revenue. I do not know how you are going to ascertain it in any other way.

13. How would you ascertain it for that particular section?—I would take out the business between the different points we have given. Take Thorndon Section to Levin: if you want to know what the traffic over that section is for the districts beyond Marton it is shown there. That includes the traffic both ways. If you want to know what it is on the New Plymouth line it is shown in the next column. Then you have cattle, sheep, live-stock, minerals, and the revenue.

14. We want to know how much of that £130,000 is earned by the mileage from Levin to Marton. It is a mileage fare all round?—Yes, it is one penny and one-third per mile, second class.

15. *Mr. Williams.*] Is there any other figure you could give us from which we could deduct this £130,000 to give us the trade over that section?—It is one penny and one-third per mile per passenger.

16. But we do not know the number of firsts and seconds. Supposing that was seconds and you had the total from two points, taking one from the other would give the difference. Is there anything that you could give which would give that?—The only way you could get information of that sort would be by putting on a special staff to check the through tickets and taking out the various passengers. It would be a huge work. Even this return I have produced took something like fifteen men about three months to prepare, and I submit that it is immaterial. Any overlapping you have there, you have the same thing further down crediting the section, so that the section is getting the full credit. Take Koputaroa to Greatford Section: there is local traffic there. They get the full credit for all their fares, and it is quite immaterial from that point of view.

17. *The Chairman.*] Those are local tickets issued on that section?—Yes, that is so. Then you have the Terrace End - Napier - Wairarapa Section. If you have the mileage in that it more than counterbalances what you have got in the 92,657. To all intents and for practical purposes it is quite good enough to work on.

18. *Mr. Skerrett.*] What operation would you adopt in order to find the revenue from freight and passenger traffic from this return on the section between Levin and Marton?—The only way you could get that would be by dealing with the traffic as it arises. You would have then to take the mileage proportion. You could work it out if you had a clearing-house, but we have not that system.

19. *The Chairman.*] Are there any other returns you could give us which would help, Mr. McVilly?—No, your Honour. I have not at the present time.

20. *Mr. Skerrett.*] Is there any other material in the shape of statistics that you propose to submit to the Commission—any statistics of income or revenue that are likely to be affected by this proposed alteration or deviation?—As far as I know at the present moment this return is the main thing.

21. Have you prepared any subsidiary statistics based on this return?—No, I have not.

22. *Mr. Williams.*] In paragraph 5 of the Department's objections which we have before us it states, "It would necessitate a very large increase of train-mileage." Do you propose to prove that or state that?—I propose to prove it.

23. Is not that what Mr. Skerrett wants?—I have not prepared that yet.

24. *Mr. Luckie.*] Is it possible to show us what the extent of the through passengers are from Wellington to Auckland and Auckland to Wellington by express trains?—No; you cannot distinguish between the operative expense of one train and another.

25. Not even in the expresses?—No. As a matter of fact, if you did you would simply have to say that the bulk of the expenditure was necessitated as a result of running expresses and for passenger-trains, because all the safety appliances and the great bulk of the staff is employed to secure safety. All the expenditure on interlocking is incurred to secure the safety of passengers. You could run goods-trains with very simple appliances.

26. It may be said that the goods-trains are responsible for the bulk of the railway earnings?—No; what I am saying is that your passenger-trains are responsible for the bulk of the expenses. I will be very pleased to supply any figures I can to Mr. Skerrett as soon as I get them made out.

27. *Mr. Skerrett.*] Could you give me the train-mileage run in the North Island in a year and the train-mileage run by expresses in a year?—Yes, I think so.

28. Could you give me the train-mileage run over the Marton-Levin Section in a year?—Yes, but I would have to get that out.

29. When you come to give your evidence could you supply the Commission with some information as to the proportion which the revenue and operating cost bear to the train-mile?—Yes. As a matter of fact, you have it here: you have the total earnings and total expenditure.