

SESSION II.
1921.
NEW ZEALAND.

PALMERSTON NORTH RAILWAY FACILITIES
COMMISSION

(REPORT OF), TOGETHER WITH MINUTES OF PROCEEDINGS AND EVIDENCE, ETC.

Presented to both Houses of the General Assembly by Command of His Excellency.

COMMISSION

TO INQUIRE INTO AND REPORT RESPECTING THE FACILITIES FOR THE CONDUCT
OF RAILWAY BUSINESS AT PALMERSTON NORTH.

JELlicoe, Governor-General.

To all to whom these presents shall come, and to WILLIAM MOWAT HANNAY,
Esquire, of Wellington; JAMES MARCHBANKS, Esquire, of Wellington;
and ALFRED HENRY MILES, Esquire, of Wellington: Greeting.

WHEREAS it is desirable that inquiry should be made respecting the sufficiency and suitability of the facilities now existing at Palmerston North for the conduct of the business of the Government Railways Department:

Now, therefore, I, John Rushworth, Viscount Jellicoe, Governor-General of the Dominion of New Zealand, in exercise of the powers conferred on me by the Commissions of Inquiry Act, 1908, and of all other powers and authorities enabling me in this behalf, and acting by and with the advice and consent of the Executive Council of the said Dominion, do hereby constitute and appoint you, the said—

WILLIAM MOWAT HANNAY,
JAMES MARCHBANKS, and
ALFRED HENRY MILES

to be a Commission to inquire into and report upon the following matters:—

1. Whether the facilities now existing at Palmerston North for the conduct of the business of the Government Railways Department are sufficient and suitable for that purpose.

2. If such facilities are not sufficient or are not suitable for such purpose, what alterations therein (whether in respect of situation or otherwise howsoever) are necessary and desirable and best adapted to enable the business of the said Department to be carried on with the greatest degree of safety, efficiency, economy, and convenience.

And, with the like advice and consent, I do further appoint you, the said

WILLIAM MOWAT HANNAY

to be the Chairman of the said Commission.

And, for the purpose of better enabling you, the said Commission, to carry these presents into effect, you are hereby authorized and empowered to make and conduct any inquiry under these presents, at such times and places in the said Dominion as you deem expedient, with power to adjourn from time to time and place to place as you think fit, and to call before you and examine, on oath or otherwise, as may be allowed by law, such person or persons as you think capable of affording you information in the premises. And you are also hereby empowered to call for and examine such books, papers, plans, writings, documents, or records

as you deem likely to afford you the fullest information on the subject-matter of the inquiry hereby directed to be made, and to inquire of and concerning the premises by all lawful means whatsoever.

And, using all diligence, you are required to report to me under your hands and seals not later than the first day of March, one thousand nine hundred and twenty-one, your opinion as to the aforesaid matters.

And you are hereby strictly charged and directed that you shall not at any time publish or otherwise disclose, save to me in pursuance of these presents or by my direction, the contents or purport of any report so made or to be made by you.

And it is hereby declared that these presents shall continue in full force and virtue although the inquiry is not regularly continued from time to time or from place to place by adjournment.

And, lastly, it is hereby further declared that these presents are issued under and subject to the provisions of the Commissions of Inquiry Act, 1908.

Given under the hand of His Excellency the Governor-General of the Dominion of New Zealand; and issued under the Seal of that Dominion, at the Government House at Wellington, this 7th day of February, 1921.

W. F. MASSEY, Minister of Railways.

Approved in Council.

F. D. THOMSON,
Clerk of the Executive Council.

EXTENSION OF COMMISSION REGARDING RAILWAY FACILITIES AT PALMERSTON NORTH.

JELlicoe, Governor-General.

To all to whom these presents shall come, and to WILLIAM MOWAT HANNAY, Esquire, of Wellington; JAMES MARCHBANKS, Esquire, of Wellington; and ALFRED HENRY MILES, Esquire, of Wellington: Greeting.

WHEREAS by a Warrant dated the seventh day of February, one thousand nine hundred and twenty-one, and issued under my hand and the public seal of the Dominion, you were appointed a Commission to inquire into and report respecting the sufficiency and suitability of the facilities now existing at Palmerston North for the conduct of the business of the Government Railways Department, and what alterations (if any) are required therein; and using all diligence, you were required to report to me, under your hands and seals, not later than the first day of March, one thousand nine hundred and twenty-one, your opinion as to the aforesaid matters:

And whereas it is expedient to extend the scope of the said inquiry in manner hereinafter appearing:

And whereas it is also expedient to extend the time within which you were required to report as aforesaid in manner hereinafter appearing:

Now, therefore, I, John Rushworth, Viscount Jellicoe, Governor-General of the Dominion of New Zealand, in exercise of the powers conferred by the Commissions of Inquiry Act, 1908, and of all other powers and authorities enabling me in this behalf, and acting by and with the advice and consent of the Executive Council of the said Dominion, do hereby direct that your powers and functions under the said Warrant are hereby extended, and shall be deemed to include the power to inquire into the following matter, namely:—

Whether it is desirable and expedient, and warranted in and by the public interest, that any deviation of the Wellington—New Plymouth Railway should be made between Paekakariki and Marton; and, if so, between what points such deviation should be made.

And, with the like advice and consent, and in further pursuance of the said power and authority, I do hereby extend the time within which you are required to report to me, under your hands and seals, your opinion on the matters specified in the said Warrant and in this Warrant to the fourteenth day of April, one thousand nine hundred and twenty-one.

And, with the like advice and consent, and in further pursuance of the said power and authority, I do hereby confirm the said Commission as extended by these presents.

Given under the hand of His Excellency the Governor-General of the Dominion of New Zealand; and issued under the Seal of that Dominion, at the Government Buildings at Wellington, this 3rd day of March, 1921.

W. F. MASSEY, Minister of Railways.

Approved in Council.

F. D. THOMSON,
Clerk of the Executive Council.

EXTENSION OF COMMISSION REGARDING RAILWAY FACILITIES AT PALMERSTON NORTH.

JELlicoe, Governor-General.

To all to whom these presents shall come, and to WILLIAM MOWAT HANNAY, Esquire, of Wellington; JAMES MARCHBANKS, Esquire, of Wellington; and ALFRED HENRY MILES, Esquire, of Wellington: Greeting.

WHEREAS by a Warrant dated the seventh day of February, one thousand nine hundred and twenty-one, and issued under my hand and the public seal of the Dominion, you were appointed a Commission to inquire into and report respecting the sufficiency and suitability of the facilities now existing at Palmerston North for the conduct of the business of the Government Railways Department, and what alterations (if any) are required therein; and, using all diligence, you were required to report to me, under your hands and seals, not later than the first day of March, one thousand nine hundred and twenty-one, your opinion as to the aforesaid matters:

And whereas by a further Warrant dated the third day of March, one thousand nine hundred and twenty-one, and issued under my hand and the public seal of the Dominion, the scope of the said inquiry was extended as therein mentioned, and the time within which you were required to report as aforesaid was extended to the fourteenth day of April, one thousand nine hundred and twenty-one:

And whereas it is expedient to further extend the time within which you were required to report as aforesaid in manner hereinafter appearing:

Now, therefore, I, John Rushworth, Viscount Jellicoe, Governor-General of the Dominion of New Zealand, in exercise of the powers conferred by the Commissions of Inquiry Act, 1908, and of all other powers and authorities enabling me in this behalf, and acting by and with the advice and consent of the Executive Council of the said Dominion, do hereby further extend the time within which you are required to report to me under your hands and seals your opinion on the matters specified in the said Warrants dated the seventh day of February, one thousand nine hundred and twenty-one, and the third day of March, one thousand nine hundred and twenty-one, respectively to the thirtieth day of April, one thousand nine hundred and twenty-one.

And, with the like advice and consent, and in further pursuance of the said power and authority, I do hereby confirm the said Commission as further extended by these presents.

Given under the hand of His Excellency the Governor-General of the Dominion of New Zealand; and issued under the Seal of that Dominion, at the Government House at Wellington, this 14th day of April, 1921.

W. F. MASSEY, Minister of Railways.

Approved in Council.

F. D. THOMSON,
Clerk of the Executive Council.

R E P O R T.

To His Excellency Viscount Jellicoe, Governor-General of the Dominion of New Zealand.

MAY IT PLEASE YOUR EXCELLENCY,—

In pursuance of the Commission issued to us by Your Excellency by Warrants dated respectively the 7th day of February, 1921, the 3rd day of March, 1921, and the 14th day of April, 1921, whereby we were appointed and authorized to inquire into and report to you on the following questions, namely :—

- (1.) Whether the facilities now existing at Palmerston North for the conduct of the business of the Government Railways Department are sufficient and suitable for that purpose ;
- (2.) If such facilities are not sufficient or are not suitable for such purpose, what alterations therein (whether in respect of situation or otherwise howsoever) are necessary and desirable and best adapted to enable the business of the said Department to be carried on with the greatest degree of safety, efficiency, economy, and convenience ;
- (3.) Whether it is desirable and expedient, and warranted in and by the public interest, that any deviation of the Wellington—New Plymouth railway should be made between Paekakariki and Marton ; and, if so, between what points such deviation should be made :

we have the honour to report that sittings of the Commission (due notice of which was given by advertisement in the newspapers) were held at Wellington and Palmerston North for the purpose of hearing evidence. Counsel appeared before us representing respectively the Railway Department, the Palmerston North Chamber of Commerce, and certain persons who were associated in opposition to the proposals of the Railway Department regarding the construction of a new railway-station and goods-yard at Palmerston North.

The following witnesses were examined :—

- Richard William McVilly, General Manager, New Zealand Government Railways.
- Francis William MacLean, Chief Engineer, New Zealand Government Railways.
- Robert West Holmes, retired civil engineer, Wellington.
- William Thomson, retired farmer, Palmerston North.
- John Chrystall, Mayor of Foxton.
- Thomas John Rodgers, land agent, Palmerston North.
- William Wallace Cook, of Messrs. W. Cook and Sons (Limited), Palmerston North.
- John Aitchison, manager, New Zealand Express Company, Palmerston North.
- John Ireland, flour-miller, Palmerston North.
- Albert Lonsdale Cook, of Messrs. W. Cook and Sons (Limited), Palmerston North.
- Christian Nicolai Clausen, timber-merchant, Palmerston North.
- James Alfred Nash, Mayor of Palmerston North.
- George Joseph Harford, Mayor of Feilding.
- Jack Howard Vincent, representative of the Oroua County Council.
- Lachlan Thomson McLean, Chairman of the KIWITEA County Council.
- Joseph Linklater, Chairman of the Kairanga County Council and Foxton Harbour Board.
- John Llewellyn Morgan, Railway Stationmaster, Palmerston North.
- Ernest Hugh Crabb, grain-merchant and Borough Councillor, Palmerston North.
- Henry Llewellyn Young, president, Palmerston North Chamber of Commerce.
- John Moore Johnston, secretary, Manawatu Racing Club and Manawatu Agricultural and Pastoral Society.
- Joseph Prime Maxwell, civil engineer, Wellington.
- James Edward Fulton, civil engineer, Wellington.
- James Burnett, civil engineer, Wellington.

During our visit to Palmerston North we carefully inspected the railway facilities now existing there and observed the working thereof. We also inspected the localities in which it was proposed in evidence that a new railway-station and yards should be constructed. On completion of our sittings at Palmerston North we proceeded by motor-car to Marton, and thence to Levin, via Bull's, Sanson, and Foxton, in order to observe the route of a deviation of the railway-line from Levin to Marton which was brought under our notice in the course of the inquiry.

The first question submitted to us was, as has been stated above, whether the facilities now existing at Palmerston North for the conduct of the business of the Government Railways Department are sufficient and suitable for that purpose. In regard to this question we are of the opinion that the present facilities for the conduct of the railway business at Palmerston North are quite inadequate for that purpose. The operations of the Railway Department can, under present conditions, be carried on only at considerable risk of injury to those engaged therein, while the necessity for frequent shunting across Cook Street and the Square is a source of considerable inconvenience and danger to the public.

The lack of proper and sufficient goods-shed accommodation and standing sidings renders it quite impossible to deal with the goods traffic satisfactorily, thus materially retarding the economic turnover of the rolling-stock, and involving the customers of the Railway Department in inconvenience and loss through being unable to obtain prompt delivery and despatch of their goods. The station-platform accommodation is also insufficient to enable the Department to discharge its functions in the passenger branch efficiently and economically and with due regard to the convenience of the public.

In regard to the second question submitted to us—namely, if such facilities are not sufficient or are not suitable for such purpose, what alterations therein (whether in respect of situation or otherwise howsoever) are necessary and desirable and best adapted to enable the business of the said Department to be carried on with the greatest degree of safety, efficiency, economy, and convenience—we are of opinion that, apart from other considerations, the very great expenditure and the destruction of buildings which would be involved in securing a sufficient area of land to reasonably provide for present and probable future requirements at the site of the present station renders it practically impossible to retain the station on that site.

In the course of the inquiry two schemes for providing the necessary facilities on other sites were submitted to us. The first was that proposed by the Railway Department. This involves a deviation of the present line, commencing at or about Longburn Station, running thence as shown in Plan No. 26453 [Exhibit No. 3] attached hereto, and rejoining the present main line at about the 91½-mile peg (between Terrace End and Bunnythorpe Stations). Under this proposal the location of the railway-station would be on the northern side of Boundary Road, in the vicinity of Rangitikei Road.

The other scheme was that submitted by or on behalf of those who were opposed to that propounded by the Railway Department. Under this second scheme it was proposed to retain the present route through Palmerston North and to construct a new station and yards on a site between the present location and Awapuni Station, as shown on the sketch-plan produced in evidence by Mr. J. E. Fulton [Exhibit No. 10].

We have carefully considered these schemes and the evidence given in respect thereof, and after mature deliberation we have come to the conclusion that the first—namely, that submitted by the Railway Department—should be adopted. In making this recommendation we desire to mention that we are satisfied that it would be possible to construct a properly equipped station, giving the necessary facilities, on the site proposed in the second scheme. It should be noted, however, that the adoption of this scheme would, among other things, involve the destruction of a number of houses, the closing of Cook Street, West Street, and Kairanga Road, and the removal of the passenger-station and goods-shed approximately half a mile farther from the business portion of the town than the present location.

The first scheme would enable all the necessary facilities to be readily provided, and also allow for ample provision being made for all probable future expansion. Its adoption would also eliminate the danger now arising from the numerous level crossings between Longburn and Terrace End Stations, and particularly those at the Square.

On the evidence brought before us it would appear that to provide equal accommodation the first scheme might cost from £100,000 to £150,000 more than the second, but after an exhaustive examination of the two schemes in all their bearings, and having regard to the necessity for making adequate provision for the future, we think that the interests of the public generally would ultimately be better served by the adoption of the first scheme.

In reply to the second question submitted to us, therefore, we have to report that we are of opinion that the proposals submitted by the Railway Department, as indicated in sketch-plan numbered 26453, are necessary, and desirable, and best adapted to enable the business of the Department to be carried on with the greatest degree of safety, efficiency, economy, and convenience.

We also wish to express our opinion that it is highly desirable that a decision as to the future location of the railway-station at Palmerston North be come to as soon as possible, and that the necessary land be acquired promptly thereafter.

We feel constrained also to draw Your Excellency's attention to that portion of the evidence of the General Manager of Railways wherein he stated that the position in regard to railway facilities at Palmerston North was so serious that unless it was taken in hand almost immediately the Department would, in the very near future, be unable to carry on its business with satisfaction to itself, to the public, or to the Government. From the evidence given before us and from our own observations we have been much impressed by the accuracy of this statement, and we think that if the position forecasted by the General Manager is to be avoided it is essential that some temporary relief be at once afforded at the present site.

In regard to the third question submitted to us—namely, whether it is desirable and expedient, and warranted in and by the public interest, that any deviation of the Wellington—New Plymouth Railway should be made between Paekakariki and Marton, and, if so, between what points such deviation should be made—we have to inform Your Excellency that the only such deviation suggested to us was one from Levin to Marton, via Foxton, Sanson, and Bull's. It was, however, admitted by those who represented this matter to us that the work was not one which could be expected to be undertaken in the immediate future, and in this we concur.

We are of opinion, therefore, that it is not desirable, or expedient, or warranted in or by the public interest that any deviation of the Wellington—New Plymouth Railway should be made at present between Paekakariki and Marton.

All which we respectfully submit.

We have the honour to be Your Excellency's obedient servants,

W. M. HANNAY.
J. MARCHBANKS.
A. H. MILES.

Wellington, 22nd April, 1921.

MINUTES OF PROCEEDINGS.

THURSDAY, 3RD MARCH, 1921.

THE Commissioner held a preliminary meeting in L Committee-room, Parliamentary Buildings, Wellington, at 11 a.m.

Present: All the Commissioners, and Messrs. H. E. LeGrove and J. A. Mitchell, official reporters, and H. H. Sterling, secretary.

Mr. M. Myers appeared as counsel for the Railway Department.

The Secretary read the Commission and extension thereof.

A discussion took place as to the procedure to be followed. It was decided to take evidence in Wellington on Friday and Monday following, and to proceed to Palmerston North on Tuesday, 8th March, and continue proceedings there at 2.30 p.m. on Wednesday, 9th idem.

Mr. F. W. MacLean, Chief Engineer in the Railway Department, placed various plans before the Commission and briefly explained the same.

FRIDAY, 4th MARCH, 1921.

The Commission met in Parliamentary Buildings, Wellington, at 11 a.m.

Sir James Wilson and Mr. W. H. Field, M.P., attended before the Commission on behalf of parties interested in the proposed deviation of the railway between Levin and Marton.

After some discussion it was decided to adjourn until 11 a.m. on Monday, 7th March, to meet the convenience of the parties represented by Mr. Field.

MONDAY, 7TH MARCH, 1921.

The Commission met in Parliamentary Buildings, Wellington, at 10.30 a.m.

Mr. M. Luckie appeared as counsel for parties favourable to the Levin-Marton deviation of the Main Trunk line and opposed to the shifting of Palmerston North Station to the site proposed by the Railway Department.

The following witnesses were called by Mr. Myers and examined on oath: Francis William MacLean and Richard William McVilly.

WEDNESDAY, 9TH MARCH, 1921.

The Commission met in the Courthouse, Palmerston North, at 2.30 p.m.

Mr. M. H. Oram appeared as counsel for the Palmerston North Chamber of Commerce.

Sir James Wilson addressed the Commission on behalf of the Levin-Greatford Railway League.

Mr. Luckie addressed the Commission and called the following witnesses, who were examined on oath: Robert West Holmes, William Thomson, John Chrystall, Thomas John Rodgers, William Wallace Cook, John Aitchison, Albert Lonsdale Cook, John Ireland, and Christian Nicolai Clausen.

Mr. Myers called the following witness, who was examined on oath: James Alfred Nash.

THURSDAY, 10TH MARCH, 1921.

The Commission met at the Courthouse, Palmerston North, at 11 a.m.

The following witnesses were called by Mr. Myers and examined on oath: Joseph Harford, Jack Howard Vincent, Lachlan Thomson McLean, Joseph Linklater, John Llewellyn Morgan, Ernest Hugh Crabb, Henry Llewellyn Young, John Moore Johnston, William McKenzie.

FRIDAY, 11TH MARCH, 1921.

The Commission proceeded by motor-car from Palmerston North to Marton, and thence to Levin, via Bull's, Sanson, and Foxton; thence by train to Wellington.

TUESDAY, 22ND MARCH, 1921.

The Commission met in Parliamentary Buildings, Wellington, at 2.30 p.m.

The following witnesses were further examined: Francis William MacLean, Richard William McVilly.

WEDNESDAY, 23RD MARCH, 1921.

The Commission met in Parliamentary Buildings, Wellington, at 10.30 a.m.

The following witnesses were called by Mr. Luckie and examined on oath: Joseph Prime Maxwell, James Edward Fulton.

THURSDAY, 24TH MARCH, 1921.

The Commission met in Parliamentary Buildings, Wellington, at 10 a.m.

The following witness was further examined: Francis William MacLean.

The following witness was called by Mr. Myers and examined on oath: James Burnett.

Messrs. Luckie and Myers addressed the Commission.

The Commission rose at 1 p.m.

INDEX TO MINUTES OF EVIDENCE AND ADDRESSES OF COUNSEL.

	Pages
Aitchison, J.	39-41
Burnett, J.	92, 93
Chrystall, J.	34, 35
Clausen, C. N.	44, 45
Cook, A. L.	43
Cook, W. W.	37-39
Crabb, E. H.	54, 55
Field, W. H.	12-14
Fulton, J. E.	81-84
Harford, G. J.	48-50
Holmes, R. W.	29-32
Ireland, J.	41-43
Johnston, J. M.	56-58
Linklater, J.	51, 52
Luckie, M. F. (Counsel)	27-29, 93, 94
Macleane, F. W.	11-19, 53-68, 85-91
McLean, L. T.	50, 51
McVilly, R. W.	20-24, 68-72
Maxwell, J. P.	72-81
Morgan, J. L.	52-54
Myers, M. (Counsel)	94-96
Nash, J. A.	45-48
Rodgers, T. J.	35-37
Thomson, W.	32-34
Vincent, J. H.	50
Wilson, Sir James	11, 25-27
Young, H. L.	55, 56

MINUTES OF EVIDENCE.

WELLINGTON, THURSDAY, 3RD MARCH, 1921.

THE Commission met in the Parliamentary Buildings, Wellington, on Thursday, 3rd March, 1921. M. Myers, Esq., appeared on behalf of the Department, and R. W. McVilly, Esq., General Manager of Railways, was present at the opening.

The Secretary of the Commission (Mr. H. H. Sterling) read the order of reference appointing the Commission.

PRELIMINARY DISCUSSION.

The Chairman : Well, Mr. Myers, I do not know how you propose to bring evidence before the Commission, but I thought, and the other Commissioners think, that, as it will practically be a review of the recommendation of the Department, we might take first the oral or written evidence from the Department, and then proceed to Palmerston. Then, on the return of the Commission to Wellington, the Department could give further evidence or make further statements.

Mr. Myers : Of course, I do not know at the present moment what evidence is likely to be called in Palmerston with regard to the subject-matter of the first and original Commission.

The Chairman : We have one communication from the Palmerston North Railway Vigilance Association, and also a communication from His Worship the Mayor.

Mr. Myers : I apprehend, sir, that some sort of notice will be given in the papers at Palmerston North where it is proposed that the Commission should sit there.

The Chairman : Yes.

Mr. Myers : We are entirely in the hands of the Commission, and, as the members of the Commission will understand, we are desirous simply of giving the fullest information you desire at such time as you desire it and in such manner you may desire. My own suggestion is that perhaps the best course would be for the General Manager, or some other officer deputed by him for the purpose, to appear before the Commission and submit to the Commission the plans of the proposed alterations at Palmerston North, without going into detail as to the why and wherefore; that the Commission should then go to Palmerston North, inspect for itself the existing accommodation and the proposed new accommodation, and then hear what reasons the people in Palmerston, or any other people who may desire to give evidence, have for objecting to the proposals of the Department. Then the Department could give their oral evidence at Palmerston North or in Wellington, as may be most convenient. If the Palmerston North people desire to be represented, of course they could be so represented. I do not know whether those suggestions commend themselves to the Commission.

The Chairman : I think some such arrangement would be quite reasonable. The only thing is that, in addition to the mere copies of reports and plans, I think it would be well if the Department tendered some evidence before we went to Palmerston, or amplified their previous evidence if they have anything more to say. The Commissioners would like to have the departmental statement as fully as is possible before we hear the other people at all. For instance, we would like to know, among other things, which no doubt the Department can supply, the probable cost of the present proposals of the Department, and the reasons why the Department prefers the other site.

Mr. Myers : A good deal of the information that the Commission desires will, of course, be found in the reports. Certain plans have been prepared, which will be submitted to the Commission, but whether at the moment we can give you all the information that you desire in regard to the cost I am not aware. I think probably we will be able to give you all the information necessary, but the details that will be required will be worked out later.

Mr. Miles : I agree with the Chairman that it is absolutely necessary that we should have the fullest possible information from the Department. The information that the Department could give us would be of the utmost value to us.

Mr. Myers : We are entirely in the hands of the Commission, and will give the Commission all the assistance we can, and will adopt any course that the Commission desires. So much for the moment with regard to the first Commission. After all, I do not suppose that a great deal of evidence will be given in Palmerston.

The Chairman : I do not think so.

Mr. Myers : And, after all, the evidence that can be given in Palmerston is not expert testimony.

The Chairman : No, but I fancy from what I have heard that there will be many persons desirous of giving evidence. Of course, I may be wrong in that.

Mr. Myers : With regard to the second Commission, or extension of the Commission, I apprehend that while the Commission is in Palmerston it would be best to take any evidence that is available there. Of course, it will be understood that the Railway Department is not suggesting any deviation. On the contrary, the Railway Department takes precisely the same view as it took in 1916—namely, that any such deviation is impracticable, and would be nothing short of absurd, and more so even now than in 1916 owing to the altered conditions.

The Chairman : The matter that I am most anxious about in the meantime is to endeavour to fix a time when the Commission will sit in Palmerston North, so that any people in Palmerston who desire to give evidence will have timely notice. I do not know how long it will take to go through the departmental statements before going there.

Mr. Myers : That cannot take very long. The officers of the Department have examined all the different proposals. They have come to their own conclusions as experts and as the officers who are responsible for the conduct and administration of the railways of New Zealand, and they can indicate without very much elaboration—subject to any examination the Commissioners may think it necessary to subject them to—the reasons for their faith in those proposals.

Mr. Miles : Yes, we want all that information : it is of the utmost importance.

The Chairman : I do not know whether it would suit the other Commissioners or the Department, but, if it would, I would suggest that after the Commission adjourns here we might meet in Palmerston about the middle of next week.

Mr. Myers : If the Commission could sit in Palmerston on Tuesday afternoon, or even on Wednesday, that would be suitable. I cannot think that the evidence in Palmerston would take longer than Wednesday afternoon and Thursday. If you could fix, say, Wednesday afternoon for the sitting in Palmerston, the Commission could then leave on Tuesday if it thought fit, and any officers they desired to show them around in Palmerston could go, possibly, on the Monday, the explanatory and necessarily preliminary evidence of the Railway officers being taken in the meantime.

The Chairman : I thought we might start to-morrow with evidence, and continue on Monday, and that would give us the main evidence from the departmental point of view before going north.

Mr. Myers : Very well, sir. I quite agree that it would be a good thing perhaps to have to-morrow sitting, but, frankly, I doubt very much whether you will find it necessary to take more than one day with the officers of the Department.

The Chairman : I am quite sure it will facilitate matters for the Department to give us as much information as possible before we go north.

Mr. Myers : Yes, and then afterwards, when the Commission returns, the officers will always be available.

The Chairman : I do not know whether you want to say anything in connection with the question of the Greatford deviation now ?

Mr. Myers : I was going to suggest that we should leave that until later on. No doubt, in the advertisement of the Commission, you will give any one the opportunity of giving evidence in Palmerston North, and later on in Wellington, in regard to the subject-matter of the extension of the extension of the Commission as well as the original Commission, and then we can give you any further information afterwards ; but we cannot say any more than we have said before—namely, that a diversion would be more impracticable, more expensive, and more unreasonable from our point of view and, as we think, from the point of view of the Dominion, than it would have been in 1916.

Mr. Marchbanks : The Department will, I take it, be able to produce some evidence of the study they have made in regard to enlarging the present station as well as the proposed new station at Palmerston ?

Mr. McVilly : Yes.

Mr. Marchbanks : We will have produced before us some of the difficulties the Department is " up against " in extending the present station, and the probable cost ?

Mr. Myers : I apprehend that will be so, but I have not had the opportunity of going into the matter ; but that must be, because they must have considered that matter.

Mr. Marchbanks : We want to have some idea of the cost.

Mr. Myers : Mr. McVilly informs me that he has sent for some plans, and has asked Mr. MacLean, Chief Engineer of Railways, to attend before the Commission right away. Probably it might be as well for Mr. MacLean to explain the plans so that the members of the Commission will be in a better position to think over what questions they might want to put to him to-morrow or later on.

Mr. McVilly : The plans I have sent for are plans of the deviation, and plans showing the present station ; also what we would have to do if the station were to remain where it is, the extent of the buildings which would have to be taken, how far we would have to go up the line, and what it would mean to the town. The plans I refer to are those we showed to the Borough Council when we explained the position to them and satisfied them.

The Chairman : I was wondering if you had any other reports showing the supposed or estimated value of the land which you would be possessed of if the station were moved. It occurred to me that, supposing the deviation were carried out, there would be a lot of valuable land which would not be required for railway purposes.

Mr. McVilly : I am not sure if we have those figures exactly, but we estimate that we will get a large annual rental for leasing the sites, or even selling them if we wanted to.

The Chairman : I suppose, in addition to evidence with regard to inconvenience apparently being suffered at the present station, we will get some evidence as to the volume of the traffic passing through, and the difficulties which have to be contended against ?

Mr. Myers : Yes, we will show the impossibility of carrying on under present conditions. There is a letter here which I would like to read to the Commission, written by Mr. McVilly to His Worship the Mayor of Palmerston North, dated 8th June, 1920. It is as follows :—

SIR,—

With reference to my interview of yesterday, at which I placed before you the Department's proposals for improving the accommodation at Palmerston North Station, which incidentally involves the deviation of the railway and removal of the station from its present site, I have the honour to forward under separate cover a plan embodying the proposed alterations.

The existing accommodation is quite inadequate to meet satisfactorily the requirements of the present traffic, and the business is now being carried on at a very great inconvenience, and under many disadvantages to the public and the Department alike. Owing to the restricted area of the yard and its situation in the heart of the town, it is impracticable to carry out the improvements and provide the accommodation that is essentially necessary to meet the requirements of the prospective traffic of the near future. The inconveniences that arise under present circumstances to road traffic which has to pass over the numerous railway-crossings, and the difficulties that occur in connection with the local traffic, are so well known to yourself and the members of the Council as to make it unnecessary for me to enlarge thereon. The main point for consideration in the interests of the Dominion, your town, and the Department is the solution of the difficulties and the provision of facilities that will provide not only for the moment but the future requirements of a large and rapidly growing railway traffic. This problem has engaged the serious attention of the Department, and after giving the matter mature consideration I am firmly convinced that the only satisfactory solution of the difficulty is the deviation of the railway-line near Longburn to the west of Boundary Road, and the construction of a new and up-to-date station on a site approximately between Kairanga and Rangitikei Roads, as shown in block on the plan. This would at once do away with all level crossings, as the scheme would provide for overbridges for road traffic on the main arterial roads leading into Palmerston North. Ample provision would be made for all future requirements, and the station could be placed on its permanent site.

The railway running-lines between Longburn Junction and Terrace End now occupy a portion of the reserve for road and railway. The removal of the present running-lines would enable the main thoroughfare to be widened, and give residents on the west side of the Palmerston-Longburn Road direct access to the main road. Furthermore, it would settle once and for all the difficulties that have arisen in connection with the closing of Cook Street, and remove an obstacle to the connection of the east and west sides of your town by electric tramway when that scheme is carried into effect.

As evidence of the necessity for now dealing comprehensively with the matter, I may state for your information that in the last twenty years the passenger business at Palmerston North has increased by 300 per cent., the outward live-stock business by 600 per cent., timber traffic by 400 per cent., other goods by 200 per cent., and revenue by 600 per cent. For the same period the increases in inward business are—Cattle, 385 per cent.; sheep, 90 per cent.; pigs, 337 per cent.; minerals, 767 per cent.; other goods, 272 per cent.

Notwithstanding the war, the increases during the last five years have been: Outward traffic—Passenger, 20 per cent.; timber, 12½ per cent.; other goods, 52 per cent.; revenue, 72 per cent. Inward traffic—Cattle and sheep, 7 per cent.; pigs, 1,762 per cent.; minerals, 8 per cent.; other goods, 14 per cent.

The number of railway-vehicles which have to be handled at Palmerston North during the day ranges from 1,500 to 2,000, exclusive of those on through trains.

Apart altogether from the consideration of local requirements it is imperatively necessary that the accommodation at such an important subterminal railway-station as Palmerston North should be sufficient to provide for the requirements of the ever-increasing volume of traffic between the various termini that has necessarily to pass through and be dealt with at the subterminal station. This aspect of the question has been taken into very serious consideration by the Department in preparing the proposals, which are on a scale that makes ample provision for present and future requirements.

I shall be obliged if you will place the matter before your Council for consideration, with a view to obtaining their concurrence therein.

Mr. F. W. MACLEAN, Chief Engineer of the Railway Department, attended before the Commission and produced—(1.) Plan of Palmerston North with existing station and lines belonging to the Railway Department. (2.) Plan showing proposed new site of railway-station.

These plans were discussed and explained to the members of the Commission.

The Commission adjourned till next day at 11 a.m.

WELLINGTON, FRIDAY, 4TH MARCH, 1921.

The Commission met at 11 a.m., Sir James Wilson and Mr. W. H. Field, M.P., being present.

The Chairman (to Sir James Wilson): Well, Sir James, from the conversation I had with you I understand you merely want time in order to bring evidence before the Commission in connection with the question of the deviation of the railway-line from Paekakariki to Marton, and that you are not prepared with that evidence at present.

Sir James Wilson: No. I want to explain that I only ascertained within the last few days that the order of reference of the Commission has been extended to enable the Commission to take evidence upon other matters in addition to the Palmerston North Railway-station.

The Chairman: We ourselves only knew yesterday.

Sir James Wilson: You will understand that the matter has been sprung upon us suddenly, and we are not in a position to give our evidence at present. We desire to bring forward some expert evidence on the matter, but the time at our disposal has not been sufficient. If the Commission could take what evidence is offering at Palmerston North and then give us the opportunity of bringing forward our evidence in Wellington possibly at a later date, that would be satisfactory. I should like to say, first of all, gentlemen, on behalf of the people on the coast, that we are really not anxious that the expenditure necessary for this deviation should be incurred at the present time. We would not have suggested it had it not been for the proposed expenditure in connection with Palmerston North. We do not deem it desirable to incur the expenditure at the present time, but we think our evidence will show that if the money is to be spent it would be better to spend it in another direction—namely, from Levin to Greatford—which would be of greater benefit to the community in the future. We have not yet ascertained what would be the cost of this deviation, nor have we any idea of the estimated cost of the proposed alterations at Palmerston North. However, we think the matter is so important that the Commission should have a detailed survey of the line between Levin and Greatford. We do not think it is right to thrust this expenditure upon the local bodies when it is really a Government matter. It is really a matter of great moment to the country, and therefore it will be suggested to the Commission that some general survey of the line should be made by some independent person, or by any engineer that you may select, and that would indicate to the Commission some degree of comparison as to the expenditure on the two lines.

The Chairman : You will excuse me if I say that perhaps this matter should come up later. As far as submitting evidence to the Commission is concerned, we can arrange with you as to a suitable date without any difficulty at all. At present we are just commencing on our inquiry with regard to the alterations at Palmerston North, and perhaps it would be better if the other matter was left over in the meantime.

Sir James Wilson : I was not giving evidence, but only sketching to the Commission what is likely to be brought forward.

The Chairman : We will meet in Palmerston North on Wednesday specially for the purpose of going into the question of the Palmerston North Railway-station site, but it is quite likely that we will be able to take any evidence, if it is tendered, in connection with the Paekakariki to Marton deviation.

Sir James Wilson : Even then there would be only five days.

The Chairman : I was going to add that as far as I know the mind of the Commission we would not shut out any evidence which may be tendered at Palmerston North, and we would be willing later on to take evidence at Wellington if it was considered advisable. I think you may rest assured that, as far as the Commission is concerned, any one who desires to give evidence in connection with the question of the deviation of the Main Trunk line will receive the fullest consideration from the Commission.

Sir James Wilson : May I ask another question? Are those who are interested in the question of the deviation entitled to some information from the Railway Department as to the cost of the scheme proposed by Mr. Hiley? Will that be placed before us?

The Chairman : I could not say.

Sir James Wilson : We suggest that it ought to be placed before the Commission. It ought to be public property, and we suggest that the public who are interested in this matter should have access to that report—I mean the report in connection with the reorganization of the Palmerston North yards.

The Chairman : I suppose we will get any reports that have been made to the Government or to the Department.

Sir James Wilson : It is not confidential. What I suggest to the Commission is that we should have access to it in order to have some idea of what the cost will be.

The Chairman : We will consider that.

Mr. Marchbanks : I take it it will be given in evidence and possibly published.

Sir James Wilson : If that is so, then we claim that we have a right to know what Mr. Hiley's scheme was that was proposed a few years ago.

Mr. Miles : Have you ever applied for the information from the Railway Department?

Sir James Wilson : Yes, it has been applied for, but I will leave that to Mr. Field to deal with, because it was he who applied for the information.

Mr. Field : May I explain, Mr. Chairman—

The Chairman : I do not want to stop you, Mr. Field, but I think it would be in the interests of the Commission and the inquiry if you allowed us to go on with that portion of the matter that we are now dealing with. We will not be deciding yet on any of the matters that have been referred to us by the order of reference. When you come before us you will have the right to bring forward any evidence in regard to the Levin-Greatford deviation, and then that matter will be threshed out.

Sir James Wilson : That is the vital point, that you have evidence to show that this matter has been dealt with by the recent General Manager of Railways, and he placed certain statements before the Borough Council in Palmerston North as to what reorganization would be required, and the cost of same. That is vital so far as we are concerned.

The Chairman : No doubt we will get that.

Sir James Wilson : I only desired to draw the attention of the Commission to that point. Mr. Miles asked me if I had personally applied for the information. I say no, but it has been applied for by Mr. Field, and we have not got it.

Mr. Field : I shall be very brief, Mr. Chairman, but I wish to supplement the remarks made by Sir James Wilson. It depends very largely upon the answer you make to me whether we can get along with our evidence or not. It was not until 11 o'clock last night that I knew the Commission was sitting this morning, and we have been unable to obtain any information whatever from the Railway Department to assist us in preparing our evidence. It is quite true that we have got ample evidence in reference to the question of the Levin-Greatford deviation similar to that given in 1916, and we have more evidence now almost readily available; but we did not know until two or three days ago that the scope of the Commission was to be enlarged to include this question. It was only as a result of extreme pressure that we are able to have it brought within the scope or order of reference of the Commission. We want to tender evidence not only with regard to the proposed Levin-Foxton-Marton deviation, but we want to tender evidence to counter the proposals which are now being made by the Department. In the Bill of last year the schedule provides for an authorization of about eight and a half to nine miles of a deviation in the railway round the town of Palmerston North. We are informed that that is going to cost a large amount of money. With a view to preparing for this Commission, which we knew long ago was going to be set up, we desired the information which the Railway Department was able to afford us in regard to the proposed deviation around Palmerston North, and we want also information concerning Mr. Hiley's proposal for relieving the congestion which was made in 1914. All we had concerning this proposal was contained in D.-2 of 1914. We know it is stated that Mr. Hiley recognized that a new railway-station ought to be built at Palmerston North, and that the railway-yards be reorganized at an estimated cost of £40,000, the work to be completed in two years. We have done our best to obtain that information. I should mention that

I wrote as far back as August last asking for detailed information in regard to Mr. Hiley's scheme. The reply I got from the Minister of Railways was that the Railway Department had no records whatever of Mr. Hiley's scheme. Then I wrote immediately afterwards and pointed out to the Minister of Railways that not only must the Department have those records, but that Mr. Hiley's scheme in detail had been referred to in Palmerston North by the Borough Council and the Chamber of Commerce, and fully considered by them. The only reason, as far as I could make out, why Mr. Hiley's proposal was not carried out was on account of some controversy between those local bodies to which I have referred and the Railway Department as to whether the sub-bridge should be constructed under Cook Street. I received a reply from the Minister of Railways to the effect that the matter would be further looked into, but I have heard nothing further. We do not know what Mr. Hiley's proposals are, nor do we know what the proposals of the Department are as dealt with in the schedule to the Bill of last year. We want to tender evidence to show that the proposals contained in the schedule to the Bill would be unjustifiably expensive under the present conditions of the country, and we want to show also that Mr. Hiley's scheme, or some modification of the scheme, would be ample to provide for the congestion at Palmerston North at the present time. We cannot tender that evidence under the circumstances unless we know what the proposals of the Department are. We want that information made available for our expert witnesses in order that they may be in a position to give evidence before this Commission, either at Palmerston North next week or in Wellington at some subsequent date. But all these things take time, and all I ask for this information to-day is so that we may not lose time. We would like to know to-day whether the information can be made available.

The Chairman : I may say at once that I cannot state what information will be available, or what information the Department is possessed of. The Commission does not know. We have power to call for any information necessary, but I would have to consult my colleagues in regard to your application.

Mr. Myers : The records of a public Department are not to be laid bare to any person who desires a roving commission to inspect them. No public Department can tolerate such a thing. If Mr. Field is correct in saying that Mr. Hiley discussed with the Palmerston North Borough Council and the Chamber of Commerce details of a worked-out scheme—and on this point I may say that I think Mr. Field will find he is wrong—Mr. Field could readily have obtained all the information that he and his experts require on reference to the Palmerston North Borough Council. If his hypothesis is correct there should be no difficulty about it; but I think he will find it is not correct. Now, Mr. MacLean is going to give evidence this morning, and if Mr. Field and Sir James Wilson will wait and hear what Mr. MacLean has to say, the probability is that they will get all the information they require. May I say one thing whilst Sir James Wilson and Mr. Field are here, and that is that I venture to suggest to them that it is of some importance that they should hear the evidence with regard to the proposed alterations in connection with the Palmerston North Station, because it may have, from what Sir James has said, a very important bearing upon the view which he and those associated with him should take in regard to the Main Trunk deviation. The view of the Railway Department is that, whatever may be done so far as the Main Trunk deviation is concerned, the Palmerston North Station accommodation must be dealt with and dealt with properly. What I mean to suggest to Sir James Wilson and Mr. Field is that a great deal of expenditure must necessarily take place in connection with Palmerston North, so that it is quite possible that in those circumstances they may not think it advisable to press any suggestions which they may have to make in regard to the Main Trunk deviation at this stage.

The Chairman : I think we will now proceed to take Mr. MacLean's evidence.

Sir James Wilson : You will excuse me, Sir, but I cannot wait to hear that evidence. I hope Mr. Field will be able to do so, but I have an important engagement which I must keep.

Mr. Field : I only want to say, Mr. Chairman, that if Mr. Myers's suggestion is carried out it will place us at a decided disadvantage. It is quite impossible for us to obtain from the Palmerston North Borough Council and the Chamber of Commerce the details of Mr. Hiley's scheme, because they did not keep details of the scheme.

The Chairman : But Mr. MacLean is going to give evidence.

Mr. Field : Yes, but I wanted my expert witnesses to be here. I am not here as counsel but as one of a sub-committee composed of Sir James Wilson, the Mayor of Foxton, and myself, which sub-committee was set up for the purpose of instructing witnesses to give evidence in this matter. I think it is very likely now the Commission is sitting and that counsel is appearing that we will also instruct counsel on the matter; but if the Commission is going to take evidence to-day of a highly technical nature which I do not profess to understand, I would like our witnesses to hear that evidence, or, at any rate, to hear what the proposals are. If the public are not going to be advised as to how the money is to be expended and the Commission upholds that view, I have nothing more to say. I wish to say, in addition to what Sir James Wilson has said, that we would not be here to-day if it were not for the fact that the question of the deviation arises. We would not be present if it was only a question of the accommodation at Palmerston North. We say that the accommodation at Palmerston North can be provided for without any deviation. If there is to be a deviation, then we say that our suggested deviation, saving as it does seventeen miles of the Main Trunk line, and doing away with special grades, could be carried out at an expenditure which would not be in excess of what we believe the proposed expenditure is likely to be. We say that our suggested deviation could be made for the same amount of money, and would at the same time be of very much greater national advantage.

The Chairman : All the same, I think we will now go on with our evidence.

Mr. Field : How am I to instruct my witnesses? I would like to have Mr. Holmes or Mr. Fulton here this morning. We want the Commission to give us the most ample opportunity of going into this question in all its bearings.

The Chairman : So you will have.

Mr. Field : We want to save the Commissioners' time, too.

The Chairman : You need not worry about that.

Mr. Field : The position is that I am placed at a decided disadvantage. I feel inclined to send for Mr. Holmes and Mr. Fulton to come up here and listen to Mr. MacLean's evidence, but the difficulty is that I cannot get Mr. Fulton because I believe he is away. If the Commission proposes to go on with the taking of evidence I would ask to be allowed to get Mr. Fulton here to listen to that evidence, and I will at once communicate with the league with which I am connected, and the body of gentlemen who are interested in the matter, and ask them to empower me to instruct counsel in the matter. If I had known a few days ago that this Commission was going to sit and that the question of the deviation was being included —

Mr. Myers : You were advised on the 24th February, Mr. Field, by the Prime Minister that instructions had been given for the extension of the scope of the Commission.

Mr. Field : Yes, but we did not know that the Commission was going to sit so soon. That is only a week ago. We have not had any time. We had our meeting at Foxton on Monday last, and this is only Friday. It is impossible for a man to do everything in five minutes. I strongly urge that the Commission should not proceed too far without allowing us the opportunity of, at any rate, instructing counsel and getting our witnesses together. I will send for Mr. Fulton at once and see if I can get him.

The Chairman : After considering the matter the Commissioners are of opinion that we can adjourn the inquiry till Monday morning to give you that opportunity.

Mr. Field : That will be of very great help to us.

The Chairman : That will not affect our arrangement to sit at Palmerston North on Wednesday. In any case, if there is any evidence which you have not got ready for Wednesday you can call it at a later date. Sir James Wilson seemed to be alarmed because he thought he would not have the opportunity of bringing his evidence before the Commission. There is no question about that; we want to hear all the evidence necessary.

Mr. Miles : On our return from Palmerston North, Mr. Field, you will have every facility to enable you to put your case before the Commission.

Mr. Field : The main point is that our witnesses will not have before them the proposals of the Government.

The Chairman : Well, the Commission agrees to adjourn till Monday morning at 11 o'clock.

Mr. Field : That will be of great assistance.

The Commission adjourned till 11 a.m. on Monday, 7th March, 1921.

WELLINGTON, MONDAY, 7TH MARCH, 1921.

Mr. Field : I desire to say, Mr. Chairman, that Mr. Luckie has been instructed to act as counsel in this matter, but at present he is engaged at the Supreme Court and cannot be present for a few minutes. Possibly Mr. Myers can proceed with his address.

Mr. Myers : I do not think it necessary to take up the time of the Commission in making an address. I have already explained to the Commission what the questions are and how they arise. It will save the time of the Commission if I proceed at once to call Mr. MacLean.

FRANCIS WILLIAM MACLEAN sworn and examined.

Mr. Myers.] You are the Chief Engineer of the New Zealand Railways?—Yes.

A position which you have held for a number of years?—Yes, for five years.

Prior to your holding that position, were you Chief Assistant to the Chief Engineer?—I was Inspecting Engineer.

For how long?—Practically for eight years.

And prior to that I think you were in the service of the Railway Department for a number of years?—First I was Assistant Engineer and then District Engineer.

The whole length of your service in the Department being what?—Thirty-six years and a half.

Would it be fair and correct to say that during the time you have been Chief Engineer the question of railway-station facilities at Palmerston North has given you cause for grave and anxious consideration?—That is so.

Are you able to say whether the question arose even before you became Chief Engineer?—It did. It has been a question in the minds of the officers of the Railway Department for the last thirty-odd years.

Do you mean that the Engineers of the Railway Department have foreseen the necessity for some alteration?—Not only the Engineers, but the Railway Commissioners, the General Manager, and all those who had any connection with the business.

Is the difficulty one that has increased as time has gone along?—Very much so.

Would you mind indicating first of all in quite a general way the reasons that have given rise to this trouble, and the reasons for making alterations?—From its geographical position in regard to the railway system, Palmerston North must necessarily be a large and busy railway centre. It has to deal with the traffic from the North—that is, not only from the Taranaki District, but also from the Auckland District, and in addition to that the Napier traffic. There has also to be dealt with at that station the traffic from Wellington, and also the traffic on the Foxton Branch. Therefore the traffic

at Palmerston North has to be dealt with from four directions. There is not only the traffic which is passing through Palmerston North, but the traffic arising from those different directions and going from one to the other. For instance, there is quite a big traffic which goes to and from what we call the Taranaki direction, including the Auckland-Main Trunk line, and the east coast or Napier direction, and *vice versa*. Then there is also the traffic, although not to such a large extent, between Wellington—that is, the old Manawatu Railway—and Foxton, and *vice versa*.

Before dealing with the subject in detail I want to ask you whether the railway at present necessarily runs through the main streets in Palmerston North?—That is so.

And the station itself is on the main street?—It is actually alongside the main street.

Of course, in the old days Palmerston was a small place, and did that matter so much then?—I believe that the station was at the Square, which was intended to be the railway-station, and the borough was built round it.

Is the system such as now exists—a railway-station on the main street of a town like Palmerston North, and the railway running through the main street—a system which has your approval as a railway man?—To my mind it is absolutely inconceivable that that arrangement can continue for any length of time.

Looking, therefore, at the requirements of Palmerston North alone, and without taking into consideration any question of the deviation of the Main Trunk line, such as we have heard suggestions of, can you tell this Commission whether or not in your opinion and in the opinion of your colleagues some alteration in Palmerston is essential?—Absolutely essential.

That is irrespective of any question of the Main Trunk deviation?—The other questions have very little to do with it.

You have spoken of Palmerston North being a busy railway centre. I assume the Department has figures which will show the annual increase of the railway business there?—Yes, but that is a matter which I think it will be better to get evidence of from the General Manager.

Are you, however, able to say from your knowledge of the statistics that the business at Palmerston North has increased practically year by year and increased considerably?—Very considerably. There has been a specially rapid increase in later years.

Has the position at Palmerston North now reached such a stage as that you consider the matter is one of urgent importance?—I can only say that it is quite evident to even a layman that the conditions at Palmerston North at the present time are, to put it into plain words, chaotic.

We may take it that such a condition of things in a busy centre is not a good thing in a railway system?—It is not good for anybody.

When I say “not good for a railway system,” of course I have the public interest in mind?—Yes, that is so.

Have you, in conjunction with your colleagues, including the General Manager, considered various proposals in regard to the question of making alterations at Palmerston North?—Yes.

Have you taken into careful consideration all the possible alternative schemes that have occurred to the minds of your colleagues and yourself?—We have personally, and I may say I have specially, given every scheme which I could possibly conceive of the most anxious and careful consideration.

And have you by a process of elimination on considerations of railway and public expediency come to a conclusion as to what is the best course to adopt?—After giving the matter, as I say, the most anxious consideration, I was driven to the conclusion that only one proposal would meet the difficulty—that is, after examining all the possible schemes I was driven to one conclusion and one conclusion only.

Is that conclusion to which you have given consideration one which commends itself to your own knowledge to your colleagues, to the General Manager, to yourself?—Yes.

I think you have a plan or plans which show the present position at Palmerston North and the various alternative proposals which have been considered?—Yes, I have here a plan (No. 25252) of the Palmerston North Borough. [Exhibit No. 1.]

There is one street on the plan in Palmerston North—namely, Cook Street—which I understand has always caused your Department very great difficulty, and is really a bugbear to your experts?—That is so. In 1889 the Railway Commissioners sought power to close Cook Street and also Pitt Street. Objection was made, and the objection was taken to the Court of Appeal. The Court of Appeal gave its decision against the Railway Commissioners, on the ground that the proper authority had not taken the action that was necessary. The case was heard by the Court of Appeal in 1892. The first Proclamation was issued by the Governor in Council, and the Court of Appeal decided that the wrong authority had taken the action. The Railway Commissioners then issued a Proclamation with the same object in view. That was again heard by the Court of Appeal, and the Court decided that the Railway Commissioners had no power to do it. That is the position at the present time.

In Pitt Street you overcame the difficulty by means of a subway?—Action was taken under the Municipal Corporations Act with regard to Pitt Street. The question of the closing of streets has to be heard before a Magistrate, and in this case the Magistrate gave his decision that Pitt Street might be closed if a foot-subway were provided. That foot-subway was provided and the street closed.

How long ago was that?—That was in the early “nineties.”

You are not speaking positively with regard to the date?—No, I cannot give the exact date.

I understand your Department has been advised that the only way in which to effectually close Cook Street is by legislation?—We were advised that we have now under the altered legislation power to close Cook Street, but on reconsideration the Crown Law Office came to the conclusion that although we had that power it would not be advisable to do so without special legislation. We have certain legislative powers for instance, we have power to construct a railway along Lambton Quay—but

such powers cannot in the course of ordinary events be exercised, and the Crown Law Office have advised that the only solution of the difficulty would be the passing of special legislation.

I think that the Department, quite apart from whether or not it would meet the case, is somewhat afraid of claims for compensation afterwards?—It certainly is afraid of claims for compensation, but that is not the question. Of course we understood that the claims for compensation would be very serious.

In a case of that sort you do not know where it is going to lead to?—That is so.

You told the Commission that in the early "nineties" the question of closing Cook Street was arranged under the existing condition of things, and, considering that you also have to look to the future, would it meet the case at the present moment if Cook Street were closed?—In my opinion it would not meet the case at all. The position is an impossible one with Cook Street. Even if we could close Cook Street I am absolutely satisfied that we could not make a workable arrangement with the Palmerston North Railway-station in its present position. I have here Plan No. 25610 showing the present station, a print of which I will put in later on. [Exhibit No. 2.]

That is a plan of the Palmerston North Station as it exists at present?—Yes. There are certain minor alterations and additions since. I also produce Plan No. 26453 [Exhibit No. 3] showing the proposals which I laid before the General Manager of a deviation of the railway from Longburn, showing the borough boundary, which is called Boundary Road. The proposal is that a deviation should be made parallel to Boundary Road, joining up with the Auckland route at some distance beyond Terrace End.

The plan shows a red line near the figures 527?—Yes, from Longburn Station to Section 527.

Then the plan shows a red line which is the proposed railway from Section 527 to Whakaronga?—Yes, that is really a continuation of this deviation.

I think it is not intended at present to construct that portion of the deviation?—The red lines show the main deviation, and the extension of the red line is for future working in connection with facilities for the Napier business. We propose for the present to join the existing railway in order to junction with the Auckland Railway near Section 527.

You do not propose at present to construct the whole of the new line from Section 527 to Whakaronga?—No, not at present.

What you propose to do is to run the line from Section 527 to the existing line, and use the existing line to Whakaronga Station for the Napier work for a time?—Yes, for a time.

I think you have another plan which shows the suggestions which have been considered for altering the existing station arrangements?—All I have is a sketch-plan showing the method of dealing as far as we can with the traffic on the present site. I put in copy of Plan No. 19724, which was prepared in 1912. It is purely a sketch-plan. [Exhibit No. 4.]

Does that provide for closing Cook Street?—Yes, absolutely.

And it would leave the present station accommodation where it is?—It was not proposed in the sketch-plan to alter the station-buildings, the width of the road, or the width of the platform.

Have you considered the feasibility of that scheme?—When we came to work out the details of that scheme we came to the conclusion that neither the accommodation that was provided nor the shunting-facilities in this design would meet the difficulty at all.

I suppose it would cost a certain amount of money?—That scheme at the present time would probably cost anything up to £150,000.

And does that include any compensation that you may have to pay in regard to Cook Street?—Not at all.

It is absolutely in the clouds, you may say?—Yes.

Would that scheme, in your opinion, relieve even your present difficulties, apart from the future?—A scheme of that kind would be bound to relieve the congestion to some extent, but it would not get over all the difficulties, and it would introduce very serious difficulties from the point of view of the Borough of Palmerston North.

Apart from that, can you say whether it would be anything more than a mere temporary expedient?—Only a temporary expedient.

Now, there is some other alternative in connection with the line, is there not?—Yes, I produce a further plan, No. 26630. [Exhibit No. 5.]

Would you explain what that indicates?—It is a more detailed plan of the alterations than the previous plan, No. 19724, and which we worked out in the beginning of 1919. In the preparation of this plan I was provided with certain figures by the Traffic Branch showing the accommodation that was considered absolutely necessary for the present traffic. In order to provide that accommodation, which it was found would take up the whole area we had, and would not allow of any increase in the station building, nor any increase in the width of the platforms, a plan was prepared accordingly.

Are both those conditions in your opinion requisite?—Absolutely. Almost a more important point is the fact that there were no facilities possible under this arrangement for shunting, and endless complications would have arisen under such a scheme as this in connection with the locomotive depot and the shunting of the traffic. In my opinion it is essential in connection with a station such as Palmerston North that the road access to the station should be of sufficient dimensions—that is, from the public point of view, which you cannot separate from the railway point of view—as to allow for proper working. I desired a width of road of something like 100 ft. in Main Street; the station building, instead of being 30 ft. wide, should be at least 50 ft. wide, and the main platform, instead of being 20 ft. wide, should be at least 30 ft. wide. Another platform, as in the previous design—that is, 19724—has to be provided, and that I consider should be at least 30 ft. wide; but the question had not been settled whether it would be necessary to provide on that platform waiting-room accommodation, ticket accommodation, sanitary conveniences, and possibly refreshment-rooms. If that accom-

modation had to be provided, then the platform would have to be made wider still. In order to get this accommodation one of two things was necessary: either that we should, as shown in red on the plan, take the extra width for this main street from the Railway Reserve, and push the buildings and platforms towards the south; as an alternative to that, as shown in green, the question was to take a sufficient area of land on the north side of Main Street, which is at present built on with hotels, shops, and other business places generally, and keep the platforms somewhat more to the north than they are at present.

I want you now to give the Commission your reasons for or against the scheme shown in red in regard to its practicability.—The scheme as shown in red has a fatal objection—namely, that it would leave a small area of land for the general sidings, goods-shed accommodation, and local traffic accommodation.

Is it from a railway point of view a practicable scheme?—Quite impracticable if the whole business of Palmerston North is to be dealt with at that station.

As an engineer in charge of the railways of this country, would you take the responsibility for it?—I would emphatically give my opinion that it is an impossible scheme.

So that you would not take the responsibility for it?—No. It has a further disadvantage that would be shared by any scheme at the present site—namely, that shunting would have to be carried on both over the Square and over West Street: that is the street bounding the railway on the west and the public square on the east.

Is that all you desire to say about the red scheme?—Yes.

Now, with regard to the scheme as outlined in green: what do you say about that?—That scheme also curtails very seriously the accommodation that can be provided on the site. It also involves, as I have said, in the red scheme, shunting over the Square and over the street, and it involves an enormous expenditure in the purchase of property.

When you speak of expenditure in the purchase of property, you are referring to compensation?—Yes.

And have you in mind the fact that you are dealing all along with a street with businesses where you have got to meet the serious question of goodwill?—That is so. It is impossible to say what the compensation would be. I should imagine it would run into a quarter of a million altogether.

How far down would you have to take it?—Probably from near Andrew Young Street to well on to Short Street.

It is a pretty considerable length?—Yes, probably about 30 chains.

And you would necessarily have to destroy the sections and buildings?—Yes, the main street would have to be diverted to a new position.

Still dealing with the scheme outlined in green, and apart from the question of compensation, would there be a considerable expenditure in the general railway lay-out of the scheme?—Yes, there would certainly be a very huge expenditure in connection with that which it is practically impossible to estimate. There is the difficulty, in carrying on alterations like that, of carrying on the traffic at the same time.

May I take it that in a scheme such as the one outlined in green it is impossible to make anything like more than an approximation by way of an estimate?—That is so. You could not possibly make an accurate estimate.

Is that because of the indefiniteness of the considerations which you have to deal with?—Yes, that is so.

Have you ever endeavoured to make a comparison as to the expenditure between the scheme as outlined in green and the diversion as shown on Plan No. 26453?—No. I have made a comparison between the scheme shown in red, and its necessary consequence, with the proposed diversion scheme. The comparison has been made on the basis that the business to be dealt with at this station would be purely through and local passenger traffic and the local delivery traffic. That is what we call the traffic arising to and from this station.

Then, does the red scheme involve some other lay-out or scheme apart from the actual scheme in the neighbourhood of the railway-station?—Yes.

What does it involve?—The adoption of such a proposal involves in the first place the formation of what we call a sorting-yard some considerable distance out of Palmerston itself—that is, a yard where the marshalling and making-up of trains and storage of wagons and carriages would be provided for. It further involves the construction of another line of railway from Palmerston North to Terrace End, and a continuation of that line to the sorting-yard. In addition to that it involves the removal of the engine-depot from its present position near West Street to some other locality as near Palmerston North as possible.

On the southern side?—It would preferably and probably be on the southern side.

So that you would have your engine accommodation on the southern side and the sorting accommodation on the northern side?—Yes. Perhaps I could explain it better on Plan No. 26453. This plan shows the present position of the station. There is at the present time a double line of railway from the station to Terrace End—that is, one line of railway for the Napier Section and one line of railway for the northern traffic. A sorting-yard would have to be provided somewhere to the north of Palmerston North. The nearest place that such a sorting-yard could be provided would be about three miles from the station, but there would be limitations there in the way of the accommodation that could be provided, and probably the sorting-yard would have to go some four miles and a half to five miles out.

Would that be past Terrace End and on the northern line?—Yes. A subsidiary sorting-yard would have to be made alongside the Napier line of railway, with a connection between the main sorting-yard and this subsidiary yard. The engine-depot would probably have to be made somewhere

between the Palmerston North Station and the Awapuni Station. Almost certainly the engine-depot itself would require an independent line to and from the station, and almost certainly we would require to have a double line of railway from Longburn to the Palmerston North Station. Those are the consequences. Then, in addition to that I may say that it would be necessary to regrade this railway between Terrace End and the sorting-yard. There is at the present time a gradient—speaking from memory—of 1 in 70, and the load which can be brought from the south into Palmerston North is much larger than could be taken with the present gradients and the same engine from Palmerston North to the sorting-yards, so that we would have to regrade the line so as to make it possible to take to the sorting-yard the same load as comes from the south.

What is all that going to cost the poor taxpayer of New Zealand?—I have already stated that it is impossible to form any estimate—anything like an accurate estimate—of the cost of carrying out the work where you have to carry on your existing traffic and put new lines in the position where the existing lines are. But, putting it at as small a price as one could reasonably do, or without taking into consideration any question of compensation for the Cook Street closing, which is essential in any case, I have put the cost of this alteration of the station at £100,000. That is the red scheme. That is the provision for purely passenger traffic and local delivery at the present station site. At the present time it would be hopeless to carry it out at that. Then, there are very heavy earthworks involved in the sorting-yard, and the purchase of land, earthworks, and tracks I put at something like £80,000. Then, an extra track from the Palmerston Station to the sorting-yard, and the regrading of the railway, would run into at least £50,000. The sorting-yard on the Napier line, and a line from that subsidiary line to the main sorting-yard, would cost, say, £20,000. An engine-depot between Palmerston North and Awapuni would cost not less than £50,000 with the purchase of land. If we were to make a double line of railway from Longburn to Palmerston the cost of that would probably run into another £50,000. That is a total of £350,000, and plus contingencies, say, £400,000.

And that is without allowing a single sixpence in regard to compensation for the closing of Cook Street?—That is so.

And then you perpetuate, and I think increase, the traffic through Palmerston North itself?—The effect of it would naturally be that between the stations and the sorting-yard you would have a very large increase in the number of trains running along Main Street with its numerous crossings.

Do you desire at the present moment to say anything more with regard to the cost of the red scheme as shown on Plan No. 26630?—I do not wish to say anything further about that. I have not mentioned at all in connection with the whole scheme the fact that it seems to me inconceivable that such a state of affairs as exists at the present time could continue for any lengthy period. There is the effect of making a line along a main street with its numerous crossings and very serious dangers for six miles from Longburn.

You said you have compared that scheme as to cost with your proposed diversion as shown on Plan No. 26453?—Yes.

Would you give the Commission as well as you can your estimate of the cost of that scheme?—I have estimated the cost of the new railway, practically seven miles long, from Longburn Station to its junction with the north line and the connection with the existing line for the Napier traffic, not including the connection between the existing line and Whakaronga as shown in red, providing a double-track area from Longburn, a passenger and local-delivery station with ample facilities, another large sorting-yard to the north of the passenger-station which would command the traffic from both directions, the elimination of every level crossing, and ample facilities for the convenience of the public, at £600,000. £50,000 would be ample to provide the portion of the present line to Whakaronga.

Have you included the cost of land?—I have allowed in this estimate £100,000 for land, which is a very large sum.

Is it correct to say that the land you have to take for this scheme is all rural land?—Yes.

And you know the questions arising, as you would have, if you had to take land in the vicinity of the present station at Palmerston North—that is, land in a borough on which are business premises and where businesses are being carried on?—That is so. The sum I have put in the estimate is £100,000 for something like 120 acres of land. There are houses on the land.

Is there not on the adoption of this diversion scheme a *per contra* in favour of the Government to which you have not so far referred?—I have stated the net cost of this scheme at £650,000, with £50,000 for contingencies, which works out at £700,000, but the *contra* to be deducted from that is the value of the land now belonging to the Railway Department, which would be sold or leased if we abandoned the present site.

How many acres would there be?—I cannot remember. It would be calculated, for the purpose of subdivision, by the frontage. We would have something approaching 7,000 lineal feet of frontage to dispose of. A very low estimate of the value of that, I should say, would be £30 a foot. It is the present site only, and the frontages I have taken are the frontages to existing streets—namely, Main Street, West Street, Church Street, Cook Street, and a little at the Square.

A little laying-out of new roads might give you considerably more?—I should not be surprised if we got nearly double that.

However, putting it conservatively you would have 7,000 feet of frontage with the possibility of doubling it, and putting it again conservatively at £30 per foot, there is over £200,000 at the lowest estimate?—Yes. I have not taken into consideration any land from Longburn to the Palmerston North Station, where the railway is constructed on what is known as railway and road reserve; and for the purposes of my estimates I have not included any value at all to the Railway Department from the land on which the railway is constructed, and the same from the Palmerston North Station to

Terrace End. When you asked me if I had anything further to say in regard to the scheme outlined in red on Plan No. 26630, there is another matter which has to be considered, and which is more a question of working-expenses, and on which possibly the General Manager and possibly the Chief Traffic Manager would be able to give evidence of more weight than myself; but you have to face this position: that at the present time, excluding all through trains—that is, the Main Trunk train, the Napier train, and the Wanganui train—you have forty trains a day coming into Palmerston North and going out—twenty trains each way. In working out such a scheme as has been outlined in red with the sorting-yard, you must make the sorting-yard your terminal for all trains, which means that every train must run five miles extra. If you take forty trains a day five miles, there are 200 train-miles extra every day, which amount to, say, 60,000 or 70,000 train-miles a year, which is an extra expenditure on account of having the sorting-yards farther out. At the present time the average cost of a train-mile in New Zealand is something like 12s. Putting it at, say, 10s. a mile, there is £35,000 a year which you have to capitalize. In addition to that, at the present time we have two shunting-engines working double shift at Palmerston North. These two engines would have to be transferred to the sorting-yards to do all the shunting and marshalling. In addition to that you must have a shunting-engine at the Palmerston North Station to deal with the traffic there, and in addition to that you must have an engine which is running backwards and forwards between the station and the sorting-yard. The cost of a shunting-engine under normal conditions for a single shift is about £1,500 a year. A shunting-engine at this place would probably run into more; but, taking it at £1,500, that would amount to £3,000 a year for the shunting-engines alone and the crews. In addition to that you must have extra shunting gangs, which would amount to, say, £3,000 for the two engines. That is for a double shift—namely, £6,000, and the shunting gangs at £3,000 a year, while with the extra traffic at times you could put it down at £10,000 a year. If you summarize that you have your train-mileage taken at 10s. per train-mile, which is £35,000 a year; double shifts and gangs, £10,000; and holiday traffic which has to be provided for and which I put at £5,000: that means £50,000 altogether. If you capitalize that at 5 per cent. there is £1,000,000; so that the scheme would cost in the first place £400,000, plus £1,000,000 for the increase in working-expenses, as against the net amount of £500,000 for the new scheme. I might say in regard to this new scheme that if we curtailed the facilities, eliminated the bridges and provided level crossings, and gave somewhat less for the conveniences for the general public in the way of the size and nature of the buildings and verandas, we could curtail to a certain extent the cost.

But you would not recommend that?—No, but we could cut off £100,000.

It follows that in your mind there is no doubt as to what is the best scheme?—No doubt at all. As I said, I have given the matter most anxious consideration, and in every way I could look at it this scheme presented to my mind, from the Railway Department's point of view in the first place, and just as much in the interests of the population of the Borough of Palmerston North and the general travelling public, the only solution of the problem, and I recommended the General Manager accordingly.

And I think you have said that that is a problem that must be solved quite irrespective of any question of the Main Trunk diversion?—Absolutely. You have got to deal with this problem itself, and it is apart from any diversion at all. You have a certain amount of traffic that you must deal with no matter what diversion is made.

Can you say approximately how long it would take to complete this scheme of diversion as shown on Plan No. 26453?—The preliminary surveys would have to be made, and detailed designs, but if the labour were available and up-to-date appliances were used I think it would take four years. That is putting it on the safe side.

You know that there was an agitation in 1916, which apparently is being revived now, for the diversion of the Main Trunk line from Levin to Marton?—Yes.

That would involve the construction of railway mileage of how much?—Approximately fifty miles. There are no detailed surveys, but it would be about fifty miles.

Involving bridges as well as ordinary construction?—I gave certain figures at the time, but did not know the whole line. Since then I have been over the whole route. It is difficult to say what bridging would be required. An enormous amount of bridging would be required, but I am of opinion that that railway could not be made properly until the Manawatu River was altered; otherwise, instead of something like 30 chains of bridging, which might be sufficient for the Manawatu River, you might have to put in at least double that if the river were not confined into a permanent course.

Seeing that there would be an enormous amount of bridge-construction, could you give the Commission any idea of how long you think it would take to do that work?—Well, I think the Public Works Department would probably be able to answer that, but judging from past experience I should say you might expect it to take twenty years.

Of course you have taken into consideration that other railways in New Zealand are also being constructed?—Yes.

And in the meantime may we take it that Palmerston North must be dealt with as absolutely necessary?—Yes. You have got to do the work at Palmerston North. You could not possibly wait till then.

I suppose the construction of the fifty miles of railway between Levin and Marton would cost a good deal of money?—You could not expect to do it under £1,000,000.

That is the roughest estimation?—Yes. In a railway like that you know exactly what you have to do. We have been spending, for instance, between Auckland and Mercer in improving the railway about £10,000 a mile. Well, for a main line such as this to be constructed with such a heavy amount of bridging you could not get it at under £20,000 a mile.

RICHARD WILLIAM MCVILLY sworn and examined.

Mr. Myers.] You are General Manager of the New Zealand Railways?—Yes.

And have been for how long?—About two years.

Prior to that you were Assistant General Manager for some time?—Yes, actually Assistant General Manager for about three years.

And prior to that you were Chief Clerk for how long?—Fourteen years.

I think your whole business life has been spent in the service of the New Zealand Railways?—That is so.

During the time you were Chief Clerk and Assistant General Manager I take it you used to consult with the General Manager and the heads of the branches with regard to such questions as those which are before the Commission now?—Yes, I was in constant consultation with them.

You have, I think, considered carefully, both by yourself and in consultation with Mr. MacLean and your other colleagues, the question as to the best course to be adopted to meet the difficulties at Palmerston North?—Yes, I have given careful consideration to it, and I have very fully discussed the matter with Mr. MacLean and others both while I have been General Manager and previously with Mr. Hiley, the former General Manager, and with Mr. MacLean's predecessors.

Are you satisfied that serious alterations in connection with the facilities at Palmerston North are not only necessary but absolutely essential?—I am. The position at Palmerston North is so serious that unless it is tackled, and tackled in earnest, almost immediately the Department will be unable to carry on its business satisfactorily in the very near future—with satisfaction to itself, to the public, or to the Government.

May we take it that the question is one which would have been tackled and gone on with between 1914 and the present time but for the war?—Yes, that is so.

You have heard the evidence given this morning by Mr. MacLean with regard to the various schemes that have been under consideration, and as to the conclusion at which he has arrived—namely, that the diversion shown in Plan No. 26453 is the only feasible one?—Yes, I have heard that, and I agree with it.

And do you agree with the reasons as given by Mr. MacLean upon which that opinion is based?—Yes, I do.

Do you agree that whatever might possibly be done in connection with the Main Trunk deviation, the Palmerston North difficulty must be settled immediately?—That is inevitable. The Palmerston North difficulty must be settled, and there is no time to waste.

On its own merits?—Yes, entirely.

Do you mean irrespective of any other scheme in connection with any other branch of the line?—That is so. I regard Palmerston North as the most important subterminal in the country. It is the point to which the whole of the through traffic of the North Island Main Trunk lines and branches concentrates and from which it is redistributed. Any difficulties or delays at Palmerston North affect the whole railway system in the North Island. For years past the difficulties that the Department has had to contend against at Palmerston North have been very real, and they have given Mr. Ronayne, Mr. Hiley, and the principal officers in the Department food for very serious consideration. With my intimate knowledge of the business I have come to the conclusion that the proposal which has been made for the deviation and rearrangement of the Palmerston North Station is the only satisfactory way of dealing with the problem. I am looking at it, first, from the point of view of the Dominion as a whole in regard to the railway system; secondly, from the point of view of the town; and, thirdly, from the point of view of the Railway Department. I am not putting the Railway Department first in this matter at all.

You are putting the interests of the general public first?—Exactly.

Prior to this deviation being determined upon by yourself and your colleagues, had your Department come to any definite conclusion as to what was the best course to be adopted in regard to the facilities at Palmerston North?—No, the position was that certain tentative proposals and some sketch-plans had been prepared showing what was thought might meet the position existing prior to 1914, but when we investigated the proposals recently it was very apparent that the requirements of the traffic were such that they could not be met by the scheme indicated in the sketch-plans and tentative suggestions such as had been made.

So that any sketch-plan prior to this diversion shown in Plan No. 26453 were mere tentative trial schemes prepared for consideration?—Yes.

Does that observation include this red scheme and green scheme alternatively in Plan No. 26630?—The observation includes that, yes.

I think it was Sir James Wilson or Mr. Field who on Friday last referred to some scheme that it was suggested Mr. Hiley had submitted to the Palmerston North Borough Council. Do you know to what that observation refers?—Mr. Hiley had some interview with the Palmerston North Borough Council early, I think, in 1914, just after he came here, and my recollection of it is that what he principally discussed then was a tentative scheme which involved the closing of Cook Street.

Had Mr. Hiley arrived at any definite scheme, or was he feeling his way with a view to coming to a decision as to a definite scheme?—The position was that prior to Mr. Hiley coming here the closing of Cook Street and other questions at Palmerston North had engaged considerable attention at the hands of the Department. We had been negotiating for a long time to close Cook Street with a view to seeing what we could do to relieve the troubles at Palmerston. We had not been able to arrive at a satisfactory solution of the Cook Street problem, nor had we been able to arrive definitely at a plan which would overcome the difficulty at Palmerston North. Mr. Hiley was largely concerned in closing Cook Street, and as that was then a burning question he was asked to

meet the Borough Council, and he met them and discussed that particular question. Of course, in doing so he pointed out that he was anxious to improve matters at Palmerston North.

Are you aware of any report made by Mr. Hiley upon this subject of the railway facilities at Palmerston North?—I have already stated definitely that there is no report made by Mr. Hiley in regard to Palmerston North.

Is the question referred to in any of his reports?—There is a reference to it in the Railways Statement—a special report made in 1914 by Mr. Hiley dealing with a general scheme of improvements, and in that report he made reference to some improvements at Palmerston North. Those improvements were under discussion in 1912, and they are the ones to which I have referred. A sketch-plan was drawn out and involved closing Cook Street.

Is that the sketch-plan that Mr. MacLean has referred to as prepared in 1912?—Yes, that is the plan.

Mr. Field.] Is that the plan that was laid before the Borough Council and the Chamber of Commerce?—As far as I know, that is the only plan, but I am not sure. I was not there; but, at all events, in connection with that I can say that I have made inquiries on more than one occasion from the Engineering Branch, and they know of no other plan.

Mr. Myers.] During Mr. Hiley's time, did the question of a final and definite scheme with regard to Palmerston North come up for settlement?—No. He and I had discussed the matter in a general way, but the Palmerston North work which he had included in the 1914 report was, together with other big works, held up by the war conditions. Therefore the Palmerston North scheme was not further discussed. It was useless to discuss it.

There was a letter or report I read to the Commission the other day, which you produced, dated 8th June, 1920, from yourself to His Worship the Mayor of Palmerston North?—Yes, that is the one dealing with the deviation and the increase in traffic.

Have you discussed this question of the deviation with the authorities in Palmerston?—I discussed the question fully with the Borough Council at Palmerston North.

That is the scheme as set out in Plan No. 26453?—Yes. I discussed it with the Mayor and Councillors. I am not sure whether all the Councillors were present, but the majority were.

With what result?—I found they were unanimously in favour of the scheme, after hearing what I had to say. They considered it was the best scheme that had ever been put before them, and that it was the only scheme that would satisfactorily meet the position.

Are there any other reports that you desire to put in that you think would help the Commission, or any details of traffic?—I would like to hand in for the information of the Commission a report made by myself to the Minister of Railways dated 1st November, 1920. It reads:—

Hon. the Minister of Railways, Wellington.

1st November, 1920.

Railway Improvements, Palmerston North.

THE business to be dealt with daily at Palmerston North has entirely outgrown the facilities of the present station, and it is quite impracticable to provide on the existing site the facilities that are necessary to enable the Department to satisfactorily handle the existing traffic. The result is that serious delays to trains are of almost daily occurrence. The public are subjected to grave inconvenience, and the staff are carrying on under heartbreaking conditions.

It is therefore imperatively necessary that immediate steps be taken to improve matters, and to place the Department in a position that will enable the present and prospective business of the future to be handled with efficiency and economy.

The matter has engaged serious attention for a considerable time, and after giving much thought and making myself personally acquainted with the existing conditions, and watching the operations carefully, I have come to the conclusion that the only satisfactory solution of the difficulty is to remove the station to a new site beyond the limits of the town. The question has been discussed with the Borough Council, and that body heartily approved the proposal.

The present line, as you are no doubt aware, is laid on a portion of the road reserve from Longburn, and runs through the main streets of Palmerston North to Terrace End. It is intersected by several crossings which are a continual source of danger, and traffic in the Square is continually held up by shunting-engines, which have of necessity to foul the Square and the street-crossings every time a shunt is made. Every mixed and goods train which at present arrives at Palmerston North has to be broken up and placed in small sections on different sidings as room can be found. The lack of room at Palmerston North renders it necessary to run shunting-trains to Longburn, Terrace End, or Whakaronga to find standing-room for wagons that cannot be accommodated in Palmerston North station-yard.

The proposal to remove the station involves the deviation of the line from Longburn to Whakaronga, where it will junction with the Napier line.

In the 1914 railway-improvement scheme it was proposed to spend £40,000 at Palmerston North. The position has, however, entirely changed since that time, and quite irrespective of what the decision may be regarding the proposed building of a line from Levin to Marton, respecting which representations have recently been made to you, the removal of the Palmerston North Station cannot be avoided, as the business from Wairarapa, Napier, and Marton portions of the railway, which must always be dealt with at Palmerston North, cannot be handled on the present site.

From the Department's point of view the necessity for carrying out the proposed works at Palmerston North is the most urgent of the important works that have been projected. I therefore strongly urge that the necessary legislation, which has been submitted to you in Bill form, be passed during the present session so that an immediate start may be made on this imperatively essential work.

R. W. MCVILLY,
General Manager.

Is there anything else you wish to produce?—Yes, I have also here a report from Mr. MacLean, Chief Engineer, dated 22nd August, 1919, which reads:—

The General Manager.

Palmerston North Station: Closing of Cook Street: Rearrangement of Station.

As explained to you personally, I have held over a reply to your memorandum until I could lay before you some important suggestions in connection with the position at Palmerston North. It appears to me inadvisable to discuss the closing of Cook Street if any other proposal which does not involve the closing of the street were to be adopted, or, at any rate, until the alternatives could be discussed.

Although the legislation which appears necessary for the closing of Cook Street would deal primarily with that subject, the whole title will presumably have to be cleared up, including that to the land occupied in Main Street. (See the opinion of the Crown Solicitor forwarded with your 1917/6001 of 29/4/19, second page, first paragraph, and the second clause of the recommended course of action).

As stated by the Crown Solicitor, the whole position is difficult and complicated. It appears probable that strong opposition will be raised to the closing of Cook Street (which is essential if the station is to remain in its present position), and that the closing will involve the Department in the payment of considerable compensation.

Before going further with the proposals, I recommend that the question of removing the station from the present position altogether be considered.

It appears to me certain that sooner or later the present station site will have to be abandoned.

At the best—and conditional on Cook Street being closed—the accommodation and shunting facilities which can be provided must necessarily be limited owing to the comparatively short distance (about 50 chains) for such a station between the Square and West Street, and I cannot believe that in a growing centre such as Palmerston North the receiving of trains through the centre of the borough and along a main thoroughfare from Longburn to Terrace End (six miles), with the numerous street-crossings involved, can be continued for any length of time.

For these reasons I consider it will be in the best interests of the Borough of Palmerston North and of the country generally, as well as of the railway, to abandon the present site before the very large expenditure involved in providing for the requirements of the traffic at the present site is incurred.

Present Station Site.

A rearrangement plan of the station, designed to provide as nearly as possible for the stated requirements of the Traffic and Locomotive Branches, has been drafted, but even restricting the public road (Main Street) at the approach to the passenger-station, the station-building, and the main platform, to their present inadequate widths, it seems apparent that the accommodation required cannot be provided. To give anything like adequate accommodation for present needs, but without adequate shunting facilities, it will be necessary to provide for the locomotive-depot in some other position.

To deal with the passenger traffic properly without unduly hampering the traffic in Main Street, I am satisfied that this street opposite the station-building and at the approaches thereto should not be less than 100 ft. wide. The necessary accommodation cannot satisfactorily be provided in a building of less than 50 ft. wide, and the main platform should not be less than 30 ft. wide. These widths I consider the minimum possible.

On a print of the draft rearrangement plan (No. 26630) which has been prepared I have shown the effect of providing the widths suggested in different ways: (a) (red lines)—by encroaching on the land now occupied by the railway-station; (b) (green lines)—by the purchase of land on the opposite side of Main Street. If the former method were adopted comparatively little land would be available for sidings, sheds, &c.; in the latter method a very large expenditure in the purchase of property would be involved.

Alternative Proposals.

(1.) *Retention of Present Site for Passenger and Goods Traffic.*—To deal with both passenger and goods traffic at the present site will involve exceedingly heavy expenditure in the purchase of property, and the accommodation which can be provided would be adequate only for the need of the early future. A locomotive-depot would have to be provided in some other locality.

(2.) *Retention of Present Site for Passenger and Local Traffic, with Provision for Separate Yard for Goods Traffic.*—To avoid the necessity for the purchase of private property in widening Main Street, the station-buildings, and platforms it would be necessary to limit the business to be carried on at the station to passenger and purely local goods traffic. The goods traffic which has to pass through this large and growing railway centre would have to be dealt with at some point outside Palmerston North. The nearest available position for such a yard or depot would be about three miles distant on the New Plymouth Railway, and this would have the disadvantage of not commanding directly the traffic to and from the Napier Railway. To deal with the latter it might be necessary to provide a supplementary yard on the Napier Railway. As in the previous proposal (No. 1), a locomotive-depot would have to be provided, presumably at the same place as the marshalling-yard.

The expenditure involved in this proposal would be heavy, and working-charges would be increased.

(3.) *Deviation of the Railway and Provision of a Station thereon.*—The deviation of the railway from Longburn to a point on the New Plymouth Railway about four miles north of Palmerston North Station, with a connection to the Napier Railway, as shown on the accompanying plan No. 26453, would admit of an adequate station being provided without the disabilities of the present site, with marshalling-yard and locomotive-depot.

The expenditure involved would be heavy, but should not, in my opinion, exceed that which would have to be incurred in carrying out either of the previous proposals (1) or (2). In the congested state of Palmerston North Station extensive alterations could only be carried out at considerable expense and with delay to the work and the traffic.

It has not been possible to obtain detailed data in connection with the proposals without causing public comment, which I have considered it advisable to avoid, but, so far as can be judged from an examination of the ground and such information as could be obtained, the scheme is feasible from an engineering point of view, and interference with house property would be comparatively limited. Two roads, one unformed, would have to be closed, but as these are of an unimportant character the opposition to the closing would probably not be serious. The main roads would be bridged.

The principal opposition to be expected would be from—

- (a.) Those of the business firms and residents affected by the greater distance to the station. The station would be on the outskirts of the borough, and the distance from the centre of the Square would be about one mile and a quarter, as compared with about three-eighths of a mile at present. The business centre of the borough is, however, growing towards the west, and therefore in the direction of the suggested site of the station.
- (b.) Those holding private-siding access from the present railway between Awapuni and Terrace End. These include the Manawatu Racing Club's branch (on which I understand it is proposed to establish milk-preserving works at some time), the proposed siding to the Municipal gasworks, McGill's flour-mill siding, and others. The Racing Club's branch might be extended to the new route and possibly it might be arranged to retain a track along the present route from Terrace End to work the various private sidings if the opposition of the owners cannot be overcome otherwise.
- (c.) Property-owners (such as those in Main Street) whose business would be affected by the removal of the station.

Conclusion.

I have no hesitation in recommending the deviation and new station—proposal No. 3—as being in the best interests of every one concerned.

Proposals Nos. 1 and 2 have the serious objection that trains would continue to run at speed along the main thoroughfares, and this objection would be increased by the removal of the locomotive-depot and consequent increased running.

There is no doubt that very serious opposition will be offered to the proposals, but if a change is to be made—and I consider this inevitable—I think it will be better to make the change before the difficulties become greater and before a large amount of money is spent on the present site.

If the proposals meet with your approval, I suggest that the question be discussed confidentially with the Mayor of Palmerston North, and that the necessary surveys be put in hand to enable the scheme to be prepared more in detail.

I forward the following plans showing the proposals: Plan No. 26453, map of locality, showing suggested deviation; Plan No. 27646, showing railway from Longburn to proposed termination of deviation, with private sidings, and proposed deviation and site of proposed station; Plan No. 26630, draft scheme of rearrangement of existing station, showing suggested widening of street, building, and platform.

F. W. MACLEAN,
Chief Engineer.

[Railway Report D-2B, 1914, put in.]

Mr. Myers.] We have heard already that the traffic at Palmerston North has gone on increasing year by year, and there is a certain amount of information contained in the documents already put in. Have you any records in concise form which show the increase?—I mentioned in that letter to His Worship the Mayor an outline of the increases, but I may say that the bulk of the traffic on the North Island Main Trunk lines passes through Palmerston, and it is a fact that the railway business has expanded very materially throughout the North Island. That in itself indicates that Palmerston North has had an increased business to deal with apart from the local traffic. An increase in through traffic anywhere affects Palmerston North.

I now want you to look at the red scheme on Plan No. 26630, but I do not want you to concern yourself with anything that Mr. MacLean has already given detailed evidence upon; but he said that some one else, either you or some one from the Traffic Branch, would be able to give better evidence than he could give of the cost of operating the red scheme by reason of the engine accommodation being placed at some distance south of Palmerston North, and the two sorting-depots being placed north, one on the Main Trunk line and the other on the Napier line?—Mr. MacLean's figures with respect to the cost of operating—that is, 70,000 train-miles at 10s., £35,000 per annum—are by no means an overstatement. The cost of running train-mileage is more than 10s. per mile. Mr. MacLean ought to have mentioned 12s. That is about what it is now, so that the estimate would be at least £35,000 a year. Mr. MacLean's estimate for shunting of £50,000 I quite agree with, but of course that presupposes that you are going to deal with your train business with one engine. Every traffic man knows that you cannot do that; you require more shunting-engines than you do train-engines to do the shunting of a given business. As to Mr. MacLean's figures, I am prepared to let them go with this reservation, that they are on a conservative basis, and the position has been minimized.

Would such a scheme be anything like as convenient from a railway point of view as having the whole of your accommodation in the one vicinity, as is proposed in the diversion scheme shown on Plan 26453?—No, it is cheaper always to concentrate the business so that you concentrate the control. If you have to split up the business and create large depots a distance from your centre, then you have to have extra controlling officers and additional staff, and our experience is that under conditions of that kind it requires at least one-third additional staff.

With regard to the suggested Main Trunk deviation from Levin to Marton, you gave evidence before the 1916 Commission?—Yes.

Except that the cost of construction would now be greater than it was then, has anything happened to modify or alter the opinions you expressed to that Commission?—Not in the slightest degree. In fact, what has happened has strengthened the opinion I then expressed, and which I would express more strongly to-day.

I have taken you over all the details on which Mr. MacLean gave evidence, but is there anything you would desire to add to what you have already said in answer to my questions?—I should just like to add this: that on page 200 of D.-4, the proceedings of the Foxton Commission in 1916, will be found the details of the traffic, and on analysing that the only traffic that would be affected and pass over the deviation is included in items 1 and 2.

Are you speaking now of the Main Trunk deviation?—Yes. That business represents 17 per cent. of the passenger traffic and from 13 to 25 per cent. of the other traffic. It would average out about 20 per cent. of the business, and only 20 per cent. would pass over that deviation. The other 80 per cent. has to be dealt with at Palmerston North irrespective of whether that deviation is made or not. I have taken the traffic for to-day and the traffic for 1920, and I find the position is about the same. About 85 per cent. of the traffic that originates on the North Island Main Trunk line has to be dealt with at Palmerston North—that is, business that goes to and from Wellington, Napier, and Wairarapa.

The Chairman.] So that if the Levin to Marton Railway was there now you would only be relieved of 15 per cent. of the traffic you now get from the north?—Yes, that is so.

Mr. Myers.] And you would still want the alterations at Palmerston North?—Yes, still want the alterations at Palmerston North. I have here a statement in exactly the same form showing the traffic carried on the Main Trunk line between Levin and Marton. [Statement produced and put in: Appendix A.]

Supposing you had the deviation from Levin to Marton, would either of the other schemes, the red or the green, be feasible in those circumstances?—No. The green scheme is quite out of the question on account of the cost. There would be the business disturbance and compensation for that kind of thing. Then, the red scheme would be quite out of the question, because it does not provide the accommodation necessary.

And not only that, but you have to carry on somehow during the time that the Levin-Marton line would be under construction?—Yes, and in the meantime the business would be constantly expanding with the natural growth.

The reason I am putting these questions is that I want to find out for the benefit of the Commission whether or not it is absolutely essential that this Palmerston North question should be faced

now and faced to the fullest extent?—I have not the slightest hesitation in saying that, quite irrespective of anything else, Palmerston North must be faced, and the scheme that has been proposed is the only satisfactory way I can see of meeting the position.

Mr. Marchbanks.] This statement [Appendix A] does not give the local traffic to Palmerston North?—Yes, it gives it all. Item No. 5 shows all the traffic that originates between the two stations.

Does that give all the local traffic to Palmerston North?—Yes.

Could we get the total traffic to Palmerston North?—You could get that from a return.

I should like to get the traffic north-bound to Palmerston North and beyond Palmerston North to the west coast and to the east coast?—That is all given in the statement that I have put in [Appendix A].

The Commission adjourned till 2.30 p.m. on Wednesday, 9th March, 1921, at Palmerston North.

PALMERSTON NORTH, WEDNESDAY, 9TH MARCH, 1921.

The Commission sat in the Magistrate's Court at Palmerston North on Wednesday, 9th March, 1921.

OPENING.

Mr. Myers: Sir, we have already given some evidence in Wellington, and I understand that the main object in coming here is to enable the people who are opposing the scheme of the Railway Department to indicate by evidence the reasons for their opposition. After they have done so, sir, I will be able to say whether I find it necessary to call any evidence here, and, if so, I could call it right away.

Mr. Luckie: Sir, I understood that the Commission adjourned to Palmerston North for the purpose of taking evidence generally and in accordance with the usual procedure. I submit that it is really for my learned friend to adduce his evidence so as we may have an opportunity of replying to him. My friend knows that that is the usual custom in cases of this description. It is for him to bring forward the evidence that is available here.

Mr. Myers: I disagree with the view taken by my friend Mr. Luckie, and obviously the course he suggests is wrong. I decline to allow the Railway Department in this matter to be placed in the position of a litigant coming before this Commission by adopting the course that my learned friend suggests. I have called the expert testimony which I considered necessary to show the reasons for the proposals adopted by the Railway Department. I have no expert testimony to call here, and I decline to adopt the suggestion submitted by Mr. Luckie. The course suggested by me is the proper one, and I think Mr. Luckie will remember that at the last Commission similar to the present one—you will remember, sir, because you were one of the Commissioners—the very course my learned friend advocates now was the course he objected to in that case. The evidence of the Railway Department was not called then until the rest of the evidence was heard. I may say that the Railway Department has come to the conclusion after very careful consideration that a certain course is the right and proper one, and I suggest that it is the duty of those gentlemen represented by Mr. Luckie to show that that course is wrong.

Mr. Luckie: In reply to my friend's distinction between this case and the case of the Levin-Marton deviation Commission, I should like to point out to you, gentlemen, that that Commission was got up at the instigation of certain persons who desired to show that the Levin deviation should be given effect to, and consequently it was natural for them to open their case, because they were proposing something. I submit, sir, that it is for my learned friend to support his position. To my mind the position is very clear from the order of reference, which says: "(1) Whether the facilities now existing at Palmerston North for the conduct of the business of the Government Railways Department are sufficient and suitable for that purpose. (2.) If such facilities are not sufficient or are not suitable for such purpose, what alterations therein (whether in respect of situation or otherwise howsoever) are necessary, and desirable, and best adapted to enable the business of the said Department to be carried on with the greatest degree of safety, efficiency, economy, and convenience." Obviously my learned friend must realize it is the Government that desires an alteration in the railway-station facilities at Palmerston North, and therefore I suggest it is for the Government to bring forward its evidence in support of the proposals, so as to enable me to reply to the evidence submitted. My friend's distinction between this Commission and the Commission which was set up several years ago is obviously accounted for by the fact that we were the moving parties. At that time we had to support our case before the Commission, and I am asking him to do the same thing now. The mere fact that he is appearing for a Government Department in a matter which is affecting the whole of the Dominion and involves an expenditure of something like £700,000 or £800,000 which has to be justified does not alter the position. Up to the present time we have only heard the official evidence—that is, the evidence of Mr. McVilly, General Manager of the New Zealand Government Railways, and the evidence of Mr. MacLean, Chief Engineer of the Railway Department—and I submit we should hear the whole of the evidence of the Department before I am asked to proceed with my case. I should like to say that I am not putting the Department in the position of a litigant.

Mr. Myers: Mr. Luckie may take it, sir, from me, and the Commission may take it, that I do not intend to call any further evidence at this moment. I have obtained the evidence of the experts of the Railway Department, upon whom the Government must necessarily rely. I do not see the necessity, sir, at this stage to call any evidence which is of a non-expert character. If my learned

friend has any evidence to call let him call it by all means, and if necessary I propose to call any further evidence by way of rebuttal. It is farcical in a matter where the Government is accepting the advice of their experts to expect it at this stage to call a lot of non-expert evidence.

The Chairman : The Commissioners are of opinion that we should not ask Mr. Myers to proceed, nor do we consider it is right for him to do so. We are sitting in Palmerston North for the purpose of hearing the evidence of any one either for or against the proposals of the Railway Department. If either Mr. Luckie or any other gentleman is desirous of submitting any evidence we are prepared to hear them. We do not desire to close the evidence against either side at all.

Mr. Luckie : Do I understand, sir, the position is that I will have to call evidence, and that my learned friend will be in a position to call evidence in rebuttal, and that I will have a further right to call evidence in connection with the matter? It seems to be a most confusing way of putting the position before you.

Mr. Myers : I would not object.

The Chairman : We would be quite prepared to do that.

Sir James Wilson : During the time the Commission was sitting in Wellington I appeared before you, and I was informed that the Commission would be sitting in Palmerston North for the purpose of hearing the views for and against the proposals of the Railway Department, and that I would be given an opportunity of being heard. As I have to attend a meeting at Palmerston North to-morrow I find I will not be able to attend the Commission, and if it is convenient I should like to be given an opportunity now of making a short statement to you, gentlemen. No doubt the procedure is a wrong one, but I would be pleased to have the opportunity.

Mr. Luckie : Before proceeding any further I should like to say for the information of Sir James Wilson that it is my intention to say a few words with reference to the Levin-Marton deviation.

Mr. Oram : Mr. Chairman and gentlemen, I would like to say that I have been instructed to appear on behalf of the Palmerston North Chamber of Commerce. I do not think it will be necessary for me to address the Commission, but before proceeding any further I should like to say that the Palmerston North Chamber of Commerce heartily endorses the action of the Railway Department in its scheme to remove the railway station and yards from the town and deviate it according to the plans of the Railway Department's Engineer. At a later stage it is the intention of a representative of the Chamber of Commerce to give evidence in connection with the matter. I do not think there is anything further I need place before you in the meantime.

Sir James Wilson : I wish to take this opportunity of thanking the Commission for the privilege of addressing it. In the first place, I should like to say that the persons for whom I am appearing had no intention of being represented by counsel until we became aware that Mr. Myers was going to make this a very serious question, and in consequence it was considered advisable by those who are opposing the present intention of the Railway Department to be represented by counsel in connection with the matter. Mr. Luckie was not instructed to take this matter up until the last moment, and therefore he is not in a position to speak with the fullest knowledge as to the position we take up. It was originally understood that I was to appear before the Commission as the representative of the different local bodies on the west coast in regard to the position they take up. I may say that the first intimation we had of the Commission was that it was to consider the station facilities at Palmerston North, and it was not our intention to say anything about that, although we were aware that the station was very congested, and we have no reason to suppose that it should not be altered. We did not propose to have anything to do with the matter until suddenly we found that the order of reference of the Commission had been extended and brought into question another matter which was to us a very serious one—namely, whether it was desirable and expedient that a deviation of the Wellington—New Plymouth Railway should be made between Paekakariki and Marton, and in consequence we were called upon to bring forward evidence before you. At the same time, as far as I am concerned, I do not propose to give any evidence, and I merely wish to make a brief statement for the information of you, gentlemen. We understand that you are required to report on three matters. The first issue to be dealt with is whether the existing facilities at Palmerston North are sufficient and suitable for the Railway Department's purposes, and you have to ascertain whether the suggested schemes should not be able to meet the case. The next issue is a very serious question, and one which is of national importance—that is, whether it is desirable, and expedient, and warranted to have a deviation of the railway-line. In the one case it is a matter of local importance, but in the other it is a different matter altogether. In connection with a deviation of the line, as has been suggested, it will mean that a large sum of money will be spent upon it. It is not my intention to go into the matter very exhaustively, but I should like to make it perfectly clear to the members of the Commission that this matter is not, as I have already intimated, one of local importance, but is a matter of national importance, and you, gentlemen, have a very serious responsibility cast upon you. To my mind there are many circumstances that have to be taken into consideration when reviewing the position, such as through traffic, &c. The suggestion submitted by us of shortening the line will, if carried into effect, prove of immense benefit to the country. During the time the Commission was sitting in Wellington Mr. MacLean, Chief Engineer of the New Zealand Railways, gave evidence in support of the proposals to deviate the line round Palmerston, and we want to rebut that evidence. I was under the impression that Mr. Hiley made a report in connection with the improvement of the station facilities, but I am given to understand that there is no such report in existence. Surely the Railway Department must have a knowledge of what Mr. Hiley said, and, moreover, we think that a gentleman of Mr. Hiley's experience would not suggest anything that would not meet the case. I do not know whether or not the Commission is possessed of any information to show that the traffic has increased at Palmerston North, but so far as I am concerned I have not heard. When you come to think of the position and the suggestion we make, and have

made for years—this is especially so in the case of the deviation of the line—we are not sure that the Commission is in a position to decide that point on the evidence of the officers of the Railway Department, which to us is a very important matter, unless it has very much more information before it by competent engineers. I do not know for the moment that any person in New Zealand can show that Mr. McVilly is not capable—perhaps he is more capable than any person in New Zealand—to manage the railways of this country. I have no hesitation in saying that Mr. MacLean as an engineer from the railway point of view is a first-class man. We have nothing to say against them, and we have every confidence in their ability and in their management; but I suggest to you, gentlemen, that they are only looking at this matter from a railway point of view, and I consider it is their duty to look at it from that point of view—it is a duty we expect of them; but there is something else they have to consider, and it is the duty to the public that they have to bear in mind. It is undoubtedly their duty to work the railways to the best advantage, but, as I have already stated, the Railway Department has a duty to perform to the general community of New Zealand, the same as the local bodies have their duty to perform.

Mr. Myers: I think they are nearly all supporting the scheme submitted by the Railway Department.

Sir James Wilson: They are all interested in seeing money expended in the City of Palmerston North. As far as we are concerned, we have nothing to say against Palmerston North. We are delighted to see it going ahead, and we are pleased to see the trains going through the Square. The whole of the public travelling from north to south say it is one of the best squares in New Zealand, and if the station is shifted two miles out they will not see it at all. Every person who goes from Palmerston North would have to go out a distance of one mile and a half or more. That is a very serious matter; but I do not propose to stress that point any further. There is another matter you gentlemen have to consider, and that is the question of cost. The Railway Department states that it will have to spend about £700,000 in deviating the line around Palmerston North, and I ask, what advantages are you going to get? You are going to get an improved yard. I admit that a larger station than the present one is necessary. I also ask, what extra income are you going to get if the proposed deviation were carried out? Are you going to save anything—are you going to make the railways more profitable? Then there comes a very important matter, and it is the benefit to be derived by the general public. You have to consider those matters, because they are very important. They are matters the Government has to consider, and I feel sure the Railway management looks upon them in the same light. It is a great responsibility to be placed on your shoulders, and you have to advise the Government. By shortening the distance you are certainly saving the passengers' time, and of course you will save so many miles of railway, and you will deduct from the fares a certain amount of money, because you will not carry the passengers the same distance as you do now; and, furthermore, every ton of goods that goes over the railways will be conveyed a shorter distance, and in consequence a few shillings saving will be effected. I should now like to draw your attention to a report made by Mr. Bush—or, rather, the evidence given by Mr. Bush during the sitting of the Foxton Wharf and Main Trunk Deviation Commission. The evidence to which I refer will be found at pages 89 to 95 of the Commissioners' report. In his evidence he points out the saving in cost if the deviation of seventeen miles were carried out. That is expert evidence, and I will not be in a position to give you that information. However, if you deduct a certain number of miles of railway you save over an extended period a very large sum of money. There is one thing that should be ascertained, and it is whether there has been any truth in the statement that a saving in money will be effected by the deviation.

The Chairman: Anything that has been stated will be in the report of 1916.

Sir James Wilson: I would also like to draw the attention of you gentlemen to the report of Mr. McKerrow on the proposed deviation via Foxton, 1896. I may say that this report was submitted to the Commission in 1916 by Mr. McVilly, and will be found at page 201 of the report of the Foxton Wharf and Main Trunk Deviation Commission. Mr. McVilly was opposed to the purchase of the Sanson Tramway, which was doing a great service to the settlers in that locality. We were endeavouring to extend our railway to Greatford, and if this had been carried out it would have been doing a great service to the whole of New Zealand. Mr. McKerrow, who was a very able man, went over this line and examined it, and although he was Surveyor-General he was not a railway man in every sense of the word. He went into the question and he gave us a great deal of information, and he gave it as his opinion that the distance from Levin to Greatford by the proposed line would be about thirty-nine miles, whereas Mr. MacLean said the distance was fifty miles.

Mr. MacLean: I said "about fifty miles."

Sir James Wilson: Mr. MacLean speaks of a line from Greatford. The suggestion is that the line to Greatford is not altogether satisfactory because there is a steep hill close to the place in question. I should like to take this opportunity of reading to you gentlemen an extract from Mr. McKerrow's report, in which he says, "There would, therefore be, after deducting the five miles and a quarter from Foxton to Carnarvon, thirty-four miles of railway to construct. Further, as Greatford Station in its present position is unsuitable for a junction, and moreover it is undesirable to have another junction so near Marton Junction, it would be better, therefore, to continue the existing line from Greatford to Marton Junction, 3 miles 16 chains, or in all about thirty-seven miles or thirty-eight miles and a half of railway to construct, which, in the absence of detailed survey and estimates, should not be estimated to cost less than £200,000." Mr. MacLean's estimate of the cost was £1,000,000. I think you were very alarmed when Mr. MacLean said that the cost would be about £20,000 per mile. Of course, I quite realize that Mr. MacLean knows the country, but I do not think he has gone so carefully into the matter as to make the estimate he has. He will find that evidence will be given showing that the cost is very much smaller than he estimates.

Mr. Myers : I am given to understand that Mr. Holmes in his evidence estimated the cost at £12,000 per mile.

Sir James Wilson : Now, the question has been raised, and it has been published in the newspapers, that the Manawatu County Council desires to sell its tramway. I would like to take this opportunity of denying that statement. Now, in connection with the question of gravel for our purposes, I desire to say that we have the utmost difficulty in getting it when we want it. We recognize, however, that the Railway Department has to run the trains at the least cost. Then again, the Railway Department will not convey our gravel in the summer-time because it does not pay them to do so. The time that suits the local bodies to get their gravel is the summer-time, but the Department apparently considers it more convenient to convey it in the winter-time. We own the tramway and run it to suit ourselves, subject to the restrictions imposed by the Public Works Department. We assist the settlers to a great extent, and they cannot, of course, expect the Government to do it to the same extent. The tramway has been a great benefit and a great saving to the ratepayers, and I say most emphatically that the only reason why we are willing to sell our tramway is because the Manawatu County Council is supporting the suggested deviation of the Levin-Greatford Railway. There are other motives suggested, but in dealing with this matter I think it would be better to leave them alone. Our position is somewhat difficult, and I do not know where we are. If the Railway Department is going to spend its own money upon the deviation of a railway, that is a matter for the Railway Department to consider—that is a railway matter; but if the Government is going to spend borrowed money, then it must be a matter for the Public Works Department.

The Chairman : In any case it is a Public Works matter.

Sir James Wilson : Whatever the position may be the duty of the Government is quite clear. It is quite true what Mr. Myers said, that these gentlemen—the General Manager and Chief Engineer of Railways—are the advisers of the Government upon railway matters. There is something beyond that, and, as I have previously stated, there is the public interest in this matter, and to my mind that is beyond a local question altogether. I submit, sir, that it is too important a question to be considered by a Commission unless the members thereof have the fullest information before them.

Mr. Luckie : You are now referring to the Levin-Greatford deviation?

Sir James Wilson : Yes. If your report is to the effect that the station facilities should be improved I may say we do not want to enter into that subject, because we have no evidence to offer upon it; but we do say if you consider the deviation of the line round Palmerston North then you should have more information before supporting it. You must consider the future, and it will not be very long before the line will have to be duplicated; but I submit, if the Levin-Greatford deviation were given effect to, a duplication of a large portion of the line will be saved. It is proposed to spend a very large sum of money, and I think before anything is done you, as a Commission, ought to have much more information than the mere hazard of Mr. MacLean that it is going to cost a million or two. This, of course, is a matter which the Government has to decide, but you gentlemen have a most important duty to the Government and to the public, and you have to consider the matter very fully before reporting. I am not prepared to say anything more at the present time, but we think that the time is not opportune to spend this large sum of money. We are quite prepared to stand aside and say nothing more and wait your decision, but we think the fairest course to be adopted is for the Department to do the best it can at Palmerston North. It seems to me difficult to understand how a gentleman of Mr. Hiley's capacity, who came here with such a reputation, and who has since gone to India also with a very high reputation, should state in the year 1914 that the present accommodation could be improved to meet the needs of the community, and now to be informed that that is impossible. That is a question on which no doubt evidence will be given at a later stage. I would again urge you before anything is done to be in possession of the fullest information and know what is going to take place, and I think you should suggest to the Government that this is not the time to spend the money on the deviation suggested by the Railway Department. In conclusion, Mr. Chairman and gentlemen of the Commission, I would like to thank you for the patient hearing you have extended to me.

Mr. Miles : May I say, Sir James, that it would be of interest to the Commission if you will give us an idea of the strength of the body you represent. My point is we have heard of the Railway League, and I understand you are representing the Railway League.

Sir James Wilson : The local bodies concerned begin with the Levin Borough Council. The next local body is the Foxton Borough Council. As a matter of fact, all the representatives of the various local bodies were not able to be present, and therefore I am appearing before this Commission on their behalf.

The Chairman : I understand that Mr. Luckie is really representing the whole of the local bodies Sir James Wilson is speaking for.

Mr. Miles : If Mr. Luckie is appearing for all the local bodies concerned, that is sufficient for my purpose.

Mr. Luckie : In appearing on behalf of those persons in and about Palmerston North who are opposed to the proposals of the Government in this connection, I desire before calling evidence—as you gentlemen have decided I will have to do—to state the main line of objection taken by those people whom I represent. In the first place I desire to point out what is well known to everybody—that a particularly large factor in the prosperity and the size and growth of Palmerston North is that it is now, and has become during some years past, the main central distributing and collecting station for the whole North Island system of railway, and it is a fact that the whole North Island railway system centres in Palmerston North. This has had most to do with its prosperity and its growth in previous years. Indeed, I remember well how much smaller it was twenty-five years ago, and though Palmerston North has risen by reason of the railway we have the most extraordinary proposal put

forward by the Railway Department at the present time. Neither in the United States of America nor in any other part of the world will you find a parallel to the present proposal, nor will you find any place where the railway is taken outside the centre of population. In fact, the tendency is to bring it nearer to the centres. That is the inevitable consequence in all cases. The proposal submitted by the Railway Department, if it is carried into effect, will, apart from its other demerits, have the effect of pushing Palmerston North along Rangitikei Street, and in consequence the value of land in the vicinity of the proposed railway-station will be increased. I may say that enormous prices have already been given in Palmerston North on this speculation for land in the vicinity. It is a fact that numbers of people have been speculating on these proposals.

Mr. Myers : You always have that.

Mr. Luckie : I will show that a great deal of the interest that lies along Rangitikei Street is responsible for the attitude taken up by the official representatives of Palmerston North. It is within my knowledge that land that was previously purchased at £120 per acre recently changed hands at £360 per acre. The inevitable consequence of shifting the railway-line is to shift the economic centre. That is the history of the development of railways. They have been the greatest promoters of values that the world has ever seen. If you are going to shift the main railway-line at Palmerston North one mile and a half to two miles away from its present position, what is going to happen? If the railway-station is shifted from where it is at the present time it means that the property in the vicinity of the present site is naturally going to decay and reduce in value. It must be borne in mind that a large amount of shopping is done by through passengers who arrive by one train and return by a later one the same day. The result will be the people will do their shopping somewhere else where they are able to return to their homes the same day. I cannot understand how it is that my friend His Worship the Mayor has duped the population of Palmerston North and blinded them in regard to this deviation of the line. It must be recognized that if this deviation were carried out it will mean that the shopkeepers in the neighbourhood of the present station will be ruined, or practically so, to the advantage of the shopkeepers in the vicinity of Rangitikei Street. It is my intention to prove to you by expert testimony that the tendency of every railway in the United States of America and Canada is to acquire more land in the vicinity of the present station sites. Even the Waterloo Station in London has enlarged its yard accommodation by acquiring more land contiguous to its present site. The station was not built outside London when more accommodation was required. If such a scheme is possible in London it is very much simpler in Palmerston North, and according to all economic principles it is what should be done. I may say that it is not from the railway man's point of view I am looking at this matter, but from the point of view of the poor unfortunate people who have their business premises situated near the present station-site. There were five hundred people who signed a round-robin, and it should be before you, and each one from the different households said they were opposed to the removal of the station. I have no hesitation in saying that if the Commission sat for two more days there would be at least five thousand signatures. No doubt my friend Mr. Nash will take up a different attitude. I want to point out to you gentlemen that I have here a plan which has been supplied to me showing the existing railway system in Palmerston North. [Plan produced.] I want to point out that as long ago as 1889 the Railway Department appreciated the importance of making various alterations in the railway-station at Palmerston, and it was not until the year 1919—a period of thirty years—that there was any suggestion made to remove the station to another site. The Railway Department, in order to carry out its various improvements, deemed it necessary to close Cook Street. A Proclamation was issued in the year 1889, but by reason of some defect in the Proclamation it was set aside by the Court of Appeal. In the year 1892 another Proclamation was issued, and it was again set aside by reason of some defect. I may say that as late as 1912 the next Proclamation was issued, but it has not been set aside. It is recognized that it is a good Proclamation, and the Government has not dared to close the road. The Government apparently was satisfied that the increase in the accommodation necessary at Palmerston North could be carried out on its present site, and for this purpose, about ten or twelve years ago the Department purchased the portion of land opposite the goods-shed and in the vicinity of Pitt Street. [Portion of land pointed out on plan by Mr. Luckie.] I am at a loss to know why they purchased that piece of land ten or twelve years ago and have not touched it. I undertake to show the Commissioners four or five old engines that have been drawn up opposite the goods-shed, and I consider it is a clever bit of stage management. However, this is what I want to point out in this connection: that in the year 1912, after the last Proclamation was issued for the closing of Cook Street, the —

Mr. Myers : Why do you say that the Government did not dare to do it?

Mr. Luckie : Well, as my learned friend objects to the use of the word "dare" I will withdraw it. I was only using the words expressed by a Railway official. I want to find out from the Railway Department what has rendered it necessary to abandon the scheme that was suggested between the years 1914 and 1916, because this was the scheme which Mr. Hiley approved of in his report of 1914, and which involved the closing of Cook Street. For that purpose a Proclamation was issued in 1912, but I do not know what developments have presented themselves since that time. In 1914 Mr. Hiley, the then General Manager of Railways, said that a scheme for the improvement of the station facilities at Palmerston North could be carried out at a cost of £40,000. It is now proposed to increase the accommodation and provide a new station at a very much heavier cost. At a later stage I will prove that the accommodation can be provided at a cost not exceeding £150,000, or at the most £200,000. In West Street there is an area of about 10 acres of land which is undoubtedly suitable for engine-shed accommodation without going outside the general area covered by the railway-station. It is, I suggest, for the Railway Department to indicate to the Commission why the proposals outlined by me should not be carried into effect, and not involve the Dominion

in an unremunerative additional expenditure of about £500,000, which would be the case if the proposals of the Department were given effect to; and, as I have already intimated, a number of people who are in business will suffer if the station-site is shifted. I also contend that it is the duty of the officers of the Railway Department to show you that it is impossible to make the necessary improvements at the present site before asking you to agree to the proposal to shift the station out to another site. The Department will also have to produce very conclusive evidence to show why the scheme which was approved in the year 1914 is considered to be unsound to-day. We are told that there is going to be available 7,000 ft. of frontage round Church Street and Main Street, and that this land is worth £30 a foot. Possibly three or four yards of it down Main Street might be worth that amount, but the rest of the land would not be worth more than £7 or £8 a foot. The Engineer said that it would realize at £30 a foot the sum of £200,000. To my mind that will show you how totally inadequate the calculations of the Railway Department are when dealing with a simple ordinary proposition of this kind. Representations have been made to close Cook Street, and the citizens of Palmerston North would naturally be contented if a vehicular subway were provided, but the Railway Department was only prepared to provide a pedestrian subway. Palmerston North is going to benefit in a direct sense if that is the only obstacle that is going to stand in the way. I may say the whole curse of the business is this failure to close Cook Street in a satisfactory manner. I submit that if the closing of Cook Street is the only obstacle in the way it is a sorry lookout.

Mr. Myers: Mr. MacLean has given evidence to the effect that the closing of Cook Street would be inadequate for the required accommodation, and that in the interests of the town the station should be shifted.

Mr. Luckie: They have not said how much land can be acquired in the vicinity of the present station. I want to point out also that right up to 1914 the Railway Department was satisfied that this scheme of Mr. Hiley's was satisfactory, and, furthermore, no suggestion has been made for thirty years to make alterations in the proposed location of the station. It is proposed to shift the line in the vicinity of Rangitikei Road, a distance of one mile and a quarter away, and I propose to produce evidence which will show that the locality in question is subjected to floods from six to twelve times a year, and it will take an enormous sum of money, far in excess of what Mr. MacLean estimates, in order to get the proper foundation to build the line on. You can drive a pile down from 10 ft. to 15 ft. before you can get a solid bottom, and it will mean an immense cost to the Department, estimated at more than £700,000. As I have already explained, the tendency in other countries is to bring the railway-stations into the cities. I do not propose to weary you any further, so I will call Mr. Holmes, who has had some experience in this matter, to give evidence.

ROBERT WEST HOLMES sworn and examined.

Mr. Luckie.] You are a retired civil engineer, and were Engineer-in-Chief of the Public Works Department?—Yes, and Under-Secretary of the Public Works Department at Wellington.

You have had a great deal of experience during your years of office as Engineer-in-Chief and Under-Secretary of the Public Works Department in surveying and outlining the railways in various parts of the Dominion?—Yes, I have.

In the course of your experience you have had some knowledge of the inevitable growth of inland cities, such as Palmerston North, and their dependence upon railway communication?—Yes.

Will you tell the Commission what is your view of the inevitable consequence of the proposed deviation?—My idea is that the moving of the station is hardly a necessity.

Is hardly a necessity?—That is so. I practically support what you have stated in your recent address. It is the usual practice in other places to take the railway-line to the traffic.

Could you instance any particular place you have in your mind?—Yes; take Sydney, for instance, where the station is in the heart of the city. They are proceeding to extend that railway by an underground railway. I can also mention London, where the principal termini are in the city. It has not been found necessary to remove any of the termini out to the suburbs.

I suppose you have not examined the site where it is proposed to construct this new station?—I know it fairly well.

I suppose the fact of building the station a great deal farther away from the present business centre is going to make it more expensive for people occupying premises in the centre?—The business people who require accommodation nearer the railway-station will have to build new warehouses.

That means their business premises will be removed towards the railway-station?—Yes.

If it increases the cost of carriage to these new premises it is going to make those goods more expensive to the people who consume them?—Certainly.

From your knowledge of the conditions in Palmerston North, if it is possible to acquire other land in the immediate neighbourhood of the present station, would it not be preferable to extend the operations of the railway at its present position than adopt the method proposed by the Government?—I think that would be the best policy.

Obviously the population in a city like Palmerston North follows the railway?—Yes, I should say so. I know that that is being done at Hamilton.

It is already doing so at Hamilton?—Yes, Hamilton has extended right across to Frankton Junction. I may say that Frankton Junction is the main station in that district.

As a matter of fact the removal of the railway-station in the direction intimated by the Government will do an injury to those people whose business has been built up by their own industry in the neighbourhood of the present site. What effect is it going to have on the properties in the immediate neighbourhood of where the railway is to be?—It will increase the value of the property.

For an unearned increment?—Yes. In Christchurch, when the station was situated in the vicinity of Barbadoes Street the business premises were much more valuable than they are now, owing to the fact that the station was shifted to Manchester Street.

It is natural to expect the same thing will happen here?—Yes, certainly.

I suppose all inland towns depend to a great extent on railway transit?—That is so.

For that reason the cities are dependent upon the railway and must follow it?—Yes.

Mr. Myers.] Mr. Holmes, have you had any experience of working railways—that is, have you had anything to do with the management of working railways?—Only in cases where the Public Works Department has worked traffic on unopened lines.

You do not regard that as putting you in the position of an expert in regard to the management and working of the railways?—No, that is so.

You are not for a moment suggesting that you have any expert knowledge in regard to the management and working of the railways?—Not on the major points.

Just give the Commission an idea of the experience you have had?—The managing of traffic on the sections of line under the control of the Public Works Department during the period of construction.

Mr. Holmes, I suppose you will concede this to me: that even if the interests of a few people who have land near the present railway-station at Palmerston North suffer by a change in the locality of the station, they must necessarily give way in the public interests?—Yes.

Have you any knowledge of the business from year to year that has been done, say, during the last twenty-five years at Palmerston North?—No.

Have you any idea of the difference between the volume of business, say, for the last ten years and the volume of business to-day that passes through Palmerston North?—No.

Will you then please tell the Commission why it is you suggest that the removal of the station is hardly a necessity?—Because the station can be extended to the south.

Unless you have some idea of the movement of the traffic year by year and its increase and its probable increase in view, how can you venture the opinion as a witness to this Commission that the removal of the station is hardly a necessity?—Because the present station can be extended to any extent—that is, north, south, east, and west.

Have you any knowledge of the requirements of the Department in connection with the facilities at Palmerston North—can you say whether you have any knowledge of the business?—Certainly not. I would like to add that there is ample land south of the present station for the requirements of the Railway Department.

Have you taken into consideration the accidents at level crossings in the neighbourhood of the railway?—Yes.

Do you consider that level crossings are proper in the neighbourhood of a station like Palmerston North?—No.

Do you not agree that it is a source of danger to have level crossings?—All level crossings are dangerous.

You give that opinion as an engineer?—Yes.

You have said that in Sydney and London they have stations in the city. Now, Mr. Holmes, you know that both in Sydney and in London the stations to which you refer are terminal stations?—Yes.

Can you compare terminal stations with a station like Palmerston North?—I say you can compare Palmerston North with a station like Clapham Junction in London.

What comparison do you desire to draw?—I say that the station accommodation can be increased in the same manner as it was extended at Clapham Junction.

If you have facilities available you can do that?—Yes, that is so.

Do you consider that the platform at Palmerston North is sufficiently wide?—No, I do not think it is wide enough.

Where are you going to get the increased width from?—By buying more land.

On which side?—I am referring to the piece of land farther down the line.

Your suggestion, as I understand it, is to buy land to the south and remove the station premises, &c.?—No, extend it.

Extend the platform?—Yes, and the sidings.

I suppose, Mr. Holmes, you will admit this: That the opinion of the men who are responsible for the working of the railways as to the facilities they require should necessarily be better than the opinion of a person who has not had the experience of working the railways?—In my position as Engineer-in-Chief it has been my duty in connection with the work of construction of railways to obtain from the Railway Department information as to the conveniences they require at stations and provide those conveniences. The Railway Department is now in possession of their requirements with respect to Palmerston North, but I say that any engineer would be just as competent to provide those requirements as the Railway Department.

What I am putting to you is this: Supposing you were still Engineer-in-Chief of the Public Works Department, and the Railway Department said they wanted certain accommodation, would you question their opinion?—Certainly not.

You would regard their opinion as better than yours because they have to operate the railways?—Yes.

I suppose, Mr. Holmes, that the Railway Department, after careful consideration, came to the conclusion that the suggestions you have made are not practicable. Having regard to the requirements of working the railways, would you accept that opinion at once in preference to your own?—I would accept their opinion as to the requirements, but I would not accept their opinion as to the best position of the station premises.

They are the persons to be considered even though the Public Works Department have to do the constructional work?—If they determine what they require.

You have said that the principal business places follow the railway?—Yes.

Are you aware that in Palmerston North all the principal places of business I am speaking of that usually follow the railway have been gradually making for Rangitikei Street and are located there now?—Perhaps in view of the probable moving of the station.

That will not do me, Mr. Holmes. This movement has been going on for years. Can you account for the fact that the business of this town is going in the direction of Rangitikei Street and not towards the present railway-station—can you account for that?—It will take a little thought to answer that.

I think it would. You are not questioning the accuracy of what I am putting to you—it is a fact, is it not?—Yes.

Mr. Holmes, you admit that it is a fact that in Palmerston North, notwithstanding your experience elsewhere, the principal business places for years have been going towards Rangitikei Street and not towards the Railway-station?—I will accept your statement.

No, you will not. I am not giving evidence. Do you not know what I have said is a fact?—I know that a good many places of business are situated in Rangitikei Street.

Are you aware of the fact that in Dunedin the location of the station was altered some years ago?—Very slightly, within my knowledge.

About half a mile?—Not as far as that.

Are you aware that later the condition of things in Dunedin was different?—The places of business are growing up round the new station.

In Christchurch the situation of the business places in the city has not altered?—They are growing up along the railway.

It is a fact, is it not, that the railway-station is some distance away from the business centre?—The railway is in the same place as it has always been.

Even so, it is quite a distance from the heart of the city?—Yes.

Take the case of Marton. The situation of the station there was altered, was it not?—Yes, as regards the distance from Marton.

The station was removed a very considerable distance away from its first location?—Yes.

That has not brought the business places down to the station?—Of course it has. They are extending up to the old station.

Of course they are—I quite understand that?—It is hardly a parallel case.

Take the case of Frankton Junction and Hamilton: Hamilton is one of the most prosperous places in the North Island?—Yes.

Do you know that the leading business people in Palmerston North and the Borough Council and the Chamber of Commerce are all supporting this proposal of the Railway Department?—I have heard so this afternoon, but I am surprised at it.

I suppose you give those men credit for some commercial knowledge and common-sense?—Yes.

I am told the railway-station used to be in the Square: are you aware of that?—Yes.

And the station was moved, I think, quite half a mile?—Yes.

That does not seem to have affected the prosperity of Palmerston North?—That is just a minor shift along the existing line.

Mr. Oram.] If you were still in the position of Engineer-in-Chief and the experts of the Railway Department stated that a certain course of action was in their opinion necessary, and that course of action was backed up by the Borough Council and the Chamber of Commerce and other local bodies in the town, you surely would not say that that action should not go on because it would injure the trade of certain individual persons, would you?—I might hold your opinion, but I think I would report my views to my Minister. He would be left the final action in the matter.

Have you had much experience of Palmerston North?—A fair experience. I was first here in the year 1876.

You have been in fairly close touch with Palmerston North ever since?—Yes, in fairly close touch.

You are aware that on the south Palmerston North is bounded by the river?—On the east.

The point I wish to make is this: from your knowledge of Palmerston North are you in a position to say the direction in which Palmerston North is likely to extend?—Palmerston North must extend in the direction in which the Railway Department put the railway.

The wholesale business places will certainly creep along near the railway?—The retail trade of the town does not necessarily follow the railway-station very closely.

The retail trade does not necessarily follow the station. I am talking of the town generally. If the town extends at all it must extend in the direction of the proposed station?—Yes, providing the ground is suitable for a township, but there is some doubt.

According to your experience the town is actually extending in that direction?—I believe so, but to a limited extent.

According to the plan which was originally prepared by the Railway Department some time ago for the extension of the yard it involved the closing of Cook Street?—I believe so.

According to the plan of the Department it involved the closing of Cook Street of necessity?—I believe it did. If the system of construction adopted in London were adopted here there would be no necessity for closing the streets. It would simply mean raising the lines.

Would that be practicable in Palmerston North?—There is nothing to prevent it.

At what cost?—That would be a question I would have to go into. You would have to compromise between viaduct and subway work.

Have you gone into the question of cost of providing the line overhead?—I have not done so in this case because I have not been asked to. In Sydney the bridges are above the streets.

The point is this: that without either raising the railway-line or putting it under the level of the street you could not carry out the scheme without closing Cook Street?—Put in a subway.

At what cost?—That is another question.

Do you know that both the town and the district are growing?—Yes.

How would you overcome the difficulty of the level crossings?—From the present station to Terrace End?

Yes?—I do not think there would be much difficulty in placing the railway-line below its present level.

Have you formed any estimate of the cost of doing that?—That would not be a very expensive matter provided the river-water did not give any difficulty. The gravel-pit at Terrace End is dry.

There are grave engineering difficulties in carrying out that scheme?—Not that I am aware of.

What about the grades?—There would be a grade ascending from the last crossing in the Square at the south end.

Would not that grade hamper the efficiency of the railway service?—I should not think so.

Have you any idea of the distance from the Square—that is, the last crossing—to Terrace End?—About two miles.

Have you any idea of the grade that would be necessary to carry out your suggested scheme?—Whatever would be the convenient grade for the Railway Department.

Mr. Myers.] Besides the grades there are other engineering difficulties in the way?—I am not aware of any great engineering difficulties.

What about the river-water you mentioned just now?—I said that a certain improvement could be effected provided the river-water did not give any difficulty, and judging by the condition of the gravel-pit at Terrace End that is dry enough and is also deep enough.

Otherwise you would leave the railway-crossings as they are?—Unless it was decided to viaduct the whole line.

You have not formed an idea of how many million pounds that will cost?—That would not run into millions.

In your opinion the convenience of the town would be better served by leaving the station where it is at the present time?—I take it that the present condition of the town is due to the convenience of the present railway-station site.

Mr. Holmes, as an engineer, is it not very difficult at the present time to put in any transit system from the present railway-station to any of the residential portions of the town?—If it would mean tramways, it is difficult.

It is difficult. From Main Street to the Square is a very congested street for tramways, is it not?—I do not think so.

With the removal of the railway-station from the centre of the town to the suggested position outside Boundary Road, it would be very easy to put in a transit system that would serve the whole of the borough?—It would serve Terrace End.

Do I understand you to say that you could not have a tramway system in Palmerston North with the railway-station running through the town as it does?—It is possible.

How are you going to do it?—The same as was done in Christchurch.

Mr. Luckie.] By the method you have suggested of shifting the railway to the south of the present site, could you not avoid the shunting through the Square?—Yes.

And in consequence one of the chief difficulties which has been raised in connection with Palmerston North would disappear so far as that portion was concerned?—Yes.

And you are satisfied from your knowledge of the neighbourhood that there are ample sites available to the south and west of the present railway-station to provide all the accommodation that could be reasonably required for a very considerable time to come?—Yes.

If the land at the proposed new station is subject to heavy flood-water in the winter-time considerable expense would have to be incurred by the Railway Department to prevent this?—The land would have to be kept high enough to prevent flooding.

As head of the Public Works Department it would be your duty to advise against putting the railway-station in the locality proposed by the Railway Department if you could not find satisfactory foundations?—If the position were insuperable.

Except at extraordinary expense?—Yes.

In your opinion there is no comparison between the expense that would be involved by carrying out improvements at the present railway-station and the expense that would be involved if the present Government proposals were carried out?—The present station could be improved sufficiently at a less cost than the construction of the proposed deviation.

How much less?—I am judging by the estimates given by the Railway Department with respect to the cost of construction of the deviation.

Mr. Marchbanks.] In connection with the level crossings north of the station, instead of sinking the road as you suggest would it not be feasible to raise the road from the Square 7 ft. or 8 ft. until you got to Terrace End, and provide subways at the Square? Have you any idea what subways would cost at the present time?—I could not give an estimate.

WILLIAM THOMSON sworn and examined.

Mr. Luckie.] You are a retired farmer, are you not?—Yes.

And you reside in Palmerston North?—That is so.

How long have you lived in and about Palmerston North?—Off and on. I have known this town for many years.

You have had an opportunity of considering the proposals of the Railway Department, and I want to ask you what would be the effect on the city if the proposed deviation were carried out?—I think that the effect on the Town of Palmerston North would be very detrimental. Of course it would be an advantage to those people who are in the vicinity of the proposed railway station, but it would inflict an exceedingly grave wrong on the people who are in business on the main line at Palmerston North.

Do you know the effect it is having, or will have, on the land in the neighbourhood of the proposed station?—I am not speaking personally, but I have heard that values in the immediate vicinity of the proposed station have gone up from £120 to £300—that is, of course, roughly speaking.

Do you know the site of the proposed railway-station?—Very well.

Have you any knowledge of its condition in the winter-time?—Yes.

What is its condition?—I have seen portions of the land flooded. I think in the year 1892 or 1893 there was one big flood and it flooded a portion of the land [pointed out on plan].

Have you seen it flooded subsequently?—Yes, last flood.

How deep?—I cannot say.

Here is a photograph [Exhibit No. 6] of the land as it was in October last year?—That is quite correct.

Mr. Myers: That is nothing of the kind.

Mr. Luckie.] Mr. Myers has stated that the general trend of the business at Palmerston North, independent of the railway, is down Rangitikei Line. I will show that the town is developing along the Rangitikei Line. There is no doubt about that. [To witness:] Is it a fact that the great bulk of the business premises which have to hold heavy stocks will remain where they are, near the railway-station, instead of going down near the proposed site?—I fancy the business places will follow the railway-station.

There is a considerable area of land adjoining the present station where land could be obtained for railway purposes, is there not?—Down West Street and Church Street there is a large paddock on the left-hand side as you go along Boundary Road.

Mr. Marchbanks.] I am given to understand there are something like 150 acres there?—Yes, I understand so.

Mr. Myers: I may tell my learned friend Mr. Luckie that the proposal to take land west and east of the railway-station was rejected by the Railway Department ten years ago.

Mr. Luckie (to witness).] Do you know that plans were prepared in the year 1914 or 1915, and were understood to be Mr. Hiley's plans, for improvements to the present station?—Yes.

Were those proposals put forward by the Railway Department?—Yes.

Mr. Myers: I protest, sir, against this class of evidence. Mr. Luckie asks this gentleman something about Mr. Hiley's scheme, but he does not say how he knows.

Witness: Well, I can tell you it was stated in a most definite way in Palmerston North.

Mr. Myers: We are simply wasting time.

Mr. Miles: I think the Commissioners will be able to place the proper weight on hearsay evidence which it should receive.

Mr. Luckie (to witness).] From your own knowledge you know the locality about the present station?—Yes.

Do you know whether or not the level crossings in Palmerston North are a source of danger?—No, they are not a source of danger. I may say that for the last twenty years there were only about four accidents.

Mr. Myers.] Mr. Thomson, are you giving evidence before this Commission in a representative capacity, or as Mr. William Thomson, of Palmerston North, retired farmer?—I am giving evidence as a representative of a committee.

Of what representative capacity?—It is representative of a large number of business men in this city—for instance, Mr. Clausen.

Exactly. You are one of the so-called "Vigilance Committee." There are some business men amongst them?—Yes.

Have you any direct interest?—None whatever.

How did you come to be mixed up with the "Vigilance Committee"?—Because any one who has any interest in the town should belong to it.

How many business men are there connected with this "Vigilance Committee"?—Quite a number. Mr. Clausen and Mr. Rodgers are two I have in my mind for the moment. Mr. Rodgers, land agent, carries on business near the railway-station.

What other business men are there on your committee?—Mr. Ireland.

His premises are near the railway-station, are they not?—Yes.

He has a private siding off the present line, has he not?—Yes.

What other business men are there connected with the committee you speak of?—I do not know them all personally. There are a great many who are down Main Street.

Mr. Rodgers, I am told, owns some shops near the railway-station?—You had better ask him that question. I do not know what property he has got.

You know the people in your league—it is a committee and not a league?—Yes.

What other business men are there?—I do not know. I cannot tell you.

Mr. Thomson, would it surprise you to know that I have here in my hand a petition which has been handed to me by Mr. Young, president of the Palmerston North Chamber of Commerce, containing the names of 230 persons, every one of whom represents a business house, wholesale or retail?—Yes.

Are you surprised?—Not a bit surprised. My answer to that question is this: in my judgment those men, however good they may be as business men, from the standpoint of railway deviation they know no more about it than any other man, and I consider they are just as entitled to give their opinion as other men. I could point out to you a petition which was handed to the Prime Minister containing the names of five hundred business men who know what is for the good of the place just as these men know. It is the greatest fallacy in modern times to assume for one moment that because a man may be a clever business man that he should tell us where the railway should go.

Mr. Thomson, the point I am putting to you is this: you will admit that these business men are interested in the consideration of this question?—Decidedly.

After all, it is the business people who are most likely to be prejudiced if any one is prejudiced. Can you say it is not the business people who are prejudiced mostly?—I cannot say that.

I suppose you have not been in any mercantile business?—No.

You have deposed that the photograph you put in is a photograph of the site of the new proposed station?—I say that.

Will you tell the Commission whose property that is shown in the photograph. I want to see whether you know, and I also want to know why you say that the last flood was there on the site named?—That is looking at it in a general way.

That will not suit me, Mr. Thomson. You have deposed that this is a photograph of the proposed station?—That is not what I said.

Pardon me?—I said that in driving out to the place in question and looking in a general way that is what you will see.

I put it to the Commission that the statement was made in answer to Mr. Luckie and asked in a question I put to the witness a few minutes ago. If there is any dispute I shall have the shorthand note read out. [The following was read out at the request of Mr. Myers: “You have deposed that the photograph you put in is a photograph of the site of the new proposed station?—I say that.”] I had a deliberate purpose in asking that question because I believe Mr. Thomson is wrong. [To witness:] I ask you whose property is that shown in the photograph?—I do not know the names of the property-owners out there.

Do you know that that is a photograph of a Mr. Fair's property?—I do not know Mr. Fair even.

Would you be surprised to learn that the paddock of which this is a photograph is at least a half a mile away from the proposed railway-station? Do you still consider that is the site?—Mr. Luckie asked me the question if the country was under flood, and I said that in driving along Rangitikei Road that is what you will see [pointing to the photograph].

I only wanted to give you the opportunity of putting that right if you can. You said that was the site of the proposed station. It will be proved that the property shown in the photograph is half a mile away from the proposed railway-station?—I should question it, but I do not know.

Some reference was made by Mr. Luckie in regard to level crossings. Are you aware that the local body in Palmerston North has been pressing the Railway Department for years in regard to the railway-crossings?—I cannot speak about that, Mr. Myers.

The station was built some years ago, was it not?—Yes.

I suppose before the station was built the land which belongs to the people in whose interests we are now speaking was worth little or nothing?—You are speaking of a time when I did not know Palmerston North.

I suppose those people who owned land there got what you called an “unearned increment” by reason of the station being put there?—Yes. I should like to say this: that neither the Department nor the Government have the slightest right to inflict an injustice on the people, and it would be inflicting an injustice on a considerable number of people if the proposal submitted by the Department were given effect to.

JOHN CHRYSTALL sworn and examined.

Mr. Chairman and gentlemen of the Commission, may I be allowed to make a brief statement? Briefly, I support the statement made by Sir James Wilson. I am representing at this Commission the Foxton Borough Council. I also represent the Levin-Greatford Railway League. The league comprises the local bodies entrusted with the local government of territory extending from Paekakariki to Marton. In addition to that we have the support of most of the local bodies as far as Stratford (with the exception of Wanganui) and the local bodies as far as Taumarunui on the Main Trunk line. You will see that we are a body of some solidarity and of increasing popularity. We are approaching this matter from a national point of view. Our objective is to oppose the proposed Palmerston North deviation, and we say that the Levin-Greatford Railway is a matter of national importance. I will ask any one to show a case where the station has been successfully moved outside of a town in any part of the world. If the proposals of the Railway Department were given effect to the cost would be about £700,000, and it will mean a certain amount of difficult construction—for instance, miles of permanent-way, &c., will have to be pulled up. It will also cost the Palmerston North Borough Council a large amount of money, because it will have to provide new sidings for its gasworks, and it will be forced to lay electric trams to convey the people to and from the new station. A good deal of discussion has taken place as to why the Borough Council and the Chamber of Commerce unanimously endorse the proposals of the Railway Department. I may say that the Mayor of Palmerston North said that if they did not support the Railway Department's proposal they would be side-tracked by the Levin-Greatford League. In connection with the loss to business people I would like to say that you cannot disturb the existing conditions without causing a great deal of inconvenience to the people in the vicinity of the present station. Any one knows that the prosperity of

Palmerston North depends on the easy accessibility to the main centre of the town, and if people are landed about two miles away there will be a great loss of time going to and from the town. A good deal has been said about the floods, and I ask you to imagine what will happen to the Auckland express arriving at flood-time. Mr. Nash denies that is the site for the proposed railway-station [pointed out on plan]. We would like to know where the site is. In the Palmerston North *Standard* it is stated that the land was somewhere between Gillespie's Line and Rangitikei Line. If this proposal were given effect to it would mean a total cost direct and indirect to the State of £1,000,000 or more; and I ask, who is going to foot the bill? It is all very well for the officers of the Railway Department to make recommendations for a new station, but we are the shareholders. We submit that the recommendations made by Mr. Hiley some years ago should be carried out in their entirety. I am not an engineer, but I believe Mr. Hiley was a competent one.

Mr. Myers: He was not an engineer.

Mr. Chrystall: If Terrace End could be diverted by having station-yards there it would save the traffic coming through Palmerston North, and I believe that it is possible to have a goods-station at Terrace End and leave the passenger-station in its present position. If the Levin-Greatford Railway were constructed it would be a distance of thirty-eight miles, and the saving in time would be approximately one hour. It would also save in mileage sixteen miles, and the cost would be approximately £12,000 per mile, making a total cost with bridging of £600,000. This proposal would also avoid the necessity of duplication when that time arrives. A penny saved is a penny earned, and every penny saved from this unwarranted expenditure of the proposed deviation could be transmitted to the construction of the Levin-Greatford line, and the members of this Commission would save £600,000 and make a gift to the travelling public of New Zealand.

Mr. Myers.] You are one of the members belonging to the same league as Mr. Thomson?—No. What is your league?—The Levin-Greatford League.

What you are here to advocate is the Levin-Greatford line—you want the Levin-Greatford Railway?—Absolutely.

The sooner you get it the better you will like it?—I would not recommend it at the present time. The sooner you can get it the sooner you will like it—that is the position?—Yes.

Supposing the Railway Department are definite in their opinion that a deviation is required at Palmerston North, and supposing you can get the Levin-Greatford Railway, is that the end of your objection to the Palmerston North deviation?—It is not; and I say that even if I were a resident of the North Cape or the Bluff, and equally cognizant of the contemplated waste of money, I would oppose it as strenuously as I do now.

The fact is you are a Foxton resident and Mayor of Foxton, and also a member of the Levin-Greatford League?—Yes.

You have criticized the wisdom of the Palmerston North Borough Council in coming to the conclusion that this deviation is necessary—you say it is going to cost a lot of money?—The Mayor says so.

Do you think it is altogether right for the Mayor of Foxton to come here and inform the Mayor and Borough Councillors of Palmerston North how they are to conduct their business and what is the best way to conduct their business?—In political matters. This is a matter affecting the people generally.

The only reason for coming here is to show that the matter has to do not only with Palmerston North but with the public generally?—That is so.

But for that you would not attempt to teach the Borough Council of Palmerston North their affairs?—That is so.

Mr. Luckie.] You say the Manawatu Railway Company coped with the difficulty by banking the Makerua Swamp?—Yes, fifteen miles of it.

They did it in the way this could be done?—Yes, with bankings.

THOMAS JOHN RODGERS sworn and examined.

Mr. Luckie.] What is your occupation?—I am a land agent.

You have property in Main Street, have you not?—Yes.

You are satisfied your property will be affected if any change takes place in the railway-station?—That is so.

You have been in Palmerston North for a number of years?—All my life.

You have watched its growth?—Yes.

Do you say that its growth is to a large extent due to the railway position?—Undoubtedly.

In your opinion, what is going to be the general effect on certain railway land if they put the railway-station in the vicinity of the Rangitikei Line?—It will make a great difference to this end of the town.

A great number of the men who signed the petition that was produced have business premises on the Rangitikei Line, have they not?—Yes.

Their business premises will not suffer?—Not to such an extent.

Do you know the price to which land has gone up where the railway is proposed?—Some of the land has changed hands at fairly high prices.

At what price?—One portion has changed hands at £60 a foot.

Do you know the land where the photograph was taken?—Yes, it was Fair's property.

The following is a report as to the official announcement of the Department's intention in connection with the new routes: "Through the courtesy of the Borough Engineer (Mr. J. R. Hughes) a reporter was shown the Railway Department's plan this morning and supplied with some interesting

details. At present the line from Wellington takes a sharp curve near Longburn and then enters on a very straight run to Palmerston North. This curve is to be altered into an easy sweep leading across country to the far side of Boundary Road, the result being that Longburn Station will have to be shifted in order to be alongside the new line. It is understood that the new and commodious station will occupy a large area of land between Gillespie's Line and Rangitikei Street and Milson's Line." That statement appeared in the newspaper, did it not?—Yes.

What would be the effect on business firms that required to remove goods from the new railway-station?—On making inquiries from one of the largest carrying firms the manager informed me that the carrying could not be done at less than 3s. 6d. per ton extra. At the present time it costs 5s. per ton, and in the event of a change in the location of the station it would cost 8s. 6d. per ton for cartage.

That must be passed on to the consumer by all those places of business that will be farther away than they are at the present time?—Yes.

That will affect all those business places, both wholesale and retail?—Yes.

Having lived here all your life you have seen the growth that has taken place?—Yes.

What is the reason for the main centre going out of the Square and going towards Rangitikei Street?—Of course, the main gate is in that direction. As you are aware, Palmerston is a farming centre.

By the removal of the station is it going to increase the value of land near the new railway-line?—Yes.

It is going to decrease the value of the land in the neighbourhood of the present railway-station?—Yes.

Is it not your opinion that the business sites will become reduced from business sites to residential sites?—Yes.

Business premises are bound to move towards the railway-station?—Yes.

Are you satisfied in your mind what has been the cause of the city's growth?—The railway.

And the fact that it is the centre of the North Island railway system?—Yes.

We are given to understand that it is proposed to take up this land for the new station. If they do that, what will happen to the Palmerston North gasworks?—It will either have to be moved to the new proposed railway or provide a new siding.

That would make an expensive siding?—Yes.

You know something about land-values, do you not?—Yes.

I want to ask your opinion about a statement made by Mr. MacLean in his evidence in Wellington with regard to the price of land near the present station. I have not had an opportunity of discussing it very fully, but he stated that 7,000 ft. of land to the existing streets would be rendered vacant by this proposal, and that the land was worth from £30 to £60 a foot?—

Mr. Myers: He did not say that. That is absurd.

Mr. Luckie: He said the frontage was 7,000 ft. [To witness:] At what price do you think the land could be purchased?—I should say, about 2 chains facing the Square the land would fetch about £100 a foot; then, from 2 to 4 chains away, about £30 per foot; and the rest would fetch from £3 to £8 per foot.

In your opinion would the cost of the land be more than £30,000?—I estimate it at £40,000 at the outside.

How long would the land remain on the hands of the Government before it was sold—that is, if the railway-station was taken away?—The residential portions would sell fairly well.

Apparently, from what we can learn the whole trouble is that there is a lack of accommodation?—Yes.

Together with the difficulty of closing one street?—Yes.

Do you know whether there is a sufficient area of land in the neighbourhood that is reasonable, say, at the south end of the railway-station?—Yes; and at the southern portion of the railway station the Department has about 9 or 10 acres not used.

That is the portion immediately adjoining Church Street?—Yes.

Do you know from your own knowledge whether there have been any serious accidents in and about Palmerston North?—No. To my knowledge in the past thirty years there have been four or five accidents.

In your opinion, what would be the effect in twenty or thirty years hence if the railway-station were shifted out to the proposed new site?—I think it would be as bad as it is now, or perhaps worse.

Mr. Myers.] You tell us that you have land near the present railway-station?—Yes, between the railway-station and the Square.

Fronting Main Street?—Yes.

Is it leasehold?—Yes.

Freehold?—No.

For how long is it leased?—Twenty-eight years.

What is the frontage?—150 ft.

What is the value of the land?—£70 or £80 a foot.

What would the lessees' interest be worth?—£30 a foot, about.

Are you aware that one of the proposals which the Railway Department had to consider, and had considered, was the extending of the present facilities by taking some land—some considerable quantity of land—in Main Street?—I was not aware of that.

How would that suit you?—I would not care what happens. If the railway-station were moved I would gain considerably by it, because I have bigger interests in the vicinity of where the railway-station is going.

You have rural land there, have you not?—It is really my father's property—about 100 acres. Is it not a fact that the value of land in Rangitikei Street has been increasing for years?—Yes, near the Square.

And gradually for some distance farther on?—As a matter of fact I know of a property in Rangitikei Street, and it would not have brought the price it did only for this scheme coming out.

Do you know Holben and Kirk's premises?—Yes.

What is land worth about there?—I should say, about £80 to £100 per foot.

How far past Holben and Kirk's on the other side was it that a piece of land brought £60 a foot recently?—About 200 to 250 yards.

Is it not a fact that for years past the bulk of the building of business premises in Palmerston North has taken place in Rangitikei Street?—That is quite so.

Is it not a fact that that has been going on for ten or fifteen years?—Yes, about that.

How far would you say Holben and Kirk's place is from the present railway-station?—About three-quarters of a mile.

Is it not more?—I should not think so.

You know the site of the proposed railway-station?—Yes.

How far would it be from the proposed railway-station?—About a mile.

As much as that?—Just about that distance.

So that Holben and Kirk's premises are pretty well half-way between the present station and the proposed station?—Yes.

So that business premises in the neighbourhood of Messrs. Holben and Kirk's would get their carting done from the proposed station at about the same cost?—It would not make any difference.

Now, look here: when you gave your evidence about carting it was some conversation you had with a carter?—A manager of a firm.

You tell us that Messrs. Holben and Kirk's premises are, for practical purposes, about half-way from the station?—Yes, from the station.

So that the cartage on goods near Holben and Kirk's would be about the same?—If the goods-shed is put near the station.

That is part of the scheme?—No, it is stated that the goods-shed would be about two miles and a half away.

Do you suggest that it would cost 5s. extra per ton to carry goods between Holben and Kirk's premises and a place half-way round the Square?—I did not suggest anything of the kind.

That is what your evidence suggests?—A leading business man told me that.

Who told you that?—Mr. Aitchison.

If that evidence is considered of any value I will call him. Do you know Fair's paddock?—Yes.

We know that was flooded some time ago?—Yes.

That flood was caused by the overflow from the Mangaone?—Yes.

You are not an engineer, of course?—No.

You cannot tell me whether or not the flooding of the Mangaone could be overcome?—Yes, it could be overcome.

That would overcome the difficulty of overflowing that you and some of your leaders have been talking about?—It was not so much the flood we were talking about but the soft nature of the ground.

You can see as a layman that the flooding difficulty by a little expense can be overcome?—Yes.

Mr. Luckie.] The increase in the value of land in Rangitikei Street would be due to the fact that it was the main centre—it is converting Rangitikei Street into the main avenue?—Yes.

In connection with the flooding of the Mangaone: I understand that Drainage Boards have made efforts to stop it flooding?—Yes.

But they have not been successful?—No.

The Commission adjourned at 6 p.m.

The Commission resumed its sitting at 7.30 p.m. in the Magistrate's Court at Palmerston North.

WILLIAM WALLACE COOK sworn and examined.

Mr. Luckie.] You are a representative of the firm of Messrs. Cook and Sons?—Yes.

And have been carrying on business for some forty or forty-five years?—Yes.

You have your premises near Terrace End?—Yes.

You have a siding, have you not?—Yes.

You have some returns which show the amount of tonnage put through by the siding-holders in Palmerston North as compared with the tonnage put through by the rest of the importers and exporters in this city?—I have.

Can you tell the Commission how this worked out for the year just ended?—The figures show that 20,000 tons were handled by persons who are in favour of the deviation, whereas we handled 84,000 tons. It will be seen, therefore, that we handled four times the amount of goods the other people did.

That is to say, the non-siding-holders, who constitute that 20,000 tons, are the people who are in favour of the proposed deviation?—That is so.

Now, in connection with land-values—is that going to affect your own business?—As far as we are concerned it is impossible to handle goods of a heavy nature and employ traction other than railways.

Would you simply have to scrap your plant and sell your land for what you could get and acquire new land and plant?—Yes.

Somewhere along near the proposed railway-line?—We would have to work somewhere in the vicinity of the railway.

Therefore your land would decrease in value and the business would be useless?—Yes.

The same thing would happen in Mr. Ireland's case?—It would affect him much more than it would affect us.

Would you estimate this movement would cost you very much money?—Nothing under £12,000, and as far as we can estimate it now it would cost about £15,000.

How long have you had the present siding?—Twelve years now.

The building of the business depends upon it?—Yes.

When this proposal first began to be mooted involving bringing you face to face with the removal of your premises, did you have any interview with anybody with a view of acquiring other land?—A proposition was put forward that we should buy land in the vicinity of the proposed railway-station.

By whom?—By Mr. Davis.

How long ago was that?—I should say, two months ago.

In anticipation of this proposal being given effect to?—Yes.

You have been all your life in Palmerston North?—Yes.

How old are you?—Thirty-two years of age.

Have you any knowledge of land-values since you have been in Palmerston North?—Yes.

In connection with those people in business who require to carry heavy stocks, which they have to import and sell or deliver elsewhere, or deliver generally, how is the removal of the railway-station going to affect them—will it materially increase the distance to the railway-station so far as they are concerned?—It is going to affect them to this extent, that their transporting-charges are to be increased.

They will then have to get closer to the railway-station?—Yes.

Otherwise they will have to pay heavier charges for transport?—Yes.

Therefore those business establishments which have to carry heavy stocks will, owing to the distance being materially increased, suffer materially in the business they are carrying out?—It is going to operate in two ways: Firstly, it will involve additional cost in getting to and from the station; and, secondly, it will be detrimental to the local business men.

You are pretty well acquainted with the proposed route to be adopted by the Railway Department?—I have seen the plan. [Plan produced: Exhibit No. 3.]

You saw the photograph [Exhibit No. 6] that was put in this afternoon, did you not?—I did.

Who took it?—I did.

You remember where that photograph was taken from, do you not?—Yes.

When was it taken?—The date is on the picture. As a matter of fact, I have four pictures of that same ground.

Where was that photograph taken from?—It was taken from where the Kawau Stream intersects Boundary Road.

Generally speaking, in what direction was the photograph taken?—North-west.

It was taken which way?—West by north.

Do you know the territory generally about there?—Yes.

What is the condition of it?—Marshy ground. As a matter of fact, I have shot ducks for many years on it.

How often do you say it is flooded?—About eight to ten times a year. That is a conservative estimate.

Does it require a heavy flood to put it under water?—It requires a small fall of rain to put it under water.

Do you know anything about the condition of it—that is, for foundation purposes?—Speaking from a layman's point of view, I know it is very spongy, marshy, and full of decayed timber, and it would be very expensive to make a satisfactory filling for either a station or station-yards.

You saw a number of names appearing on the petition put in by my learned friend Mr. Myers, did you not?—I did.

What do you know of those who have business premises in the Square—do you know anything about them in particular?—It struck me that most of them were small shopkeepers.

Were they mostly freeholders or leaseholders?—Mostly leaseholders.

Comparatively small leases to run?—Well, yes.

There are a good number of them who have big business premises and situated in Rangitikei Street?—Yes.

Has there not been a very large agitation for tramways in Palmerston North?—Yes, to my knowledge for fifteen years.

Those people who are in favour of the tramways want to see the railways away from the present site?—Yes.

Do you know of any suggestion that there is the greatest danger from the level crossings near the station?—I can only repeat what I have heard stated, and that is, there have been only four casualties. I cannot remember any more. The people are more careful in the town than they are in the country.

The railway-trains do not travel very fast within the city limits?—No; some trains are faster than others.

What is your opinion of the estimated value of the properties which it is stated will be rendered available for sale by the Government if the deviation is given effect to?—I should say that the estimate given of the value of property in the Square is accurate. The value of property in West Street is incorrect. It is not a desirable locality at the present time.

Will it have any business value?—For business purposes I would not have any land there at all. The land in Church Street is dependent on the railway?—Undoubtedly.

Do you think from £8 to £9 per foot is a fair value?—[No answer.]

Mr. Myers : I have listened to my friend Mr. Luckie and I protest against this style of cross-examination. If he is desirous of ascertaining the value of land he should ask him in a proper manner. My friend ought to know that that is not the way to examine witnesses.

Mr. Luckie : My friend knows when dealing with land-values there is only one way of getting that information. My friend is aware that the Engineer for the Department stated that the land would be worth £30 per foot, and I have the right to bring evidence here to show that he is wrong. [To witness:] What do you think of the values?—I think they are wrong. I have bought land in better localities, and I could not imagine anybody giving the price they say they will get for it.

What would be the effect on business premises in the Square if the railway-station were shifted a distance of a mile farther away?—It would have a depreciating effect on the values.

The owners would necessarily suffer?—Of course they would.

At the present time the work would cost more than before?—That is in common with everything else.

This is not the time to construct works?—No.

Mr. Myers.] How long have you been in business in Palmerston North?—Fourteen years.

During the whole of that time with your father?—Yes.

Are you now a member of the firm—how long have you been a member of the firm?—Five years.

You say your firm has a railway-siding?—Yes.

It is a fact, is it not, that that siding is subject to termination?—Perfectly aware of that.

At three months' notice?—Yes.

How far is your place of business away from Terrace End?—We would be about three-quarters of a mile away.

I suppose you have not thought of inquiring from the Railway Department whether or not your siding would be allowed to remain, or whether those people at Terrace End who have places of business, and who are quite outside the busy area of Palmerston North, would be allowed to retain their siding rights?—We have made inquiries.

From whom?—I believe it came from Mr. MacLean himself.

Did you apply in writing?—No, it was only a general inquiry.

Nor did you make any personal application?—Oh no.

You do not know what the position would be?—We quite understand it is very doubtful if we could maintain our siding right.

Apparently you made no inquiries?—Personally I have made none.

Would you mind telling me how many tons of the 84,000 tons you spoke about belongs to your firm?—I should say, 25,000 tons, in round figures.

Is that all in timber?—No, it would be logs, sawn timber, and manufactured goods.

You said to Mr. Luckie that the cost of carriage of goods to business premises carrying stocks would be increased?—Yes.

Would you be good enough to tell me where most of the business premises are located that carry stocks?—I do not quite understand the question—you mean, carrying the stocks?

Yes?—In Rangitikei Street.

Their premises are not situated in the immediate vicinity of the railway-station?—In some cases, yes.

Speaking generally?—The major portion of their business premises is situate close to the railway at the present time.

Just listen carefully : I am asking you whether it is not a fact that most of the businesses which carry stocks in Palmerston North do not have their premises situate in the immediate vicinity of the railway-station?—Yes, that is so.

What I say is a fact, is it not?—Yes.

You took the photograph that has been referred to?—Yes.

As a matter of fact it is a photograph of Fair's paddock, is it not?—Yes.

In connection with the floods that have been referred to : do you concur with one other witness who gave evidence this afternoon that the flooding is from the Mangaone Stream?—I do not concur because the matter has been discussed by engineers of the Drainage Board, who are much more competent than I am, and they were not able to arrive at a decision.

If the flooding is not from the Mangaone Stream, can you say from where does the water come?—I would suggest that it comes from the Oroua, many miles up country in the neighbourhood of Kimbolton.

Is there any survey of that?—It has been the subject of inquiry by the Borough Council some five or six years ago.

So we may get some light on the facts from the Borough Council authorities?—Yes, no doubt.

JOHN AITCHISON sworn and examined.

Mr. Luckie.] You are the manager in Palmerston North of the New Zealand Express Company?—Yes.

I understand you have the biggest carrying business, both for wholesale and retail, as well as for private carriage, in Palmerston North?—Of course a large number of firms have their own conveyance.

You know something about the proposed deviation of the railway-line which is the subject of these proceedings?—Yes.

You know the nearest point of the railway-station is about one mile and a quarter on the Rangitikei Road?—Yes.

For the great bulk of the business you have to do, how will that affect the company's carrying charges?—We must increase them.

To what extent?—Quite 3s. per ton.

And in some instances it may be more, is that not so?—Of course it will be more. The proportion would be about 3s. per ton.

Where do you assume that the goods-shed from which you will have to carry your goods will be situated?—As far as I can understand it is to be situated on the right-hand side of Rangitikei Street, which is at the intersection of Boundary Road.

If the goods-shed is on any other place in Boundary Road will it increase or decrease the distance?—If the distance is much longer it will be much more.

You are quite satisfied that the general bulk of your carrying will involve an increase of about 3s. per ton?—Yes.

And the public will have to pay for that?—Yes.

And the consumer will have to pay for it sooner or later?—Yes.

And that will have a general effect on your business?—Yes.

How long have you resided in Palmerston North?—For twenty-five years.

What is your opinion of the effect if the railway-station is removed on land-values in Palmerston North?—That is difficult to say. Of course, it will naturally increase the property near the railway, because firms will go there to get their business premises close to the railway, but to what extent I do not know.

In your opinion how will it affect land on the east side of the Square?—It all depends on the purpose for which the land will be utilized.

Will it improve the value of the eastern side of the Square for shop purposes?—Not for some time.

Will it affect it in the meantime?—Yes, to some extent.

What effect will it have in the meantime?—It will have the effect that its interest is taken away.

Mr. Myers.] I think you agree that there is a great deal of delay and inconvenience at the present time in the delivery of goods from the railway-station?—Yes, there is no doubt about that.

You have from time to time made serious complaints to the Railway Department?—Yes.

Both with regard to the inconvenience and delay?—Yes.

I suppose you take into account the inconvenience and delay?—We have not, unfortunately.

You have not really?—No.

You are a unique firm?—We cannot do it.

I suppose you would be glad to have better facilities?—Yes.

The goods-shed is some distance farther away than the passenger-station, is it not?—I suppose the distance from the Square is about half a mile.

Will you please tell me what you charge per ton from the goods-shed to, say, the Commercial Hotel?—5s. per ton.

What is the charge from the goods-shed to Holben and Kirk's premises?—6d. for every half-mile additional.

How then do you justify your statement that it would cost at least 3s. per ton more for carriage from the proposed station if it is only 6d. per ton per half-mile extra on your 5s.?—The distance is quite a mile and a half to where the proposed station will be. We would not base it on that price. When you come to take into consideration that the carts will have to run a mile and a half as against a mile, you have to run nearly three miles to get a load. Most of the carts are going back empty.

May I point out to you that better facilities will be provided at the new station?—Yes, I hope so.

You will have less inconvenience and no delays?—I have worked it out, and personally I think that it would cost 3s. extra from that point into the Square.

That is at 6d. per ton per half-mile?—That is the present rate. The charges may come down.

I think you have complained of the inconvenience and delay in connection with the delivery of goods at the station: it is a fact, is it not, that the Carriers' Association in Palmerston North waited on the Chamber of Commerce lately asking the Chamber to agitate for better facilities?—Yes.

What is it you do want?—The position in regard to the present station is this: if we send to the station we wait until the goods are ready for delivery. If we do not do that we would be losing a considerable amount of time—that is to say, we have to give the Railway Department a longer period for delivery than would be the case in the ordinary course.

That is because of the congestion?—Yes.

The position in Palmerston North is very serious, is it not?—Yes, it is very serious.

If the Railway authorities say that it is impossible under any reasonable conditions to improve matters at the present station, and that the only thing to do is to make this deviation, what is it you want—do you want both or do you want to leave things as they are?—I am for either way. In the business I represent it will not affect us.

I am submitting to you two alternatives, and they are, either leave things as they are or have the deviation: which is preferable?—As I have informed you already it will not affect us in the slightest. It will affect those who are in business.

I am not thinking only of the Express Company, and I do not want the Express Company to think of itself: I am asking you to think from the public point of view. Which is preferable of the two alternatives?—The public at the present time are suffering through the delay in getting delivery of goods.

It is quite impossible to go on much longer under existing conditions?—They cannot carry on like that—no railway could.

May we take it, or may the Commission take it, that the greater bulk of the goods going from the railway-station goes into the Square and Rangitikei Street?—In connection with the Rangitikei Street merchants, there are three at least who have sidings running off the railway close to the station. Lately the Gas Company put in a siding.

I am speaking of the goods which you carry?—These men pack goods in there and cart them at their leisure.

Is it correct to say that the bulk of the goods from the railway-station goes to Rangitikei Street and the Square?—Certainly.

Messrs. Holben and Kirk, I suppose, have a good deal of commodities arriving?—Not to the extent they used to.

They get a large quantity of goods from the station?—Yes.

Do you carry it?—We have not carried it lately. They have had their own carts for a long time.

Their premises are about half-way between the present and the proposed station?—Oh, no.

Pretty nearly. Honestly, do you think that the carriage of goods from the proposed station to Holben and Kirk's place would be much greater in point of charge than the carriage of goods now from the present station to Holben and Kirk's premises?—Yes, I do.

How much?—The carriage from the new site to Messrs. Holben and Kirk's premises would perhaps be 1s. per ton greater than from the old site. We base our charges from the Square.

Do you know that it is worth a little to merchants and to the public to get goods promptly and to avoid inconvenience and delay?—Decidedly.

Can you tell me the distance from the Bank of New Zealand corner to Boundary Road?—I have not measured the distance, but I should say it would be close on a mile and a half.

It is not a mile. I just wanted to test you in your evidence. Seeing that a large quantity—a very large quantity—of goods from the railway-station goes to the business premises in Rangitikei Street, and that it is half a mile or more to most of those premises from the present railway-station and less than a mile from the proposed railway-station, or the goods-shed, to the Bank of New Zealand corner, how do you justify your statement that the carriage would be 3s. 6d. per ton more than it is at the present time? If it costs 5s. to bring a cart now from the goods-shed to the Square, what will it cost to bring it another half-mile? According to you, 6d. per ton?—No.

That is the point—I knew I would get you.

Mr. Luckie.] As a matter of fact you do business for a lot of small people?—Yes.

On the outside of the Square?—Yes.

And the bulk of the big business men do their own carting to Rangitikei Street?—Yes.

What would be the increase in distance you would have to do if the station were shifted?—Just about half a mile more.

You would have to do that one way empty?—Yes.

You are still satisfied that the increase of your charges will be for the bulk of your deliveries?—I said, about 3s. per ton.

Have you been interested for some time in the improvements of handling railway traffic at the station?—Yes.

Do you know whether there is land available at the present site?—Yes.

Do you know anything about Mr. Hiley's scheme?—No.

Nor the proposal to close Cook Street?—No.

The Railway Department bought some land belonging to your company?—Yes.

When was that?—About the year 1912.

Have they used any of it since?—Not that I am aware of. I think the Postal Department are using it for some purpose or other.

What was the land bought for?—I suppose, for railway improvements.

You got £6,000 for it under the Public Works Act?—The Government did not give us what we wanted for the land.

I suppose you will be one of the people who will be very glad to sell to the Railway Department before the station is removed?—We could have sold the land for more. We were offered about £6 a foot and got about £5 a foot for it.

That is in Church Street?—Yes.

What do you think of getting £30 a foot for land when the railway goes away?—I do not think so.

JOHN IRELAND sworn and examined.

Mr. Luckie.] What is your position?—I am a flour-miller.

And carrying on business in Palmerston North?—Yes.

How long have you been in Palmerston North and connected with your firm?—About two years.

You have a private siding, have you not?—Yes, we have held a siding for about forty years.

Where is the siding situated?—This side of Terrace End—that is, the post-office side.

Is Cook's siding this side of Terrace End?—Yes, about a chain.

How far is the siding away from Terrace End Station?—About 400 yards.

That is on part of the line that will be taken up when the deviation is completed?—Yes, I suppose it will be.

You anticipate losing your siding if the deviation goes through?—Yes.

You handled, did you not, during the recent shortage of flour a larger proportion of the flour than was handled throughout the rest of the North Island?—I would not say that.

More than the rest of the Wellington Province?—No. We handled a very big proportion of the goods used in Palmerston North.

Will you be able to carry on your business there if this loop is made?—It will be quite impossible to carry on our business without a siding. For instance, on one occasion we had a matter of 2,030 tons at one time, and it would have been impossible to have handled that quantity unless we had a railway alongside.

You are called upon to get rid of it in a short time?—Yes, the Department can give us twenty-four hours' notice, but the Department has always been lenient to us.

What would you have to do with your premises if the private siding were taken away from you, and the deviation were carried out?—We could not carry on. It would mean we would be over two miles away from the railway-station.

How far away from the railway-line?—The railway-line must come on this side of the goods-shed. We would have to build on the other side of the goods-shed.

Near the Rangitikei Line?—Yes.

Would you have to scrap your present plant?—It would be useless. It is a very expensive plant to put up. I could give you the cost that would be involved in putting up a modern milling plant to-day. I should estimate that the cost would amount to £20,000.

You estimate it would cost as much as that?—Yes.

In your opinion what would be the effect on business premises generally—those between the present station and where the proposed new station will be constructed on the Rangitikei Line?—I know that in Oamaru, where the station was removed from, the business part, it is practically dead. The merchants have shifted from the vicinity of the old station close to the new station. The same thing that happened in Oamaru would happen in Main Street, Palmerston North, if the proposals which have been submitted by the Railway Department were given effect to.

Do you know whether that is increasing the value of land in the immediate neighbourhood of the station?—No, I could not say.

Well, judging by your experience in Oamaru?—The value near the new railway-station went up and in the vicinity of the old railway went back.

The removal of the station has very materially altered the value of the old portion of the Town of Oamaru?—Yes; some places which were good business places near the old railway-station since removal can only get 5s. per week.

You were in Oamaru for how many years?—A good many years.

You were learning your business there, were you not?—Yes.

The portion of land in the vicinity of the railway-station is going ahead and is prosperous?—Yes.

The other portion is dead as the result of the removal of the railway-station, is it not?—Yes.

Can you see any difference between Palmerston North and Oamaru?—I am quite sure the same thing that happened in Oamaru will happen in Palmerston North.

Palmerston North is more dependent on the railways than Oamaru, is it not?—Yes.

Palmerston North has no waterfront at all?—No. Palmerston North is dependent upon the railways.

The great prosperity of Palmerston North is due to its location?—That is so.

Mr. Myers.] I am afraid I did not catch your statement as to how long you have been in Palmerston North?—I have been in Palmerston North for a period of about two years.

How long have you been in the flour-mill at Terrace End?—The mill has been there for forty years.

Has it been operating continuously?—It has gradually improved. It has gone from a one-sack plant to a twelve-sack plant.

Some of the plant is forty years old, is it not?—It is a fairly modern plant—that is, it has fairly modern machinery.

What do you call modern machinery?—We have at the present time over £3,000 worth of machinery being installed. I may say that this machinery was on order before the deviation was talked of.

I think you are looking at this question from the point of view of the Manawatu Mills Company?—Not entirely.

Mainly?—I cannot see that the moving of the station is going to benefit the town. At the present time Palmerston North is considered to be one of the busiest places in New Zealand. I consider the proposal to move the railway-station farther away from the town must increase the cost of living in Palmerston North. The carriage of commodities must make it dearer.

I suppose you can see that the necessities of the case may even now, or shortly, require the removal of the station from its present position?—I do not see that it does. If the railway is maintained in the centre of the town it will continue to be of general benefit, and it is better to have the station in the centre of the town rather than at one end of it.

But supposing you cannot?—With the present high cost of materials and the great shortage of things I think one point the Commission should consider when going into the question is to see whether something could not be done with the present station in the way of improvements.

Supposing it cannot—what have you to say then: are you still going to say that because the Manawatu Mills Company cannot carry on without a siding the site of the station is not to be altered?—I do not go so far as that. Some improvement must be made at the present time. The existing conditions cannot continue.

I am asking you to assume for the moment that the position cannot be improved having regard to the public interest generally, but the necessities of the case require the removal of the station from

its present site: do you still consider that because some of you business people near Terrace End may have to lose your siding rights the station is not to be removed?—Certainly I would not say that.

If that absolute necessity arose, you said something about making other arrangements?—We would probably move to a port, where we could get our goods in without any trouble.

For instance, Foxton?—We would go to Wellington.

It is possible for your firm without great expense and loss to obtain land near the new line and have your siding, is it not?—Yes, it will be possible.

You do not suggest for a moment, as Mr. Luckie has suggested, that it would be a loss of £20,000?—Our present building would be useless, and it would cost us at least £20,000 to set up.

Could you not use some of your present equipment?—Yes. The cost would be very heavy—very close on £20,000. I am given to understand that the Waimate Mill is costing £20,000.

Is that mill larger than yours?—Slightly larger. Waimate Mill is to be fifteen-sacks capacity; ours is twelve and a half to fourteen sacks. Our business in Palmerston North has been the means of supplying flour to Napier, Wanganui, and Wellington, and the position would have been very serious at the time of the epidemic had there not been a flour-mill about.

ALBERT LONSDALE COOK sworn and examined.

Mr. Luckie.] You are a member of Messrs. Cook and Sons?—Yes.

Carrying on business in Palmerston North?—Yes.

You have heard the evidence given by your brother as to the effect on your business if the station-site were removed?—Yes.

Is that evidence correct?—Yes.

You know something about the site of the proposed new railway-station?—Yes. The people who sold land told me they got £350 per acre for 22 acres.

What is the value of the land for farming purposes?—If they received £50 to £100 per acre for dairying purposes it would be a good price.

Is the land near the railway-site liable to flood?—It has flooded every year since I have been in Palmerston North. Sometimes it floods seven or eight times a year.

It is low-lying land, generally speaking, is it not?—White-pine swamp.

The whole of that neighbourhood is white-pine swamp?—Yes.

What do you mean by that?—It is very soft underneath—very soft understrata—and is soft for about 20 ft. down.

That statement is of considerable importance, and I want you to be careful. You would have to go down a considerable distance to get a satisfactory foundation, would you not?—Yes.

Mr. Myers.] Can any man who has had no experience in matters of this description be called to give evidence on what is really an expert matter?—[No answer.]

Mr. Luckie.: We will show you it has the characteristics of white-pine swamp land. The witness says that it would be necessary to go down about 20 ft. before you get any foundation. I am not going to carry the argument any further.

Mr. Myers (to witness).] You have spoken about a sale of some 20 acres of land: to whom did that land belong?—Milverton and Sons.

Who was the purchaser?—I think Messrs. Vautier and Wilton.

And they paid £350 per acre for 22 acres?—Yes.

When was the purchase made?—Within two days of the scheme being presented to the Borough Council.

What scheme?—This deviation scheme.

Can you tell me about what time it was?—I do not know.

Who told you it was two days after the scheme was presented to the Borough Council?—The people who sold the land.

Where is this 22 acres of land you speak about?—It is on the corner of Rangitikei Street and Boundary Road.

You have spoken of some hole in it?—Yes.

It is suggested to me that that hole is in the corner of the property: is that correct?—It is near the bottom portion, yes.

It is suggested to me that the whole is about a quarter of an acre. Now, I want you to be careful, because we can see it for ourselves. First of all, have you looked at the property lately?—Not recently, no.

What extent do you say this hole comprises?—I have seen it covered for about two or three acres for years.

How much is the duck-shooting portion worth?—£50 per acre.

And the other portion?—About £100 per acre.

Mr. Luckie.] What effect will the removal of the station have on the residential area in that portion of Palmerston North lying east of the railway-line—is that going to be a considerable item in the matter of expenditure?—The removal of the station will put them more in the way of a rural settlement.

When it comes to the question of getting goods it is going to increase the cost of same considerably?—Yes, it will add to the cost of living so far as they are concerned.

Mr. Marchbanks.] What depth of water goes over the Rangitikei Street?—I have seen it a couple of feet coming down the Mangaone Stream. I have seen it for a few years. The floods have been heavier on what is known as Fair's Swamp.

Is that the most you have ever seen it?—Yes, that is the most I have ever seen.

CHRISTIAN NICOLAI CLAUSEN sworn and examined.

Mr. Luckie.] You are a timber-merchant and sawmiller?—Yes.

How long have you been carrying on business in Palmerston North?—Since 1894.

About twenty-seven years?—Yes.

You are against the proposal for the deviation of the railway?—Yes.

What in your opinion will be the effect upon Palmerston North and upon the block of business premises on the eastern side?—Speaking of the eastern side, I think it will have a deadly effect.

What do you say with reference to the cost of living to people who reside in that particular district?—The increased cost of carting our goods will have to be passed on: that is the only way.

So far as your business is concerned, to what extent will it increase the distance that you will have to cart goods?—We will have to cart goods to the station wherever they propose to put it—say, about a mile and a half away.

You have a railway-siding, have you not?—Yes.

Where are your premises situated?—Main Street West—opposite the railway-station.

You make that your centre for getting and carting goods—you store your firewood there?—Yes.

If you lose that siding and the railway-station is shifted you will have to go nearly a mile and a half to get your goods?—Yes.

To what percentage do you anticipate that will increase the cost of goods you handle and sell?—I should say, about 5s. per ton.

What do you charge now?—For time—do you mean the average price?

Yes?—I could not give you an average price.

I wanted to get the percentage of increased cost you would have to pass on to other people: will it nearly double the cost?—It will land out at about 5s. per ton.

The extra cost will increase by 5s. per ton, and that will have to be passed on to the purchasers and to the public generally?—Yes.

There is no other way of doing it?—Not that I can see. If the railway-station is shifted I cannot carry on.

You know something about the site of the proposed new station, do you not?—I helped to fell some of the bush.

How long ago?—I suppose, thirty-five years ago.

What is the nature of the country?—It is mostly white-pine land. You could travel half a mile and not see a bit of soil—all the soil has been washed away.

Is it subject to flood?—Yes.

Beyond Boundary Road and about north and south of Rangitikei Line?—Yes.

You know the country spoken about and you knew it thirty-five years ago: it was chiefly white-pine bush there?—Yes, chiefly white-pine. There was a bit of tawa and matai timber there.

Is it subjected to floods now?—Yes, I suppose about seven or eight times a year during the winter.

Mr. Myers.] You have a siding near the present railway-station, have you not?—Yes.

You have your factory and yards in Rangitikei Street, near Messrs. Holben and Kirk's premises?—Yes, almost next door.

So you have to cart quite a lot from your yard near the station to your place in Rangitikei Street?—Yes.

Do you tell the Commission that it would cost you more to cart from the proposed railway-station to your place in Rangitikei Street than it would cost you to cart from your present yard near the existing station to your place in Rangitikei Street?—Yes, it would.

Would it really?—Yes, from the proposed station.

You have a yard near the railway-station. I am only speaking of cartage and nothing else. Do you suggest that it would cost more to cart goods from the proposed station to your place in Rangitikei Street than it would cost you to cart from your present yard near the present railway-station to your place in Rangitikei Street?—Yes.

How much per ton more?—2s. 6d. per ton more. I have already said that.

You surprise me, and I will leave it at that. I think you know what Mr. Hiley's suggestions or proposals were in 1914?—Yes.

Were you satisfied with them?—Yes.

Mr. Clausen, is that true?—I am not aware that what I say is not true.

I will recall the circumstances to your mind. Is it not a fact that Mr. Hiley's suggestions of 1914 involved the loss to you of your siding?—I am not aware of that.

Is it not a fact that you were for several years a member of the Borough Council in Palmerston North?—Yes, for nine years.

Is it not a fact that you voted against the closing of Cook Street?—That may be so.

Is it not so?—That I voted against it?

For the closing of Cook Street?—I cannot remember.

Yes, you remember?—I cannot remember.

Your memory is quite good. It was of great importance to you. I ask you to think a minute and be frank with me: is it not a fact that you voted as a member of the Palmerston North Borough Council against the closing of Cook Street?—I cannot remember.

Do you not remember the question arising?—It arose very often.

Do you mean to tell me that you do not remember whether you supported the closing of Cook Street or voted against it?—The question came up so many times.

May I point out to you, Mr. Clausen, that you are "fencing." Now answer the question?—I cannot remember that. I have been out of the Council for nine years now.

I do not care if it is eighteen years?—The question of closing Cook Street came up so often in the Council.

Do you not know that the closing of Cook Street also involved the loss of your siding?—I never knew that.

Do you know that if Cook Street were closed now, and the scheme which my learned friend Mr. Luckie is asking us to adopt were adopted, it would mean the loss of your siding?—That is the first I have heard of it.

Supposing I told you that it would, would you still remain a member of the league and support it?—Yes.

Mr. Clausen, you surprise me a second time. So that even if you lost your siding you still prefer to have the railway-station where it is?—Yes.

Why—it would not matter to you?—I think it would be waste of money to shift it.

You are thinking of the public purse rather than of yourself?—I think a little of both.

Mr. Clausen, there is a drain, is there not, called the Kawau Drain?—Yes.

Where is this drain?—It runs right away from Boundary Road to Awapuni.

And does the water, or any of the water, which you say lies on this land in the neighbourhood of the proposed new station drain into this drain?—Yes.

Are you aware that the Borough Council is engaged in taking steps to straighten and widen that drain?—Yes, the upper reaches of it.

Mr. Luckie.] Where does the flood-water on Boundary Road come from?—When the Manawatu River rises it banks it up.

Do you know that the Oroua has anything to do with it?—Yes.

Have any efforts been made during the last ten years to get rid of that flood-water?—When I was in the Council we went up to inspect the property and found that nothing could be done.

And it still floods?—I cannot say.

Did you ever hear until Mr. Myers put it to you this evening that the closing of Cook Street meant the loss of your siding?—That is the first I heard of it.

Were you ever threatened with the loss of your siding during any of the negotiations with respect to the closing of Cook Street?—No.

Had this question of the loss of your siding anything to do with the closing of Cook Street?—No.

Would the closing of Cook Street involve the loss of your siding?—Not that I am aware of.

JAMES ALFRED NASH sworn and examined.

Mr. Myers.] You are Mayor of the Borough of Palmerston North?—Yes.

How long have you held that position?—Thirteen years.

You are also, and have been for the last three years, a member of the House of Representatives for the district?—For two years.

I understand you wish to make a statement, Mr. Nash?—Yes. Mr. Chairman and gentlemen of the Commission, I did intend to make some reference to the proposed Levin-Greatford route, but, sir, I am going to leave that alone. I wish to submit to the Commission a photograph, and I want to ask you, sir, to be kind enough to allow me to take the photograph away to-night, because I am certain any proposal which comes before Parliament in regard to the Levin-Greatford scheme will, after members have seen what they will have to contend with, receive the same short shrift as it received during the last session. I want to make our position quite clear by saying that the Borough Council did not at any time approach the Railway Department in regard to the removal of the railway-station, but we made many complaints in regard to the level crossings, the shunting of trains in the Square, the whistling of trains, and all that sort of thing. The proposals were made to the Council, and they were purely departmental. The position was put before us very clearly, and we practically had the option of two things—one was the removal of the station, or the removal of that portion of the goods-marshalling yard, probably some four or five miles from the township. The Borough Council gave the matter consideration, and the members, with the knowledge they had of the working of the Railway Department here, came to the conclusion that they would not be justified in holding the matter up, and that in the interests of the town and the country it was desirable that the work should be carried out. We went further and had a meeting with the Chamber of Commerce and with the business men of the town. We invited them to meet us and fully discuss the position. We were aware that there would be some cases of hardship, but let me say that some of those people who are the greatest advocates for the removal of the railway in view of the increased traffic are going to suffer as well as those who are raising objections at the present time. I may say that I have watched the progress of the Railway Department in this town for a period of over thirty-five years, and I remember the station when it was in the middle of the town. Eventually it was found necessary to remove it to its present position. Subsequently the Railway Department realized that the traffic was increasing, and in consequence they decided to acquire all the land that they could adjacent to the present station, and this was done. I would like to say a few words in connection with the scheme, known as the "Hiley scheme," which has been referred to during the sitting of the Commission here and also in Wellington. We never received the proposal which was submitted at the time as a scheme at all. The Council was, however, approached with a view to closing Cook Street. Now, sir, we had previously, or a previous Council before us, agreed to the closing of Pitt Street, and the question arose as to what would be the position in regard to the closing of Cook Street. We had numerous deputations advocating that there should be a

subway provided for vehicular traffic. However, the Borough Council arrived at the decision that Cook Street should be closed in the interests of the town and the country. We asked the Government to take the necessary steps, and if they were not in accord with that suggestion then the Council would do so; but I would like to point out that at that time the war broke out, and the question in regard to the expenditure of money with respect to the railway-station in Palmerston North had to be deferred. This was held over until some few months ago, when the matter was reopened. We could not understand what was the reason for not getting certain information in regard to the closing of Cook Street, but finally the General Manager of Railways, Mr. McVilly, asked us to consult with him and one or two of his officers on a given date in regard to the question of the railway station and yard at Palmerston North. They came up, and the position was put very clearly before us by the General Manager. We then realized that in the interests of Palmerston North and the district as a whole there was only one thing to do, and that it was impossible to carry out any proposal in the way of extensions on the present site. If improvements were carried out at the present site it would only satisfy the requirements for another four or five years, or perhaps ten years at the outside, and then the Department would be in trouble again. I would like to take this opportunity of clearing up one point. In listening to the remarks of Sir James Wilson this afternoon I think I am right in saying that while he had every respect for the General Manager and the Engineers, he thought they had approached this matter from the point of view of Palmerston North and not from the point of view of the Dominion. May I just read an extract from the General Manager's letter, which shows that the Department has taken up the matter from a Dominion point of view, and not, as Sir James Wilson stated, from the point of view of Palmerston North. It is as follows: "The main point for consideration in the interests of the Dominion, your town, and the Department is the solution of the difficulties and the provision of facilities that will provide not only for the moment but for the future requirements of a large and rapidly growing railway traffic. This problem has engaged the serious attention of the Department . . ." I merely mention that to show that this matter had been considered from a Dominion point of view. Now, sir, in connection with the growth of the railways, we find that over a period of twenty years the passenger traffic in Palmerston North has increased by over 300 per cent.; live-stock, 600 per cent.; timber, 600 per cent., and so on. I want also to say this, sir: that when we realize that the number of wagons arriving here averages fifteen hundred to two thousand every day it must be recognized by everybody that something had to be done to overcome the existing difficulty. Unless something is done it will be impossible to carry on under existing conditions. At times, if one were to go down to the railway-station it would be seen that two trains arrive together, and other trains are held up outside the precincts of the station and cannot get in. That is a common occurrence. When we come to the question of the goods traffic we find that the Department actually have to send train-loads of goods down to Awapuni, situated two miles distant, and also to Longburn Station, a distance of four miles, in order to overcome the congestion at the station. Why, it was only the other day, when a lot of trucks were standing at Awapuni, that a case of goods was stolen which was worth something between £400 and £500. As I have already intimated, it will be impossible for the Department to carry on under the existing conditions. And, sir, there is another very important factor to be taken into consideration, and that is, for some time past the lives of men working in the station-yards have not been safe. As is well known, men have been killed there; and can you wonder at it? The handling of stock is giving a great deal of trouble. At the present time stock has to be driven into the yards at night and placed in the trucks so as it may be taken away in the early morning. I do want to stress this point, sir: that owing to the shunting operations of the Department—and they cannot help it—numerous complaints have been made about the matter. As a matter of fact you will find people in the Square blocked at the level crossing, and there they have to wait until the train shifts. That has been a great nuisance so far as the citizens of this town are concerned. We want the tramway service for this city, but there can be no question about it that a tramway service cannot be installed until we have been relieved of the railway-crossings. It has been said that a subway should commence from the town so that trains would not go through the main thoroughfares. To-day I heard one witness say that the line should be built up and that it was just a simple matter to do that. At the present time it is impossible for a good many of the trains to get up with their loads on to the top at the other end of the town, and it is quite a common thing for a train to get half-way to the top and have to go back towards the town and make a fresh start. I have seen that happen on numerous occasions. That is the sort of thing that is going on under existing conditions. The question with respect to the distance of the new site has been raised more than once, but the conditions will be far better and there will be more room, and the Council hopes, with the assistance of the Railway Department, to make a proper entrance to the new railway-station when it is erected. So far as the business people are concerned I want to stress this point: Evidence given to the Commission to-day was to lead you away with the idea—I do not suggest that that can be done for a moment—that the business people in Palmerston North would be put to a great deal of inconvenience because of the removal of the railway. I want to say this, sir: that for years past Rangitikei Street has been recognized as the home of the merchants. There all the big business premises have been erected, and there are no business men from the merchants' point of view that I know of in the vicinity of the present railway-station. Therefore the removal of the railway is going to be an advantage to the business men in Palmerston North, and that is why they are hotly supporting the proposal. I would like to say also, sir, that the trains running through the centre of the town are a source of danger. It is not very long ago that a man was killed on the level crossing. As a matter of fact, I saw a man cut to pieces at the level crossing in the Square. There have been numerous deaths on the railway-line. I submit that, in the interests of the town, the business people, and the Railway Department,

the railway-station should be shifted. My Council is supporting the proposals of the Department because we consider that it is going to provide something which will add to the future of this town and the district generally.

Mr. Myers.] As far as your personal interests are concerned, and your personal financial interests are concerned, are they in any way improved by the deviation of this line, or are they better under existing conditions?—They are better under existing conditions.

That is what I understood. So that to you personally the alteration would be a detriment and not an advantage?—That is so.

You have been in business yourself as a merchant in Palmerston North off and on for some years past, have you not?—Yes.

For several years you have been in the land-agency business?—Yes.

Can you give the Commission any evidence as to the probable value of the land now occupied by the Railway Department in the vicinity of the present station which will be available for sale or lease if the station is removed?—When the tramway service is put in the statement that Mr. MacLean has made will be justified as to the value of land per foot.

Can you give that as your own personal opinion?—I say that because the land on the other side is worth anything up to £150 per foot.

What do you say about the land on the Church Street side?—That land will not be so valuable, and probably it would be worth from £8 to £10 per foot. I concur with Mr. Rodgers.

As a matter of fact, can you say whether or not it would be possible by roading to make the length of frontage available for sale very much greater than 7,000 ft.?—I cannot answer that.

Can you assist the Commission by giving your opinion as to the quality of the land and its nature in the neighbourhood of the site of the new station?—I heard a witness say to-day that you could take a stick and put it down 15 ft. anywhere. If that is so I am unable to say how it is possible to graze cattle on it.

Fair's property is the property shown in the photograph [Exhibit No. 6] put in to-day?—That is supposed to be the station-site.

Do you know whether or not that is the station-site?—I know it is not the station-site. It is close on half a mile away.

Do you know from your own local knowledge, and from your knowledge as Mayor of Palmerston North, and from your engineering reports, and so on, what water it is—I mean, from what stream does that water come?—It comes from the Mangaone and Kawau. I may say we are remedying the Kawau. The Department's proposals should help to remedy the Mangaone.

One gentleman said to-night that the water came from the Oroua River: How many miles away is that river?—About thirteen miles away.

Is the thing feasible at all?—It is not feasible.

When you say "we are remedying the Kawau" you mean the Borough Council, of course?—Yes.

Mr. Luckie.] Are you in a position to tell us where the station will be?—Yes. [Position pointed out on plan.]

Do you know where the goods-shed will be?—The Department has not settled that matter definitely yet, and I cannot tell you.

The Railway Department has not made up its mind where the goods-shed is to be?—I understand they have not yet. I assume that the position of the goods-shed will not be very far away from the station.

Do you know whether or not the ground floods?—I do not want to deny the fact that in flood-time the water does not lay in the position where the new railway-station will probably be.

It floods about six or seven times a year under existing conditions?—I do not agree with that statement.

Have you not frequently complained to the Railway Department with respect to its failure to protect the railway-line on the way to Terrace End—there is no protection, I notice, for preventing the public stumbling on the line?—That is not the fault of the Borough Council. We have sent down a request to the Railway Department to have it fenced, but they do not want it fenced.

Who do not?—There are a lot of small stores in the street on the road to Terrace End, and people on the other side of the line make a practise of crossing it to get their requirements. The accidents have not been there, but at the level crossings. The reply we received from the Minister was that when we had settled the matter among ourselves we were to go to him. That was a diplomatic reply.

Did not one accident take place at Terrace End where there was no level crossing?—Yes, and a man was killed at the crossing on the Longburn-Rongotea Road, and there have been other men killed in the Square. As a matter of fact, a man was killed outside the Courthouse.

It is correct, is it not, that you yourself were in favour of closing Cook Street?—Yes.

It was closed by Proclamation on three occasions, was it not?—Yes, it has been closed on three occasions.

There was a considerable area of land bought near Church Street?—Yes.

It has never been used?—It was not used on account of the war.

There is a considerable area of land that could be taken south of the railway-station. If an ex-Manager of Railways says this station could be improved by taking the railway-station farther south, would you say it is impossible?—What I say is this: If an expert man—an engineer—said that this was practicable, and the expert Engineer and General Manager of Railways said it was not, I would believe the Railway Department.

These are men who know their business?—If they were railway managers I would accept their statement.

You are not an expert in matters of this description?—No.

I suppose you have watched the growth of Palmerston North for a number of years?—For the past thirty-six years.

I suppose Palmerston North has a fine back country, and a good deal of its prosperity is due to its being the railway centre for the North Island?—The railway has assisted it, but Palmerston North being an agricultural district has made it what it is to-day.

What is the difference between Feilding and Palmerston North?—Feilding is too close to Palmerston North, unfortunately for Feilding. Palmerston North is the centre.

Is it not a fact that Palmerston North owes its supremacy by reason of its being the centre of four systems of railway?—The bulk of it is due to Palmerston North being an agricultural centre.

Are you not aware that the natural consequence of removing a railway-station is to move the economic centre? That has already been done in Hamilton and in Oamaru?—The circumstances are different in Palmerston North, because the trend of building from a business point of view for years now has been going right out where the railway is to be moved.

If the railway-station is moved that must increase the value of land round the railway-station?—The trend of building has gone where the railway is proposed to be built.

Necessarily a great deal more of it must go there when the main central railway-station is going to be put one mile and a half to the west?—I do not agree with you. I think, with the up-to-date tram service we hope to have in Palmerston North, the people, irrespective of that sort of thing, will make for the centre.

You know as a matter of fact that the building of railways away from the townships has been the means of not assisting the towns to progress?—Take, for instance, Masterton: that place is going ahead.

At any rate, you say that some of that land fronting Main Street would be worth £80 per foot and some of the other £5?—I do not agree with that.

That land will go back in price when the railway leaves it?—I do not agree with you.

Mr. Marchbanks.] In connection with Mr. Hiley's scheme put before the Council, do I understand that it provided entirely for the closing of Cook Street?—Yes, sir. We did not have any set of plans handed to the Council.

There were no plans before the Borough Council, and the proposal dealt with the closing of Cook Street?—Yes. They said, "You agree with the closing of Cook Street," and intimated that it would be impossible to do anything unless they closed Cook Street.

The Commission adjourned at 10 p.m. until 11 a.m. next day.

PALMERSTON NORTH, THURSDAY, 10TH MARCH, 1921.

The Commission resumed at 11 a.m. on Thursday, 10th March, in the Magistrate's Court at Palmerston North.

GEORGE JOSEPH HARFORD sworn and examined.

Mr. Myers.] You are Mayor of Feilding, are you not?—Yes.

How long have you held that position?—I have been Mayor for two years.

You are aware that there are two main questions involved in the consideration of this Commission; one is the question of railway facilities at Palmerston North, and the other is the question of the Levin-Greatford deviation?—Yes.

You desire to say something, I think, on both these points?—I desire to say very little in regard to the deviation near Palmerston North. I think that is a question more for the Palmerston North people.

Has that question been a subject-matter of consideration by your Council?—Yes.

I mean the question of the facilities at Palmerston North?—Yes, it has been discussed in the Council, but more so the question of the deviation.

You mean the Levin-Greatford deviation?—Yes.

So far as the facilities at Palmerston North are concerned, are those facilities approved by your Council, or does your Council leave it an open question for Palmerston North?—We certainly believe that in the interests of the public the deviation would be the proper course to adopt.

That is, the Palmerston North deviation?—Yes. We think the level crossings are a curse to New Zealand, and if some of them could be done away with a great improvement would be effected.

I suppose you people in Feilding have not a correct knowledge of the requirements of the station at Palmerston North?—We only know at the present time that it is unworkable and very congested.

I suppose we may take it that so far as Feilding is concerned, whatever is considered to be in the public interest so far as the railway facilities at Palmerston North are concerned, Feilding would be satisfied?—Perfectly satisfied.

Now, with regard to the Levin-Geatford deviation, I think you desire to say a word or two in connection with that matter?—Yes. This question has frequently come before our Chamber of Commerce as well as our Borough Council meetings. In our attitude towards the question we thought it was so far out of the range of practical politics that we did not enter into the question for a moment. We do not think that any Government in possession of its right senses would take a railway through swamp land and sandhills through which the Levin-Greatford deviation would have to pass. About thirty years ago there was another deviation that was recommended, and a Commission was set up to advise as to its suitability: that was the Feilding-Mangaweka deviation.

I think that deviation was referred to by the Commission set up in 1916 and presided over by the Chief Justice?—I believe it was referred to. In connection with the Commission which I have mentioned there is one point which has not been clearly understood. The Hon. Mr. Bryce, who was a member of that Commission, owned something like 300 acres of land situated near Kimbolton, and because he owned that land he would not vote upon the question at all.

Do you know of any alteration in the circumstances that has arisen since the year 1916 so far as concerns the suggestion of the Levin—Greatford deviation?—The alteration so far as Feilding is concerned has been this: that the weekly stock-sales, as well as the ram and ewe fairs, are now largely attended by people from the Main Trunk line. The facilities that are provided on the Main Trunk line suit both parties—that is to say, those desirous of attending the sales can arrive in the morning and are able to return home the same night. If the deviation were carried out it would entail a lot of travelling for people and put them to a lot of trouble, and it would also mitigate against the welfare of Feilding.

To that extent the position has altered since 1916 not in favour of the suggestion of the Levin—Marton deviation, but against it?—Decidedly against it.

Is there anything else you want to say?—No, except to say that I was in the room when Sir James Wilson was giving his evidence. He said something to the effect that the Railway Department was no alone to be considered in this matter, but that the public should have a say, as the railway was for their convenience. Mention was made that when you come to consider the district between Levin and Marton there are about 34,500 people. Out of that 34,500 people there are only 4,000 people in the Manawatu County, and I believe a good many of them are now in Feilding. I think it was the best argument that was used for retaining the present line that Sir James Wilson could use.

Mr. Luckie.] With reference to the proposed deviation of the railway round Palmerston North, has that ever been discussed by your Council?—Yes, that matter has been discussed by the Borough Council.

Did the Council ever pass a resolution about it?—No, it was an informal discussion. We felt that it was not in our interests to interfere with Palmerston North in any way.

It is a matter in which you are entirely indifferent?—I could not say “indifferent.”

It does not matter to you so long as the facilities for the carriage of goods are maintained—it is a matter of indifference to you whether the present station is maintained or a new station is to be constructed?—Certainly; it does not matter to us one way or the other.

I think you said something to the effect that if the Government approved of the Levin—Greatford deviation it would mean that the railway would have to pass over a lot of swamp land: do you know that land?—Yes.

For how many years?—I have known it for the last thirty years.

Is it a correct definition to call it swamp land?—A good bit of it is.

Is not the great bulk of it very fine land?—You have to recollect that on one side of it is the sea.

You are only speaking about a very small portion of that land: where is the swamp land and sandhills?—Only a few months ago I had occasion to come home that way—that is from Levin via Foxton—and I had to turn back.

Is it not totally incorrect to give the impression that the bulk of this land is not good land? Is there not some forty or forty-five miles of good land through which the railway would have to run?—No, not to my mind.

How much of it is good land?—I have not measured it.

Would there be five or ten miles?—You know better than I do.

I am beginning to think I do. When you make a general statement like you have done one comes to the conclusion that you do not know very much about it. You say you have stock-sales in Feilding?—Yes.

Would you object to Marton being the headquarters of those stock-sales instead of Feilding?—I have never given it a thought.

Marton would benefit at the expense of Feilding if that were done?—Certainly not. Feilding is too rich a district to be effected by a change.

What possible harm could this change do Feilding?—As I have said, Feilding would not suffer; but the people who send their stock to the sales in Feilding would find a great deal of difference if a change were made. At the present time, as I have already stated, the people attending the stock-sales arrive by the early morning train and leave for home again in the evening.

If Marton were made the headquarters of the stock-sales it would mean that the stock which was handled and sold at Feilding would be handled and sold at Marton?—I do not think so.

Why?—The difficulty is getting the sales there.

As a matter of fact you know perfectly well that the question of the Levin—Greatford Railway has other bearings, such as the benefit to long-distance passengers, for instance—it would shorten the service on the line north of Marton and south of Levin, would it not?—Yes.

It shortens the route by about fifteen miles to seventeen miles, does it not?—I believe it does.

Would it not be in the public interest to shorten the journey so far as passengers, stock, and other goods are concerned?—Not if you have to pay £1,000,000 for your railway.

I mean apart from all that—would not that be an advantage to the travelling public?—What section of the public do you mean?

That section of the public that has to travel between stations north of Marton and south of Levin?—There are very few people among the travelling public that would worry about that.

It would be an advantage to them, would it not?—You might think so.

You do not think so?—No.

What do you know about the country in the vicinity of the Levin-Marton deviation?—I know a good deal about the country.

You have admitted that I know more about it than you do?—I said you ought to know.

Is there not a lot of fine land that would be opened if this line were adopted—there is Foxton on the one hand and Foxton to Levin on the other?—Nothing to compare with the land on the Main Trunk line.

Is it not a fact that there is a lot of wheat-growing country there?—I am not a farmer, Mr. Luckie.

You are in favour of the Kiwitea loop, are you not—that was the other alternative route referred to before the previous Commission?—No, I was not in favour of it, because I did not happen to be in the district at that time. I have only been in the district for twenty-eight years.

It was discussed five years ago: are you in favour of it?—Yes, if it was opened up it would make available a vast quantity of territory, and it would also shorten the through distance.

JACK HOWARD VINCENT sworn and examined.

Mr. Myers.] What is your official position?—I am the representative of the Oroua County Council.

And you have been directed by your Council to make certain representations to the Commission?—Yes.

Will you please indicate to the Commission what those representations are?—I was directed at the Council meeting yesterday to appear before the Commission and emphatically protest against the proposed Levin-Greatford deviation, on the grounds that the advantages (if any) of the deviation would not in any way be a fair recompense for the tremendous amount of money that the construction would cost; and, taking into consideration the financial stringency at the present time, the Council is of the opinion that the money would be far better expended in works of a more urgent kind, such as the installation of hydro-electricity, which would, in the opinion of the Council, be of more use to the Dominion than any quantity of Levin-Greatford deviations. As far as the other question is concerned, which appears to be a most vital question so far as Palmerston North is concerned, my Council has not very much interest in the matter, sir. That is a matter for the people of Palmerston North, the Government, and the Railway Department to settle. My Council is not very much interested in the matter of whether the railway-station is still confined between advertising hoardings and a line of disused engines, or whether the station is removed down the Rangitikei Line.

You are interested, as we all are, to secure the best facilities available?—Yes, the best facilities should be taken into consideration.

Mr. Luckie.] You live at Ashhurst?—Yes.

You are a member of the Oroua County Council?—Yes.

What is the district covered by the County Council?—It extends from the Ruahine Range at the back of Ashhurst to the Rangitikei River.

How would the actual distance affect you and the people you represent—I mean, if the Levin-Greatford deviation were carried out?—It would not affect us personally in any way.

It would not affect your district in any way?—No, I do not think it would affect a large portion of the Oroua County.

So far as you are concerned it does not matter whether such a deviation is made or not?—As already stated, the expenditure of £1,000,000 on that deviation at the present time is not, in the opinion of my Council, warranted.

The assumption is that it is going to cost £1,000,000, but you have not been told that it is?—I believe there has been some evidence to that effect.

Mr. Luckie: Not yet, of any value.

Mr. Myers: My learned friend is totally incorrect, because there has been some evidence given in regard to that matter. What Mr. MacLean said, sir, was that Mr. Holmes in 1916 intimated that it would cost £10,000 to £12,000 per mile, and he (Mr. MacLean) said that if that were so, and he accepted his estimate, it would cost anything up to £1,000,000 to construct fifty miles of the railway between Levin and Marton.

Mr. Luckie: That was an interjection.

Mr. Myers: That evidence was given by Mr. MacLean in Wellington.

Mr. Luckie: It was never intended to ask this Commission to report in favour of that route. Now is not a suitable opportunity for the expenditure of such a sum of money.

Mr. Myers: If you say it is not warranted it will save a lot of time.

Mr. Luckie (to witness).] You referred to the financial stringency at the present time: do you think in view of those circumstances it is advisable to incur a very heavy expense immediately?—I do not suggest that at all.

LACHLAN THOMSON McLEAN sworn and examined.

Mr. Myers.] You are Chairman of the Kiwitea County Council?—Yes.

I understand from you that you are deputed by your Council to attend before this Commission and express the views of that body in regard to one or both of the matters in which this Commission has been asked to inquire into?—Yes, we discussed the matter at the Council meeting.

Will you please communicate those views?—The Council I represent is very much against the Levin-Greatford deviation. The Council thinks it would be a very bad thing for the district, because it would be cutting off the main line from a very prosperous district. The only advantage the Council

can see in regard to the Levin-Greatford deviation is that it would shorten the distance between the centres. The people living between Levin and Greatford have a tramway, and the district is fairly well served so far as railway facilities are concerned. The Kiwitea County Council is very much against this deviation being put through, and considers if any deviation takes place it should be put through to Kimbolton.

Has your Council considered the question of the railway facilities at Palmerston North and the proposal of the Railway Department to build the station accommodation elsewhere—say, at the Rangitikei Line?—They have not discussed that at the county meeting.

Mr. Luckie.] You approve of a reduction in the distance so long as it does not do any harm to your own district?—I did not say that.

You said that if there was to be any shortening of the line it should be put through Kimbolton?—I said the Council is of opinion that if any deviation takes place it should be put through Kimbolton, the reason being it would open up country.

You approve of that deviation?—I cannot say that I would.

Why not?—The only advantage claimed by this Levin-Greatford deviation, as far as I can see, is that it would shorten the distance from the centres. If that was the only object in view the line could be shortened by putting the deviation through Kimbolton.

And would you not object to that?—I did not say that I would not object to that.

Would you?—I am in favour of the line going where it is at the present time.

How long have you lived in the district?—It is the only district I have been in.

What position do you occupy in the Kiwitea County Council?—I am Chairman.

For how long?—About four months.

Surely you have considered the question as to whether or not you will support that deviation you have mentioned?—At the present time I would not support it.

Why?—I do not think it is the time to go into the question of a deviation at the present time.

Under normal conditions?—I would not say that I would.

Do you think that the people would support this deviation—that is, the people living in the Manawatu district, which forms portion of your county?—Mangaweka is not in our county.

Do you not think it would be an important advantage to them—on the Main Trunk line they are in favour of it?—I do not think so.

Why do you not think it is an advantage to shorten the route?—I do not think so in all cases.

You said the district that would be served by the railway if the Levin-Greatford deviation were constructed is well served at the present time by the tram?—That is all they require.

I suppose you leave Palmerston North to be the judge of what it requires, but you are not prepared that the other people should be the judges of what they require?—I did not say that. I suppose they would like to get rid of their tramway. I can assure you they would be very pleased to get rid of it.

I want to know why you have an opinion on one question and not on the other: why do you think it is best for them not to have communication?—They have very good railway communication.

Do you mean Foxton?—Yes. They are connected with Palmerston North.

Mr. Marchbanks.] Has there been any survey of the line you speak of, say, from Feilding to Mangaweka?—Yes.

By the Government?—Yes. It would have been approved, as far as I can understand, if it had not been for the Hon. Mr. Bryce. The Mayor of Feilding said in the course of his evidence that the Hon. Mr. Bryce had 300 acres, but he had actually 3,000 acres. The Hon. Mr. Bryce was one of the members appointed on that Commission at that time, but he would not have anything to do with it because of his land being interested.

JOSEPH LINKLATER SWORN and examined.

Mr. Myers.] You are the representative of one of the neighbouring local bodies?—Yes; the Kairanga County Council, and also the Foxton Harbour Board.

You are Chairman of the County Council, are you not?—Yes.

And also Chairman of the Foxton Harbour Board?—Yes.

Have these two local bodies considered and expressed their views upon the two matters into which this Commission has been set up to inquire?—Yes.

Well, let us take first the question of the railway facilities at Palmerston North: what representation do these two local bodies, or either of them, desire to make to the Commission?—So far as Foxton is concerned in relation to harbour matters it does not affect it at all. With regard to the Kairanga County, I should like to say that it is essentially a farming district, and a great deal of produce is sent away from that district as well as a great deal of stock. We find that through the congestion at the station it is difficult very often to get our produce railed, and in consequence a good deal of time is wasted.

Does that apply both to inward traffic and outward traffic, or traffic only one way?—We are particularly interested in sending our produce outwards, but there are times when we import goods. With regard to the trucking-yards, I would like to say that we find them in a very bad position. In order to truck stock you have to be at the yards before any other traffic starts in the morning, otherwise you are in trouble, especially through shy cattle. Accidents have already occurred there, and a great deal of inconvenience is suffered by those who handle stock there.

Mr. Luckie.] I do not think those facts are denied?—We have to wait and untruck cattle—that is, show cattle—in the morning because we could not untruck stock when people are about.

Then your Council has come to a considered opinion, and what is that considered opinion?—My Council is thoroughly in accord with the decision of the Railway Department to shift the station to the proposed site where they could give additional facilities to the people of the county.

And I suppose the Commission may take it, in coming to that decision or to that opinion, the members of the County Council have been actuated mainly by the consideration of what they think are the needs of the people of the county?—Yes.

Do you not want to express some view as to the suggested Levin—Greatford or Marton deviation—are the local bodies in favour of it?—We are all strongly against it.

You say both local bodies are of a certain opinion, and what is that opinion?—They are strongly against the Levin—Greatford Railway.

So that the Commission may assume that the whole of Foxton is not in favour of the deviation?—The Foxton Harbour Board is not unanimous—there is one exception upon the Board.

There is a minority of one in favour of the Levin—Greatford deviation, and he happens to be the Mayor of Levin?—Yes.

What is the constitution of the Foxton Harbour Board?—You mean, who are the members?

Yes?—There are representatives of the Kairanga County Council, the Feilding Borough — Who represents the Feilding Borough?—Mr. Clapham.

Who represents the Kairanga County Council?—I represent that body.

What other members are there?—The Mayor of Levin. Then there is Mr. Barber.

What district does he represent?—He represents the Manawatu district.

What is his opinion?—He is against the proposed deviation.

A number of those members have expressed their opinion because it will have some effect on the traffic round here—is that not so?—That is so.

Would it not to some material extent decrease the congestion that exists at the present time in Palmerston North?—You mean the Levin—Greatford route?

Yes?—It may to a certain extent.

What you chiefly want the railway-station removed for, or in favour of its removal to the site proposed by the Railway Department, is to improve the facilities for handling traffic?—Yes.

If they can improve the facilities without removing the station and at a less cost, would that not suit you as well?—No. The majority of the people of the County of Kairanga do their shopping in Palmerston North, and the level crossings are a source of danger to those people. I have also another objection, and that is with regard to the frontage to several farms in my county along the line from Rongotea Road. The railway-line runs in front of several farms, the only access to those farms being over the railway.

Must it not do that in a great many other places—it obviously does that all over New Zealand?—I do not think that is so.

There are many places where the railway runs alongside the road?—Not right up against the farms.

Now, in the first place you have to consider that the railway has to go by the nearest route. The road, where possible, will follow the nearest route?—That is so.

The alternative is to cut the farms in two: which would you prefer?—What do you mean, exactly?

You have either the train at the back of your farm or at the front of it?—I would rather have the train at the back of the farm rather than in the front.

You know there is a lot of valuable land lying south from Pascell Street, at the foot of Cuba Street, right down through to Kairanga Road, and beyond it alongside which the railway runs, does it not?—Yes.

If the railway-yards could be built there, do you not think that would be a greater improvement and would be less expensive than building the station in the vicinity of Rangitikei Line?—I do not think there would be any improvement in the present system, because the trains would still have to go through the town.

JOHN LLEWELYN MORGAN sworn and examined.

Mr. Myers.] You are Stationmaster at Palmerston North, are you not?—Yes.

A position which you have held for how long?—For fifteen months.

When you came here, Mr. Morgan, how would you describe the traffic at Palmerston North—would you say it was heavy traffic?—Yes, very heavy.

I just want you to take the position as it was then: if there is no more traffic than there was when you arrived here fifteen months ago, do you think that the present facilities would be sufficient to meet the traffic and enable you to carry the business of the Department on in a proper way?—Absolutely no, sir.

Since that time, you have told us, the facilities were not sufficient. Since that time how has the volume of traffic been—has it increased or decreased?—It is increasing, I might say, every month, sir.

Take the current year as against the preceding year: can you give the Commission any idea of the ratio in the increase of volume of traffic during this year?—In wagons only, do you really mean?

Give the information any way you like—you can give it in various ways if you like?—Roughly speaking, the volume of wagons handled for three weeks of this year was from 1,452 per day to 1,886 per day. That is an increase of about 6 per cent. for last year in the corresponding number of vehicles.

Is that a fair test?—That is a fair test. I would like to say that we would have handled more than that if it had not been for the labour troubles.

Would it be fair to say, if anything like the same conditions as last year existed to-day, that your traffic would have been greater?—I estimate we must be prepared for a 20 per cent. increase this year.

You have told us that the volume of traffic, so far as wagons are concerned, ranges from 1,400 to 1,880?—Yes. By using every siding in the yard we can accommodate 917 wagons. This would mean that the yard would be blocked in every direction.

Can you say to what extent you think an increase in the yard accommodation is necessary—that is, the percentage of increase?—I consider we should not have less accommodation than standing-room for 2,000 wagons in our yards.

Does that mean you will require more than twice the accommodation you have at the present time?—Yes, two and a half times, at least, for our present work.

That is without looking ahead?—Yes.

What about your station accommodation?—The station accommodation is also very poor. I suppose every one knows what is termed by "scissors crossings." Well, it is points situated in the middle of the platform which allow trains to go from one road to the other. As far as we are concerned, we can hold two trains of twelve cars and a van, but the majority of our trains are of a total of thirteen, fourteen, and fifteen. We have different trains to cross, and we have not the accommodation for them. The least I can say is that the conditions are absolutely dangerous at the present time.

Then, so far as the station and platform are concerned, are they sufficient?—I must have an increased length of three cars at each end—that is, the length of three cars. This would mean about fifty yards each way.

What about the width of the station?—The platform is also dangerous. It is not wide enough, and, to my mind, it should be double the width.

What about the goods-shed?—It requires to be four times as large, at the very least. Three parts of our goods-shed work has to be done outside of it.

Can that condition of things go on?—Absolutely, no.

Can you expect to work a staff under such conditions?—It is by extreme tact that I am able to keep the men going.

Are you in a position to speak about the engine-shed accommodation?—Yes.

Have you considered the question as to whether you will have sufficient, or anything like sufficient, room to enable the requisite increased accommodation to be provided?—I consider it is absolutely impossible without closing the Square altogether. You must have the length, and the length is not there.

You want breadth, too, if you are going to increase the width of your station?—I must have another platform, if the work is to be carried on.

When you say "another platform," what do you mean?—Another platform so that I can bring four passenger-trains in at once. At the present time, if I bring in four trains, the people have to scramble over the cars in order to reach the platform.

You really want two platforms?—Yes.

You require an island platform, or something of that description?—If an island platform were provided it must have docks at each end. You want accommodation for those trains coming and going.

You are speaking of the present-day requirements?—Yes.

I think you know the land we have spoken of in the neighbourhood of West Street: it is suggested by some gentlemen that some of that land could be used in connection with the present yards for the purpose of providing the necessary accommodation?—It is not feasible, sir.

That is your opinion?—Yes, that is my candid opinion, and I can speak as an expert of some thirty-seven years' service; and I think I am right in saying that I have had 99 per cent. more experience than other railway men. You could not work the business on the other side satisfactorily. It would be a menace to the safety of the railway traffic from one year's end to the other.

Would you say that the land which Mr. Luckie suggested should be taken is farther away from the business centre of Palmerston North than the proposed new station-site?—I am sure you will find that is correct.

Moreover, you say that you do not think the proposal is feasible?—No, sir, it is not feasible.

Still dealing with the suggestion made by Mr. Luckie of taking land to the south of West Street, suppose such a course was adopted, what would be the effect so far as West Street is concerned?—West Street would have to be closed and made available for railway purposes.

And Cook Street would have to be closed also?—Yes.

What about Main Street?—Main Street practically becomes West Street—that is, it is the junction one with the other. Main Street ceases before it crosses the railway and becomes West Street.

Mr. Luckie.] Mr. Morgan, you are not an engineer, of course?—I will say this: I have had to do with the laying-out of stations during the last ten years.

You are a traffic man, are you not?—Yes.

You are aware that the proposal of the Railway Department is to take away the present station altogether and place it on a new site: what do you say about that proposal?—I consider it is the only feasible plan that can be achieved for carrying on railway business.

You say that as a result of your knowledge and experience generally, and particularly as a result of your experience in Palmerston North, and knowledge of the present-day conditions?—Yes.

It has been proposed to close Cook Street, but it has not been done: you have been working over Cook Street for a long time past, have you not?—Yes.

Mr. Marchbanks.] Can you say, roughly, what proportion of wagons that arrive in Palmerston North are from the north and going to the east coast—that is, from the north of Terrace End, on the

west coast, going out to the Wairarapa line and the Napier line?—You might say that half the traffic for the east coast comes from the north.

You say that about 1,400 trucks are handled every day from the north for the east coast?—I could get those figures.

And also from the Wairarapa side coming into Palmerston North and going north?—I will also get that information. As far as the passenger traffic is concerned, about half the volume of traffic which passes along the line goes from Palmerston North or comes into Palmerston North. I think you will find that the goods traffic is somewhat similar.

ERNEST HUGH CRABB sworn and examined.

Mr. Myers.] What is your profession or occupation here?—I am a grain-merchant.

You are also a member of the Borough Council?—Yes.

And you are the senior member of the Council?—Yes.

That is the Palmerston North Borough Council?—Yes.

You heard the evidence given by His Worship the Mayor?—Yes.

Do you concur with the evidence he gave?—Yes.

I think you desire to state certain matters yourself to the Commission?—Yes.

You have a note of the various matters on which you desire to inform the Commission?—I have been appointed by the Borough Council to give evidence from the Council's point of view in favour of the proposal submitted by the Railway Department. When the matter came before the Council it was in answer to an inquiry from the Council as to the reason why Cook Street had not been closed, and the alterations made in the yards which were originally proposed and which were urgently required. The proposals of the Department came as an absolute surprise to the Council, but we considered it was primarily a matter that affected the welfare of the Dominion through its Railway Department, and as such, of course, it was for us to forgo any local feeling that we might have in the matter. When we came to look into the matter we were favourably impressed with the proposals that had been submitted to us. We considered the present position a great drawback to the welfare of the town as a whole, and we desired to see an improvement effected. I may say that we have made repeated applications to the Department with regard to the danger caused by the trains running through the Main Street. I have lived in Palmerston North for eleven years and during that time I can recollect about seven fatal accidents over a portion of the line affected by the deviation. We have also made repeated applications to the Government with regard to the loss and inconvenience suffered to the town, and also with regard to the insufficient accommodation at the station, and we welcomed the opportunity of getting rid of what we considered to be both a menace to the welfare of the inhabitants and an increasing drawback to the welfare of the town itself. With regard to the best methods of dealing with the present disastrous congestion, we consider, of course, that that is a matter for the Railway Engineers and the General Manager who, after all, are responsible for the railways of this Dominion. It was distinctly understood that the proposal submitted by the Department was the only solution of the problem, and therefore we considered that that settled the question entirely, and we were justified in leaving the matter in the hands of men who have made a life-long study of the problem. I would like to point out that the present position from the point of view of the borough can best be described as disastrous. Through the long delay over this matter I estimate that the financial loss to the Council will be not less than the sum of £7,000 to £10,000. We were just on the point of doubling our gasworks, and for that matter the excavations had started. I may say that machinery is continually arriving, and at the present time we have upwards of £40,000 of machinery lying round. The gasworks are overloaded, and they are on the point of breakdown. We cannot extend or provide the necessary facilities for the town because of the present position and delay in regard to the deviation question. If the deviation question is finally settled upon we must move our gasworks to a point somewhere in the vicinity of the proposed station, and until that question is settled we are unable to do anything. I may say that we have contracts held up at considerable expense at Home, and the materials must arrive a long time before we are able to provide a building for them. I want to bring under the notice of the Commission that this matter should be settled definitely. I consider that most of the objections raised to the scheme submitted by the Railway Department are puerile and "piffling." I have never heard serious men raising such foolish objections as some of them are raising to-day. I want to say on behalf of the Council that when we considered this matter we sympathized with some of the people who are going to lose through the alterations. I have listened to their evidence, and I would ask if there is any means of compensating them that the matter should be considered. I may say that the flooding at the site of the proposed new station is very largely due to the overflow from the Kawau drain, and I may say that the Council at the present time is engaged in straightening the drain. I presume the engineers looked into that matter before recommending the scheme. With regard to the swamp that has been spoken of, I desire to say that there is not a bit of that country there that has not a clay bottom. There is one other matter I think should be taken into consideration, and that is the duplication of the line. In a comparatively short period it will be necessary to duplicate some of these lines, and if another duplicated line is to go through the town, then you will have to close Main Street or it will be a death-trap.

Mr. Luckie. You have said something about the reduction in values. You have in the ordinary course of events seen the growth of Palmerston North for many years—it must go towards the railway?—I do not agree with that.

You know that large prices have been paid for land in the neighbourhood of the proposed station?—Yes.

Does that not indicate that the growth of the town must go towards the railway?—That indicated that some speculators have got in early.

If land has increased from £120 to £350 per acre, would that not be a pretty considerable increase?—Yes.

If that is justified there must be a corresponding fall somewhere else sooner or later?—In my opinion the Main Street property when the station goes away from there will, with the exception of hotel property and the small shops dependent on the catch trade, increase in value.

You had a dispute a short time ago with the Railway Department, who wanted to fence the railway-line towards Terrace End?—You have stated the position incorrectly. The point was there were two children killed up there, and we thought the matter was so serious that we asked the Railway Department to fence the line and provide cattle-stops at each of the crossings. Sir William Herries came up to see us about the matter, but in the meantime a small counter deputation was got up, and Sir William laughed and said that under the circumstances it would be better to find out exactly what we required and then perhaps he would be prepared to consider the matter.

Surely it was a matter that the Borough Council should have overridden this small deputation on?—Sir William Herries remarked to us afterwards that it was the best “get-out” he had had.

You did not press the matter?—No.

You mentioned about several accidents that had taken place?—Yes; one was at the crossing this side of Longburn and the other at Monrad Street.

That is a long way from the populated portion of the city, is it not?—That is so.

Have many accidents taken place at the Square?—There have been a good many accidents there, but they did not result fatally.

You will have that wherever you have level crossings. Then your objection to the railway remaining where it is—assuming that the congestion could be got rid of—would be the question of trains running through the city?—Yes.

You have, as a member of the Borough Council, concurred with the desire of the Railway Department to the closing of Cook Street?—In these matters we are aware of the needs of the Railway Department. As a matter of fact the railway is becoming an increasing nuisance to the town.

It was not the idea of the Borough Council to get the railway-station removed at all—it was the Department's idea?—Yes.

HENRY LLEWELYN YOUNG sworn and examined.

Mr. Myers.] What is your occupation?—Managing director of Messrs. H. L. Young and Co. (Limited).

A company carrying on business in Palmerston North?—Yes.

What is the nature of your business?—Manufacturing stationers.

You are the president of the Palmerston North Chamber of Commerce, are you not?—Yes.

Has your Chamber considered the question of the railway facilities at Palmerston North?—Yes.

Has it considered the question as to whether the station should remain where it is, or whether it should be removed to the position suggested by the officers of the Railway Department?—We have discussed the matter fully.

And has your Chamber come to a considered opinion on the point?—Yes.

And what is that considered opinion?—Briefly, I would like to give you the views of the Chamber. As president of the Chamber of Commerce—and I represent the majority of the business people in this town—we are all unanimous with the Borough Council that the removal of the station to the site as approved by the Railway Department is absolutely necessary. The accommodation at the present station for traffic, such as passenger and goods traffic, is, in our opinion, inadequate. The conditions under which they are working make the removal of the station essential in the interests of the Department, the town, and the district of Palmerston North. I should like to point out that if the station is continued—or, rather, if the station is enlarged on the present site, the length would be so great that with the shunting that is necessary it will practically mean closing at intervals the whole of the public thoroughfares of Palmerston North from West Street to Princess Street, which is opposite Devine's Hotel. Then, of course, the burning question with us is having two lines running through the centre of our town, which divides it in half. It creates a nuisance so far as the Post Office, the telephone bureau, and the Public Library are concerned; and apart from that, the mere fact of having sets of lines for the Auckland, Wellington, New Plymouth, Wairarapa trains through the centre of a town the size of Palmerston North is only courting disaster, and we feel that a grave responsibility rests with us if we allow this condition of affairs to continue any longer than is necessary. We approve of the new railway-site which the Railway Department has chosen by reason of the fact that it is easily accessible and has good roads. There is ample room there for future development, and we think the undertaking will be immediately productive, and that it is necessary for the development of the Main Trunk system. We are perfectly cognizant of the fact that land values and property will probably decrease in Main Street, but it appears to us that it is a matter of principle, and the deciding factor should be the greatest good to the greatest number. The petition as presented to the Minister from five hundred business people of Palmerston North—that is how it was headed—is comprised, as far as we know, of a few firms who are interested in the vicinity of the present station, some of whom are landowners, leaseholders, and small business people adjacent to the present railway-station. I wish to present to the Commission, with their permission, a petition comprised of business people in Palmerston North, and I would like to stress this point: that some of the gentlemen who have signed this petition are interested in property within close proximity to the railway-station, whilst others have farming interests in the Levin-Greatford deviation, but

they are forgetting their own interests in order to help the Palmerston North Borough Council to secure a railway that will give satisfaction to the community. I desire to hand in this petition. [Exhibit No. 7.]

There are 237 signatures, are there not?—Yes. I may say that I have had that purged, and I find that there are seven signatories who are not business men.

I think one or two of the persons who signed themselves as farmers are really business men?—Yes.

May we take it that 230 out of those 237 names are *bona fide* business men, or firms recognized as carrying on business in Palmerston North?—Yes.

Can you say whether they represent the bulk of the business interests in Palmerston North?—Yes. We submitted the petition for signature on Monday at 11 o'clock, and the petition was returned again on Tuesday at 11 o'clock.

The whole of the signatures appearing on the petition were secured without any difficulty and within twenty-four hours?—That is so.

Do you desire to say anything about the Levin—Greatford Railway?—No.

Mr. Oram.] It has been suggested in a previous examination that the majority of the people who signed the petition have businesses in or about Rangitikei Street: are you in a position to say whether or not that is correct?—That is not correct. The petition was taken round the Square, to Terrace End, and all over the town.

There was another suggestion made, and that was that practically all the signatories were merely leaseholders, or tenants?—That is wrong, because we have all the largest firms in the town on the petition, and they are all freehold properties.

Mr. Luckie.] Are there not a large number of leaseholders?—There may be some, perhaps.

The bulk of those people who have business premises in Main Street and the Square, are they not mostly leaseholders and tenants?—I should not say so.

You have, too, the small shopkeepers?—We have the large shopkeepers.

For how many years have you been in Palmerston North?—For twenty years.

You know whether or not the great bulk of those people are tenants or owners of land?—No, I do not.

If a large number who are shown there are tenants, you are not prepared to deny it?—No.

Do you say that the shunting could not be done even if they went farther south than they propose to do now without going up to Princess Street?—I did not say that. I said that if the station is enlarged it would practically mean closing at intervals the whole of the public thoroughfare from West Street to Princess Street.

That is a matter of expert opinion?—No.

The Commission adjourned till 2 p.m.

On resuming at 2 p.m.,—

JOHN MOORE JOHNSTON sworn and examined.

Mr. Myers.] You live in Palmerston North?—Yes.

You have been in Palmerston North for a long time?—Yes.

For how many years?—About thirty-five years.

You are a land agent in Palmerston North, but amongst your activities I think you are honorary treasurer of the Agricultural and Pastoral Association?—Yes.

And also secretary of the Manawatu Racing Club?—Yes.

You are here to speak as a delegate from those two bodies and also to give your own views?—Yes.

First of all, supposing the railway-station is shifted entirely, as suggested by the Railway Department, how will that affect the Racing Club?—If I may be permitted I would like to read to the Commission the views of the committee both of the Racing Club and the Agricultural and Pastoral Association. The following refers to the Manawatu Agricultural and Pastoral Association: "The grounds of the association are at present situated 12 chains from the present railway-station, and when the proposed new station is made the distance will be about 50 chains from the nearest point to the back of the grounds. The committee considered the proposal and came to the conclusion, notwithstanding the increased distance from the railway-station to the grounds, that the proposal of the Railway Department is in the best interest of the town and district, and would give much better facilities to the stockowners and the public. The association has a membership of over 2,200." Then, the undermentioned refers to the Manawatu Racing Club: "The Awapuni course is situated two and a half miles from Palmerston North and two miles from Longburn. A mile and a half from Longburn, at Awapuni Railway-station, the club put in a railway-siding about half a mile in length right on to the course, at their own expense, and costing a considerable sum of money—about £6,000—which enables them to land the public at the lawn-gates. The proposals of the Railway Department for the removal of the present railway-station to the new site will increase the distance to Awapuni by about a mile, and do away with the siding being used from Palmerston North. The committee went fully into the matter, and, though they will be at considerable disadvantage by the change, they are of opinion the proposals of the Railway Department are very necessary and in the best interests of the Dominion and this district."

Is that the considered opinion of the responsible officers of the Manawatu Agricultural and Pastoral Association and the Manawatu Racing Club?—Yes, the committee of the Racing Club and the committee of the Agricultural and Pastoral Association.

And these bodies have come to the conclusion, although from one point of view their own interests may suffer, that in the interests of the district and the Dominion as a whole this change

recommended by the Railway Department should be adopted?—That is so, sir. A change is absolutely necessary because the danger to life and limb is too risky to carry on any longer.

They have taken all the circumstances into consideration?—Yes, they took everything into consideration—that is, both schemes.

Did they consider it in comparison with the retention of the present station and yards?—Yes.

Mr. Johnston, I think you know the land about Palmerston North as well as most people?—I think so.

It is your business to know?—Yes.

One suggestion that has been made is that if the present yards be retained—assuming it to be feasible to carry on there—the station and platform buildings would have to be extended into Main Street and a considerable quantity of land fronting the other side of Main Street taken for the purpose of making the alterations. Have you gone into the question as to what that would mean in the way of compensation?—The present width, I understand, is quite inadequate, and so is the length. If they must encroach on Main Street they will have to take the block of land from George Street right down to the Foxton crossing. [Plan produced and position explained]. This would mean an expense of probably £240,000 without compensation for buildings and loss of goodwill, and without taking into consideration the cross-streets.

Have you made a rough estimate of what the compensation would amount to?—Yes, I have.

What do you estimate would be the amount?—From Main Street to Cuba Street, if the station is allowed to remain where it is, it would cost an enormous sum of money to enable the Department to acquire the amount of land that they would need. It would be necessary for the Department to buy the whole of the land from George Street right down to the Foxton line crossing or farther, and do away with Main Street. This would put Cuba Street in the same position as Main Street. This would run into a distance of 60 chains to Main Street and 60 chains to Cuba Street, making a total of 7,920 ft., or 8,000 ft. at an average of £30 per foot, and this would, as I have already stated, without taking into account the buildings, amount to a sum about £240,000. If the buildings are taken into consideration the amount would be much larger.

And the goodwill of the business?—I consider it would take the best part of £500,000. The life of any building is not much more than thirty years. With the exception of one hotel and one other brick building, the premises from the railway-station to McMurray's building were temporary shacks, and the hotels and boardinghouses were very old wooden buildings.

The fact is that in your estimate of a quarter of a million you have not taken into consideration the buildings at all, nor have you taken into consideration the disappearance of business premises?—No.

Have you considered the probable value of the whole of the railway land now occupied by the station and yards in the event of the station being removed to the proposed site?—Yes.

What do you say about that?—To arrive at the value of that land it depends upon the manner in which it is cut up and the state in which the Railway Department leaves it. I do not think that the frontages in Main Street will be as materially affected if the station is removed as some of the owners seem to think. The Government acquired Sections 703, 705, 707, 711, 713, 715, 717, 719, 721, 723, 725, and 727 on this plan [Exhibit No. 1] fronting Church Street. That land was taken under Proclamation from the New Zealand Express Company, and from the Rhodes Estate. The sections opposite in Church Street will be more valuable when the railway-station is removed than it is now, because it would increase in value as residential sites when the noise and smoke of the railways were removed.

You find it difficult to place a value on the land?—I do not think the valuation that has been put on the land is an outrageous valuation.

You would not say that the valuation suggested by Mr. MacLean is an outrageous valuation?—No. If the land is cut up in a certain way it can be made more valuable.

We have heard it suggested that nearly everywhere the business places follow the railway and get near the railway: Can you say whether that has been the case in Palmerston North?—The railway-station was in the Square for years—that is, in the centre of the Square. It was subsequently moved down to where it is now and Pitt Street was closed. The traffic going up towards the Square drew the shops that are situated in Main Street now. The sections opposite the railway-station are unsaleable.

Is it not a fact that the trend of business premises has all been up Rangitikei Street away from the railway-station?—For the last twenty-five years the business premises have been going up Rangitikei Street. The business places in Main Street between the railway-station and the Square are mostly restaurants, small shops, barbers' shops, and so on.

You know the nature and quality of the land in the neighbourhood of the proposed station and goods-shed, do you not?—Very well.

It has been stated that it is swampy ground and that you can put a stick down, say, from 15 ft. to 20 ft.: What do you say about that?—That is absolutely untrue. There is, however, a bit of a wet hole in Milverton's section opposite Fair's paddock adjoining the saleyards paddock.

There is a bit of a hole at the corner of Milverton's section—the hole is about a quarter of an acre?—That is so. It would not exceed a quarter of an acre. It is only wet when there are heavy rains.

Do you know Fair's paddock?—Yes.

Do you know how near it is to the proposed railway?—It is on the opposite side of the road from Milverton's. It is about 10 chains away from the low place in Milverton's section.

Fair's paddock does become flooded at times—portion of it, at any rate?—I may say that the bank of the Mangaone is not good; it is low in parts north-east of the Rangitikei line. It overflows and comes down the drain and comes on to the road, and it runs into Fair's paddock.

We may take it that the water that floods Fair's paddock is from the Mangaone?—Yes. I may say that the total depth of water would not be more than 12 in. I went up to have a look at it during the last flood, and the last flood was the first water I have seen in that paddock for three years.

Somebody said that it floods seven or eight times a year?—That is absolutely untrue. The late Mr. E. J. Riddiford leased that paddock for a number of years as a fattening-paddock, and he was the last man to take a fattening-paddock that was full of water. At the Commercial Hotel crossing recently I was stopped there, and in three minutes there were twenty people standing on one side, sixteen people on the other, four cars and a lorry, and three cars and three carts on the other side. I may say that that is not an unusual occurrence, and it happens not only at the crossing in question but at times at the Post Office crossing. From Terrace End to the Foxton line, a distance of 186 chains, there are eleven level crossings. The town is divided in two, and the entire population on the eastern side of the town must do their business on the other side of the railway, and they are compelled to negotiate these crossings. I cannot see how it is possible to advocate the extension of the line as suggested in the interests of the town. If this were done it would mean that there would be greater congestion than there is at the present time. If the railway-station is removed Main Street would certainly become a residential area, and it would extend towards Terrace End, and the southern portion of the town would become a good business area.

Mr. Luckie.] As far as the bodies you represent are concerned, how many times a year does the Agricultural and Pastoral Association hold its meetings?—Two shows a year—in all, nine days, and Ram Show, two days. Racing Club, five days racing.

Of course any alteration in the location of the railway-station is not going to vitally affect the interests of either of the bodies you represent?—As far as the Agricultural and Pastoral shows are concerned, I would like to say that the great factor is to be as near the railway as possible.

It will not affect the number of exhibits?—It will decidedly affect them. On show days people come from Masterton, Taihape, and Wellington, and the trains bring about fifteen thousand people or more.

Have you any dealings with property on the Rangitikei line?—Yes, I have.

Any recent dealings?—Not since the talk about the deviation. I have, however, advised people not to sell.

Have you had property placed under offer to clients?—No.

Not your Mr. Davis?—No, I do not think so.

It was stated that he placed land under offer to a Mr. Cook?—It was unknown to me.

You say that the land you value at £30 per foot is unsaleable?—Yes.

Why?—Because the railway-station is there.

What is the land in Main Street worth?—Mr. MacLean put a price on the land?—I do not know what Mr. MacLean values the land at. When you take the high values as against the low values you have to bear in mind how they cut it up.

For residential sites what is your rough estimate of the value of land in this locality?—In Broad Street, about £40 a foot.

You are a land-valuer, are you not?—Yes.

You mentioned that the value of the property is going to depend on how it is to be cut up?—I did not say it was valued at £30 a foot.

If witnesses who pass that place where you say there is about a quarter of an acre of flat-lying land say that about 3 acres of the land are in flood half a dozen times a year, you say they are not speaking the truth?—I say that land was dry up to the last flood in October, except for a few yards, say, about the size of this room. [Room approximately 30 ft. by 70 ft.]

Have you seen water on Fair's section?—I have not seen a foot of water on Fair's section for three years until the last flood.

I can produce witnesses who say that they have seen 3 acres of it under water and more than a foot deep?—I am talking about Milverton's paddocks.

Mr. Myers.] What about Fair's paddock?—I have not seen water on Fair's paddock worth speaking of until last October for years.

Roughly, what area would you say was flooded?—The greater part of the flat was flooded. There was about a foot of water on the whole ground.

Mr. Myers: That is all the evidence I wish to call, sir.

Witness: I would like to say, as far as the Levin-Greatford deviation is concerned, that all my interests are at Rongotea with my sons, who have a farm there, and it would be to my own interests to have the Levin-Greatford deviation constructed, but I am looking at this matter from the point of view of the people of Palmerston North.

The Commission adjourned until 2.30 p.m. on the 22nd March, 1921, at Wellington.

WELLINGTON, TUESDAY, 22ND MARCH, 1921.

FRANCIS WILLIAM MACLEAN further examined.

Mr. Luckie.] I understand from your evidence that you have been five years as Chief Engineer in the Railway Department?—Yes.

Prior to that time I presume you had nothing to do with matters of this kind?—Yes, I had.

For how long prior to that would this matter come within your jurisdiction?—I do not quite understand the question, because during the whole of the time I have been employed in the New Zealand Railways I have been engaged on such questions.

How long has that been?—That is thirty-six years; and prior to that I was employed on similar questions on the North British Railway.

Matters of this character relating to the administration of the railways, and particularly with reference to Palmerston North, would have come under your notice officially at any time during how long a period past?—The last thirteen years. It is during the last thirteen years that I have been attached to the Head Office.

And during that period, though you were not all that time occupying the position of Chief Engineer, matters of this description would naturally have been referred to you for consideration?—Not always.

Was this question of additional accommodation required at Palmerston North referred to you before?—It was discussed with the Chief Engineer on many occasions during that time.

It was in your memorandum of August, 1919, that the question of the deviation in the manner you have indicated was first put forward, was it not?—That is so—a definite proposal.

I take it, then, that as a result of that recommendation the confidential meeting with the members of the Palmerston North Borough Council was held with a view to getting the voice of that body upon the proposals which you then put forward?—That is so. My proposals were laid before the General Manager. They had to receive his consideration, and they did so.

Do you say that the matter was discussed with the Mayor of Palmerston North?—Yes. The first meeting with the Palmerston North Borough Council, so far as I am aware, was in June, 1920.

As a result of this?—Yes.

It is well known, according to the evidence given, that this idea emanated from your Department entirely, and not from the Palmerston North Borough Council?—That is so.

And the first indication given to the public was the interview with the Palmerston North Borough Council?—As far as I know.

Prior to that time your report was the first indication of your proposal to deviate?—So far as I know.

Prior to that all the proposals in connection with the improvement in the condition of things in Palmerston North had not been by way of deviation?—Proposals were made, and it was suggested in one memorandum, at any rate, to the General Manager, that it might be necessary to consider the question of removing to another site altogether. That was in 1911.

At any rate, the first time when it was formally proposed as a practical necessity was put forward in 1919?—That is so—a definite proposal.

Nearly all the other proceedings that have been taken related to an improvement of the conditions as they exist at the present railway-station: is that not so?—That is so.

Involving the purchase of that additional area of land from the New Zealand Express Company and the Rhodes Trustees, which took place about ten or twelve years ago, was it not?—That took place about 1911 or 1912.

But since then no step has been taken to make use of the additional accommodation provided?—The war intervened, and it was practically impossible for us to do anything.

And, but for the war intervening, may I take it that some steps would have been taken to make use of that additional accommodation?—Conditional on Cook Street being closed.

Is it not a fact that Cook Street was legally closed?—No.

It says so in your evidence—that it was closed again in 1912?—No.

If you did not actually close it you took authority to close it?—A certain Proclamation was issued, but previous experience showed that Proclamations were of no avail. On two occasions the closing had been approved, but doing the thing is a different matter.

But you had been advised that you had legal power to close Cook Street?—The Crown Law Office stated that there was existing legislation which partly gave us the power, but special legislation was absolutely necessary.

Is it not a fact that you have power to close Cook Street?—I know we have not.

Why?—It is a question which has been tested in the Court of Appeal on two previous occasions, and we have failed.

But was not that due to the fact that the wrong method was adopted in doing so?—No.

Your evidence with reference to Cook Street makes it clear that there was something wrong with the Proclamation?—On the first occasion the Court of Appeal stated that wrong steps had been taken; when those steps which were indicated were taken, then the Court of Appeal said we had not the power, so we did not know where we were.

But since then a third Proclamation has been issued, has it not?—Taking that area I was referring to—those sections from the Express Company and the Rhodes Trustees; and included in the Proclamation was the taking of a portion of Cook Street—but there are other steps necessary before we can close Cook Street.

It is only a matter of compensation, is it not?—No.

What else is it?—If you look at the Municipal Corporations Act you will see the steps that are necessary to take. The question has to be submitted to a Magistrate, and his decision is absolute and final, and he can say whether the street is to be closed or not.

This question has not been referred to a Magistrate yet, has it?—No.

Or Pitt Street?—Yes.

And Pitt Street was closed conditionally on a subway being provided?—Yes.

What did the Magistrate say?—He said Cook Street could not be closed. He said he agreed to Pitt Street being closed if a subway was provided, but at the same time he said that Cook Street could not be closed.

But there has been nothing done subsequent to the last Proclamation?—No.

The last Proclamation was in 1912?—That is so. That step could be taken without any Proclamation at all.

Which step could be taken?—If you will look up the Municipal Corporations Act you will see all the steps there that are necessary to take.

But you will find that the Railway Department has certain expressed powers in regard to land which may be taken, and a street can be closed subject to the Municipal Corporations Act?—I do not wish to lay down the law about these things, but the provisions of the Municipal Corporations Act are perfectly clear. The whole question of the closing of a street rests with the Corporation. The Borough Council has, in the first place, to agree to the closing, and then has to call a public meeting. If that public meeting agrees to the closing of a street, then it can be closed provided there are no dissentients. If anybody objects he can apply to the Magistrate; the Magistrate then gives a decision, and upon that decision depends the question of whether the street shall be closed or not.

Then I take it there was very little use taking the land you acquired unless you secured the closing of Cook Street?—The land could be made some use of, but very little use, unless Cook Street was closed.

Did the Department take any steps to secure the closing of Cook Street before it acquired the land?—It negotiated with the Borough Council.

Did it get the consent of the Borough Council?—Yes, the Borough Council said that it as a Council was quite willing that the street should be closed.

And I suppose it is correct to say that the closing of Cook Street, and possibly West Street, would be essential to any effective improvement?—Any temporary scheme, yes.

Is there any possibility of anything but a temporary scheme?—In my opinion, no.

You prepared certain plans which you submitted to this Commission on the first day showing certain other proposals than the present deviation—the proposals marked red and green?—Yes.

When were those prepared?—In 1919, along with the report you have referred to.

What was the object in preparing the plans?—It is explained in the report itself.

To show that there was no other possible way than the deviation—is that so? What I want to put to you is this: it means that there was no object in putting in plans with the idea of setting up ninepins to knock them down again?—If you will let me see my report I will show you why the plan was prepared. It is perfectly clear as far as I can make it so. I stated as follows: "To deal with the passenger traffic properly without unduly hampering the traffic in Main Street I am satisfied that this street opposite the station building and at the approaches thereto should not be less than 100 ft. wide. The necessary accommodation cannot satisfactorily be provided in a building of less than 50 ft. wide, and the main platform should not be less than 30 ft. wide. These widths I consider the minimum possible. On a print of the draft rearrangement plan (No. 26630) which has been prepared I have shown the effect of providing the widths suggested in different ways: (a) (red lines), by encroaching on the land occupied by the railway-station; (b) (green lines), by the purchase of land on the opposite side of Main Street." That explains why that plan was prepared.

These were alternative proposals, and you showed they were unsuitable?—They were alternative proposals for obtaining the widths of the building, the width of the street, and the width of platform which I considered the minimum possible.

You prepared those plans and were satisfied that there were grave difficulties attendant on both those proposals?—I went on to say in my report—"If the former method (the red-line method) were adopted comparatively little land would be available for sidings, sheds, &c. In the latter method (the green-line method) a very large expenditure in the purchase of property would be involved."

One meant the taking of Main Street, and the other did not?—That is so.

And you indicated that in the green scheme you would have to take an area of Main Street, which was very valuable on account of there being so many buildings on it?—Yes.

Was it proposed then to divert Main Street?—That is the reason for it.

Where would you divert Main Street to in that case?—Opposite the station.

Whereabouts would you divert it?—I explained in my evidence that it would probably be somewhere towards Andrew Young Street and along to beyond Short Street.

That would involve the station remaining where it was. You were quite satisfied that neither of those schemes would be satisfactory, is that so?—I reported so in my memorandum.

And you were satisfied that no other proposal could be given effect to with any value than the deviation you proposed?—I placed before the General Manager the various proposals which seemed to me possible, and of the three proposals which I submitted I recommended the deviation as being in the best interests of every one concerned.

And the three proposals you put before the General Manager were the only three proposals that you thought feasible?—Yes.

And two of the proposals were the green and red schemes?—I do not quite gather the meaning of your question.

I am saying that you said you put before the General Manager the only three proposals which you considered were in any degree feasible?—The three proposals which I considered would be possible.

The red proposal and the deviation?—That is so.

And you at once showed the difficulties about the green and red proposals, which showed that they were totally unsuitable?—Yes.

And you are satisfied that there is no other proposal than the deviation which may be suitable?—Within the limits of expenditure which are in any way practicable.

It never occurred to you to go farther south with the station?—It did.

And did you not find that would be satisfactory?—It would not satisfy anybody.

At any rate, you are quite satisfied that on the proposals you put before the General Manager the deviation was the only one of any use?—I considered the deviation was in the best interests of every one concerned.

Is it the only efficient one?—In my opinion it is the only efficient one.

And you considered the green scheme was totally out of the question on account of the enormous expense?—It was going to cost large sums of money in the acquisition of land, and in the second place it did not provide the necessary accommodation for working the traffic and for shunting the traffic with safety to the public.

Then, as a matter of fact the whole question, I take it, is a matter firstly of the necessary accommodation for shunting, goods-sheds, engine-houses, and passenger-station?—Yes.

And a suitable site for them?—That is so.

That is the whole question which has been agitating the mind of the management for many years past in connection with Palmerston North?—It is not the whole question, because the Railway Department has to consider the safety of the public; and mixed up with this question of the passenger-station was the question of running a railway along a road from Longburn to Terrace End, and that weighed very heavily with me, at any rate, and I am sure with the Railway Department, in considering any proposals that had to be made.

Mr. Myers.] With level crossings?—Yes.

Mr. Luckie.] There are, as a matter of fact, practically level crossings all over the New Zealand railways, are there not?—There are.

I suggest to you that they are just as urgent a matter in other parts of New Zealand as they are between Longburn and Palmerston North?—Well, I cannot accept your suggestion.

Why not?—Because of the danger of running through the centre of a town.

You were talking about a line running along the road between Longburn and Palmerston North?—No, between Longburn and Terrace End.

You have had some experience of the railways in England and America in connection with these matters?—Yes.

Is it not a fact that in some of the big railway centres both in the States and in England, where the population is infinitely greater than it is in Palmerston North, the railways run with level crossings, right through the centre of some of the cities?—I know that in England such is not the case.

What do they do there?—They provide bridges.

Precisely, where the population is such that it is necessary; but they do not deviate the railways do they?—Yes.

To what extent?—To a very large extent. If you knew anything about it you would know that in Boston, America, a huge deviation was made, and huge deviations have been made in Chicago, and all over the place.

For instance, at Waterloo Station in London, and at Clapham Junction, do not the railway-stations still exist in the middle of the city?—No.

Is it not a fact that at Redfern they are trying to bring the railway-station into the middle of the city?—No.

They are trying to get it in?—Yes, but they cannot succeed.

The only thing that stops them is the cost?—The cost must be considered.

Is it not necessarily a fact that Palmerston North owes its actual existence in the size to which it has grown to its being practically the centre of the North Island railway system—it is due to the fact of the railway centre being there that the population is round it?—I think the prosperity of Palmerston North is due to other causes than the railway.

I am not talking about the prosperity of Palmerston North, but the population?—And the population.

Do you not think they have had a good deal to do with it?—I do not think so.

Why is there such an enormous population in Palmerston North as compared with Feilding?—Because there is a wider stretch of country there.

Is it better country round Palmerston North than at Feilding?—I think so. I am not much of a farmer, but taking area for area I think it is so.

There is no land like that which is around Marton and Feilding?—I think if you compared the area of the land round Palmerston with that at Feilding you would find that it is so.

Is it not a fact that the natural result of the removal of the railway would be to gradually draw the city out to Rangitikei Street?—No, I do not think so. I am satisfied from my own personal investigation and from the evidence that has been given before this Commission that the growth of Palmerston North was north-west of the Square long before there was any talk of removing the station.

I am not denying that. It had built itself around the Square when the Square was near the railway-station, and then drew out to the natural outlet, which was towards the west?—It is just the contrary.

Is it not a fact that the building of the railway-station must naturally draw the city out in that direction?—The proof is there. It is growing in another direction.

Mr. Myers.] What Mr. Luckie means is, will not the diversion of the railway draw the town towards the new station?—I think it will draw the town more rapidly in the direction in which it is now going.

Mr. Luckie.] That is what I wanted to know, and it goes to show that the natural consequence of taking a railway centre of that size and of that importance in or about Palmerston North is bound to bring the city round where the station is?—I do not think so.

Perhaps you can tell us from the plans where it is proposed to construct the railway-station, and where the yards are to be. [Plan referred to.] What land is it proposed that the Government shall acquire?—The land necessary for the station.

What area is it proposed to acquire?—That is not absolutely decided. [Centre of station indicated on the plan.]

What area of land do you consider necessary the Department should acquire for the purposes of the railway-station, goods-sheds, running-yards, engine accommodation, and engine-houses?—Is it wise to answer that question?

It has a considerable bearing upon the necessity or otherwise of going so far afield for the land you require?—To provide for present requirements and for future development we think it will be necessary to take land sufficiently long—about 80 acres for the passenger-station and about the same for a marshalling-depot.

That is 160 acres altogether?—For all purposes we might require that, but we do not propose to occupy as much as that.

How much do you propose to occupy: it might be very useful and wise to take land that you do not intend to use?—Probably half that.

Then you will probably require to occupy about 80 acres?—Yes.

Will you tell the Commission in what proportion you would like to have that land—how long and how broad?—It would be an advantage to us to have an uninterrupted communication free of all level crossings for the whole length of the railway.

For the whole length of the railway-station and yards?—Yes.

You have got 80 acres—how would you propose to divide that?—In varying proportions of width.

You want it much longer than you require it in width?—Yes.

What is, roughly, the proportion of length and width that you would desire in order to make the most effective use of it for the Department?—I think it would be very inadvisable to answer that question. We have yet to buy that land.

It is not a question of buying it—it is not a question of price?—Yes, it is a question of price.

The more important is the question of locality. What is the most effective measurement for the 80 acres—what length and breadth?—I might put it this way: At present the site we have is 50 chains in length: that is absolutely inadequate. At the proposed site we have 80 chains between the roads, and those roads will be bridged, so that practically we will have an uninterrupted communication for something like two miles and a half.

That is the length; and what will be the average width—10 chains?—No, not so much as that; about 4 or 5 chains. I dare say it would vary, but I suppose the average would be 5 or 6 chains.

If you had 80 acres 5 chains wide that would be about 160 chains long. There is an economical proportion to make the best use of land for yard purposes?—Not necessarily.

It is better to have it a certain length and width than to have it all square?—Certainly.

There is an economical basis of length by breadth?—It depends upon the nature of the traffic.

I take it you would want 160 chains in length. Where would you have the passenger-station?—About the centre of the station block [indicated on plan].

And in which direction do you propose to have the goods-yards?—In the same direction—the same place.

Which way would they extend?—The same place. The passenger-station and goods-yards will be placed between the two roads. The plan has been before you since the beginning of the Commission.

You say that you know of no site as suitable for all purposes as the one you have now proposed?—That is so.

I take it there will be a certain amount of filling and adjustment of levels required when you come to the site?—Yes, there is in every railway. There are slight variations.

And they fall a little below the roadway?—I do not know that they do at that point.

From my experience of them the land is below the level of the road in some places?—It is very slightly below, and in other places it is above.

We know that some of it floods at certain times?—Very little.

You have not had any levels taken or any details carried out, have you?—Yes.

And have the foundations been prospected for?—Yes.

And have they all been found to be satisfactory?—Yes.

Has anything more than a survey been made of the proposed line and deviation—have you got a detailed survey?—We have no detailed plan. We have detailed levels, but we have not worked out all the details of the scheme yet. We prepared a longitudinal section of the railway.

Then you have had a survey showing the levels?—Yes.

There are certain levels, but only of a general character?—Yes.

What do they vary from—how much below the level of the road at the worst?—I cannot say from memory; there are a great many levels.

Have you got that plan here?—I gave you the plans [produced].

Will you point out the proposed level of the railway-line, and the level of the land over which it runs?—At what point?

I am not referring so much to the Longburn end as to the station end, where most of the filling will have to be done?—At the place you are talking about the railway is 7 ft. above the level of the ground—nearly opposite Wood Street.

That is about the centre of the site of the railway-station?—It is about 10 chains from Wood Street. Where the centre of the station will be is about 2 ft. above the level of the road.

How far back from the boundary of the road will the station be situated?—The centre of the line of railway will be about 10 chains from Boundary Road.

Do you propose to take the whole of the land?—I refuse to answer a question of that kind.

As a matter of economy, would it not be wise to take it?—That is for us to consider.

If you do not take that land of course the speculators will?—That may be.

You have two public roads which will be of enormous convenience in the matter of handling the traffic, and I am putting it to you to show the value of taking the land up to Boundary Road?—I thought from your statements that the scheme was a perfectly valueless one.

But you are going to make this particularly valuable land. If you make a central railway-station there you must enormously increase the value of the property?—That may be. I am not going to say whether we are going to take that land or not.

I ask you as a matter of economics whether it would not be advisable to take it?—We will consider your advice.

Do you know how much filling you will have to do in connection with the land you require?—Yes.

How many tons?—We do not deal with those things in tons.

Well, in yards?—From start to finish the earthworks will probably amount to half a million yards.

Do you think that is going to be quite sufficient?—Yes, quite sufficient.

Mr. Marchbanks.] Is that bank and cutting?—500,000 yards of cutting will make 500,000 yards of banking. There are 500,000 yards of stuff that we will have to get.

Mr. Luckie.] You will have to level up practically the whole of the 80 acres you have to take?—Not the whole of the 80 acres, but whatever we require of it. We will take more land than we require according to your advice.

You have on various occasions prior to this proposal for the deviation of the line considered other proposals for an improvement in the condition at the Palmerston North Railway-station?—We have considered the question from time to time—first in 1887, then in 1889, in 1890, and so on right up to the present time.

And the railway-station still remains pretty much the same as it did in 1890?—No.

To what extent has it been improved?—Very considerably.

To what extent?—I cannot give you the details.

For many years it has been very seriously congested, has it not?—Yes, it has.

And other methods have been suggested from time to time and met with the approval of the management for temporarily dealing with the congestion?—I do not quite follow the meaning of your question.

I mean, other methods from time to time have met with the approval of the management without going into the question of the deviation?—Extensions of the station-yard have been carried out from time to time.

And extensions of the station-yard have been planned and not carried out?—If you refer to that plan which was prepared in 1911, that was a mere sketch-plan as a basis on which to work. It was not a plan that was proposed to be carried out at all.

But the land must have been taken with that end and object in view?—It was realized that some extension was necessary, and that land had to be taken to provide for any extension at all.

Then at that time there was no thought of a deviation at all?—As I said before, it was suggested at that time that a site in another part of the town altogether might have to be provided.

But it was never actually carried into effect till your formal report in 1919?—It was never crystallized into a report.

But, on the other hand, improvements were carried out for the purpose of improving the present station?—For ameliorating the present conditions.

Under those existing conditions, how long is it likely to take you to complete the proposed deviation?—I have already answered that question; I think it could be done in four years.

In the meantime Palmerston North has got to carry on as it is?—Not necessarily; we will probably have to do something to keep things going in Palmerston.

You have not yet thought what you will do?—As soon as the Commission has decided we will think about it.

With reference to the level-crossing question, there will be a good many level crossings on the public highways rendered necessary by your deviation, will there not?—Not that I am aware of.

What are you going to do with them at these road stations on the proposed line?—Put them overhead.

There will be eleven overhead bridges. When doing that you do not get rid of the Palmerston North Station trouble, do you?—Certainly. [Explained on plan.]

The present arrangement is to carry the line on as it is now in the meantime?—[Explained on plan.]

There will be eleven overhead bridges when the complete station is made?—Yes, and seven at the start.

Will they all be overhead bridges?—Seven in the line as now proposed.

That will be an item of considerable expenditure, will it not?—Yes.

Referring only to the point of level crossings, and to nothing else, in connection with the advisability or otherwise of the proposed deviation, would it not be possible to do something in the same way with the line as it at present stands between Palmerston North and Terrace End or between Longburn and Terrace End?—Yes, it is possible. The plan I produce is the Square. [Plan No. 28969: Exhibit No. 8.] In order to provide a bridge at the Square this is what has to be done: You start at Church Street, opposite Fitzherbert Street, and go with a grade of 1 in 17 over the railway and land at Broad Street. Over the line at Fitzherbert and Rangitikei Streets you have branch gradients forming a huge double cross. What effect it will have on the appearance of the Square I would not like to say. The effect of that is that if a person wants to go from the Grand Hotel to the station he must first go along Church Street and over the bridge.

Could you not do as you are doing now?—You have just asked me what steps we propose to take. Any one who wishes to go from the north-eastern corner of the block, opposite the Post Office, wishing to go to the Post Office, has got to go over the bridges.

Mr. Myers.] How far would he have to go instead of crossing the road as he does now?—A distance of 1,100 ft. That is the only way in which the Square can be dealt with. You cannot make a bridge on the western side of the Square across the railway without very seriously affecting the business properties fronting the Square, and you would have to buy every approach towards Main Street, whereas in the other case you would have to buy up exceedingly valuable property, including commercial houses, hotel, and various other properties. It would land you in a huge expenditure which it is practically impossible to estimate. Over the streets crossing the railway between the Square and Terrace End, what you have to do is this: you make a bridge over the centre, and you would have a series of approaches. Each of those approaches would be 18 ft. 6 in. wide, and that would leave 18 ft. 6 in. between the road and the boundary-line of the property. [Plan No. 28970: Exhibit No. 9.] Any one wishing to go in a cart from one corner to the opposite corner must first go down the side street, then over the road, and then back to the other point, a total distance of 1,800 ft., in order to cross the road. That is how we would have to carry out the same proposal which we intend to carry out in the deviation.

Mr. Luckie.] Then you will have to do that in each of those several deviations. I am not suggesting that is necessary in Palmerston North, or that level crossings should be abolished, but you say you are going to abolish them in the outside district roads?—Yes.

Will you have to do the same thing in each of the outlying district roads?—No.

What will you do?—We will go straight across the roads.

And you are going to have bridges across the roads?—Yes.

They will have to be long bridges, will they not?—Yes, comparatively.

Will they be 700 ft. bridges?—They will be 30 ft. bridges with approaches.

At each of the seven crossings?—Yes.

As a matter of fact you know the number of level crossings there are in the length of railway from Christchurch to Temuka?—I do not remember the number.

Is there not a large number?—Yes, a fair number.

There are no overhead bridges?—But the line does not go through the centre of the city.

Is not the city all round the station in Christchurch?—Yes.

And there you have nothing but level crossings?—Yes, and we propose to make bridges.

And the same difficulty will be involved there?—Yes.

How do you propose to avoid it?—If you will look at the plans you will see.

I have not had that opportunity?—Yes, you have, they have been published.

In the American cities they have automatic gates, and you have them in operation in various parts of New Zealand?—Yes, we have had them in operation.

Are you satisfied that they are of no use?—They are very dangerous; and have proved so in actual practice.

But they are using them in all the large cities of America where there are level crossings?—But they are not satisfactory, and nobody suggests that they are.

But they are efficient for saving life, are they not?—No. They do save life to a certain extent, but to a certain extent they are traps at the same time.

Why?—If you got caught inside one of those gates you would not stand much chance.

But the people are given warnings the same as with electric bells?—They give warnings, certainly, but people do not always obey warnings; in fact, very seldom.

The only instances we have of accidents that took place between Longburn and Terrace End were seven in eleven or twelve years?—Then it is curious that the Palmerston North Borough Council is so anxious to have these crossings bridged.

The whole of the traffic that passes through Palmerston North will be dealt with at the new station?—Yes.

The marshalling of the trains will also be dealt with there?—Yes.

And all the trains going to the north will also have to go to that station?—Yes.

And then be marshalled and sent out again?—Yes.

I think you said there were forty trains a day that came in and out of Palmerston North?—I said, forty trains apart from through trains.

Do you mean that there are forty trains that have their terminus at Palmerston North each day?—Practically, yes.

Does that mean forty coming in from north and south?—Twenty going out and twenty coming in.

And that is exclusive of through trains—expresses?—Yes.

And those are from stations of which Palmerston North is the terminal station?—What we call either the terminal or subterminal.

What would be a subterminal—what is the distinction?—A subterminal is a station where a train may have a temporary stop—that is, it may come into the station and then go out later on, after some hours. A subterminal station is where a train makes a stop before it returns to where it started from.

You say there are twenty trains coming in and twenty trains going out of Palmerston North?—Yes, that is altogether. That is the present time-table.

According to your evidence there are twenty trains a day, but your evidence does not distinguish between what are through trains, what are local trains, or trains making Palmerston North their terminal station?—I said that at Palmerston North there were twenty trains going out and twenty trains coming in exclusive of through trains.

With reference to the goods coming through and going north, they would still have to go through the new station as they do now?—Yes. We will deal with the traffic at the new station as we deal with it now.

And deal with it in exactly the same way?—No.

You are aware that a large area, especially the area round the station, owes its value to the proximity of the station?—I think so. Undoubtedly the owners of that property have reaped a very large profit from the existence of the railway-station.

Is it not a fact that the bulk of the properties have been built there since the station was put up?—I think it is possible, but I could not say from my own knowledge.

Outside that portion from Main Street to Cook Street on the northern side, the area is all residential?—Speaking generally, in Palmerston North the area between the railway and the river—that is, between the Square and Main Street West and the river—is more or less of a residential character.

As soon as you get south of the gasworks the land is absolutely vacant?—Not that I am aware of.

I mean on the northern side—the Rangitikei Street side?—There are quite a number of houses there.

Not to the south of the gasworks?—Yes.

There are three between there and south of the Boundary Road?—I would not contradict you, but I know there is quite a number.

The removal of the railway-station would be to convert that into business sites?—I cannot speak very definitely on that point, but Mr. Johnston, an experienced man, and Mr. Nash, who is the Mayor of Palmerston North, and has been there for some time, and is a land agent, said that they thought that Main Street West would continue to be an important thoroughfare.

You cannot give any idea of what the value of that land would be?—No.

You are neither a land agent nor a land-valuer?—No, but I have to do some land-valuing.

You consider there is no object in going farther south than they have gone at present?—I did not say so.

Do you think there is anything to be gained by doing that?—I think there is a lot to be lost by doing it. Do you mean, in the interests of the community or in the interests of the Railway Department?

Well, the Commission has got to consider it not merely from the interests of the Railway Department but from the interests of the public, because there is a very large expenditure of money involved?—As far as the interests of the general public are concerned, I should look upon it as disastrous.

Why?—Because it takes them farther away from their business.

You are referring to the general public in Palmerston North?—Yes.

But you are taking them farther away from their businesses than they are at present?—No, I am not.

Well, the bulk of them you are?—No.

Do you mean to tell me that if the station is at Wood Street they will not be farther away from the Square?—Farther from the Square, but the Square is not the centre of the town. Practically the centre of Palmerston North will be very little farther away than the present station.

Why should that be disastrous?—I did not say that would be disastrous.

You said it would be disastrous to take the station farther south?—Yes, than it is at present.

Mr. Myers.] You have said that there is a certain amount of land in the neighbourhood of the new station-site which is subject to flooding?—That is so.

Does that present any difficulty whatever to your scheme?—Not the slightest difficulty.

Is it an aspect of the matter that you have taken into full consideration?—We have.

Is it a real difficulty, or is it merely something which you can easily overcome?—It is one of the ordinary difficulties of making a railway.

Can it therefore be regarded as anything more than a mere incident in railway-construction?—That is all.

Mr. Luckie has asked you whether the Department did not acquire certain lands in 1912—I refer to the Express Company's land and the Rhodes Estate land?—Yes.

And he asked you whether that land had been used for railway purposes, and I think you said only to a slight extent?—To a slight extent only.

Supposing you had in 1912 and the years immediately following used those lands for the purpose of increasing your station accommodation, would you or would you not by now have required to do

exactly what you propose to do—that is to say, divert the station?—I am quite sure we would have had to do so, owing to the enormous increase in the business.

The Commission may therefore take it that supposing you had spent the £200,000 or £300,000 or more which would have been required in 1912 and the following years to alter the station and yards by making use of those lands, that would have been a temporary expedient, and you would still be faced with the difficulties that you are faced with at the present time?—The proposals which were made in 1912 were admittedly only of a temporary character.

Mr. Luckie asked you whether you could not take the station to the southward of its present position, and your answer was that it would satisfy no one?—That is so. That is my opinion.

Have you carefully considered that aspect of the matter?—I have.

Have you any plans in connection with that aspect of the matter?—Not the removal of the passenger-station. I have considered the question of retaining the passenger-station in its present position, and making sorting-yards and goods-yards to the south.

But apparently Mr Luckie's suggestion, which may yet be made by somebody else, is that you should take the land to the southward of the present station, and on the left-hand side of the present line going from Longburn to Palmerston North?—Assuming that is what is intended, that the whole station should be taken away, then the effect of that is that the whole business of passenger and local goods at Palmerston North would have to be taken to a point somewhere near Awapuni. The effect of that would be that everybody in Palmerston North has got to add from two to two miles and a half to the cartage they would have to do to get their goods.

Mr. Luckie: That was not the idea. The suggestion was to carry the station a bit farther south to a point about Kairanga Road.

Mr. Myers.] Is it a proposal you would have in your mind as a Railway Engineer?—Absolutely not. You would be involved in the same trouble you have at the present time.

In the first place you would be removing the station farther from the town than it is at present?—Yes.

And what next?—You are faced with a number of road-crossings which have either to be closed, or bridged, or dealt with in some way.

And you have that in the immediate neighbourhood of the railway-yards?—Yes, or else going across them by level crossing.

You are also faced with the difficulty of sending the traffic all through the Square?—Yes.

And as to the expense?—The expense would be most serious. I have considered a number of alternatives.

Mr. Marchbanks.] You said just now that you had considered a proposal for leaving the passenger-station where it is, and of constructing goods and sorting yards to the south?—Yes.

Did you make any estimate of the cost?—Yes.

What does it run into?—[Typewritten statement produced: see Appendix B.]

Mr. Myers.] You put in certain statements giving notes and estimates in regard to the first proposed scheme, and then in regard to the alternative schemes?—That is so.

And your proposed scheme shows a total net cost of something like £500,000?—Yes.

After allowing £50,000 for contingencies?—Yes. That includes a complete scheme to Whakaronga Station.

Mr. Luckie.] And that provides for £200,000 credit for sites sold?—Yes.

Mr. Myers.] That idea is based on present-day prices for labour and material?—Yes, current prices.

And if the prices of labour and material go down the cost of those estimates will also go down?—Yes.

The same observation applies to the alternative schemes?—Yes.

The first alternative scheme assumes the provision for local passenger and goods traffic at present station-site, sorting-yard north of present station-site, and a sorting-yard on the south of the Napier line?—Yes.

That is one of the schemes you spoke of in your evidence?—Yes.

And the total cost of that you estimate at £400,000?—Yes. I want to call special attention to that. This scheme retains all level crossings, and does not deal with any bridges or such crossings at all. There are between Longburn and Terrace End sixteen public crossings and twenty-four private crossings.

This first alternative scheme involves the retention of all those level crossings?—Yes, together with very considerable shunting over the Square and over West Street.

Now, the second alternative scheme involves the retention of the station at the present site to deal with all the business?—Yes, they are all based on the red scheme. This No. 2 scheme means that we retain all the business, except the locomotive-depot, on the present site, for which we would have to buy a block of land to the west of West Street, or what we call south of West Street. The reason for purchasing that property is to provide shunting facilities to a certain extent at the Kairanga Road end. It would not do away with the necessity of doing away with the shunting over the level crossings, but would minimise it, and in order to shunt to the northern limit of the Square we provide an overhead bridge such as I have shown in the plan, and we purchase some property. It also involves the closing of West Street, and the diversion of Main Street until you come to Kairanga Road. Then the locomotive-depot would be placed probably on the northern side (or the western side), with a bridge over Cook Street. It also includes the bridging of crossings to Terrace End. I wish to call special attention to this point: that this scheme which I have sketched out for the crossings at the various places—namely, Princess Street, Alexandra Street, and Scandia Street—is quite an impossible arrangement. It would satisfy nobody. The estimated cost of those bridges would

be somewhere about £50,000 apiece, and it is inevitable that we would have to purchase property alongside so as to give access to the people direct without having to go up over gradients. The estimated cost of £350,000 would be increased by 50 per cent.

The estimated cost of that scheme would be, what?—£850,000 without compensation for the closing of streets.

Then there is a third alternative scheme?—The third alternative is much on the same lines as alternative scheme No. 1. If you remember, the alternative No. 1 scheme was for making a purely passenger and local goods station on the present site, with a sorting-yard to the north. This is providing for that same traffic, but with a sorting-yard and an engine-depot to the south. The main difference between that third scheme and the No. 1 scheme is that in the third scheme I have included the bridges. It runs altogether into about £850,000, but if you want a bridge at West Street, and not close it, it would mean £30,000 or £40,000 more.

Then you go into a further alternative scheme on page 4?—Yes, that is the one suggested by Mr. Holmes.

You estimate the expenditure on Mr. Holmes's suggested scheme at £1,450,000?—Yes; that is, assuming that in the course of construction we would be allowed to divert the railway from the centre of the street along Main Street farther towards one or other of the boundaries, and *vice versa*, while making retaining-walls, which are essential in the scheme. We would have to make retaining-walls the whole way along unless we bought up properties on the whole frontage on each side. Either that or else a trestle the whole way, in which case the expense would be enormously increased.

That involves raising the station and raising the track?—It means raising the track 20 ft. up., and limiting the present site to purely passenger business, because you could not without enormous expense accommodate all the traffic, and it would be very inconvenient in the case of goods traffic.

Then Mr. Holmes made an alternative suggestion, that you should lower the level of the line?—I did not understand him to say that. I thought he meant subways instead of overbridges.

He suggested lowering the line, and what do you say as to the advisability of that?—You cannot do that where there is water.

In the first place, what do you say about the danger of water?—Your lowered line would have to have a watertight case, which is absolutely impossible.

Take the Square: you said before that the datum in Palmerston North is 100?—Assuming a certain datum, the level of the Square is 100·42, and the flood-level 98.

Does that mean that immediately you lower your line by about 2 ft. in the neighbourhood of the Square you are running into the danger of water?—A very few feet indeed.

Mr. Holmes said, as an argument in favour of that, that you should take the neighbourhood of Terrace End and look at the ballast-pit there where there was no water. What is the difference in level between Terrace End and the Square?—28·20 ft. That is the lowest part of Terrace End. It goes up to about 30 ft.

It is plain, therefore, that a comparison between the position in Palmerston North at the Square and the position at Terrace End is useless?—Quite useless.

Furthermore, supposing you had not the difficulty of meeting with water, would Mr. Holmes's suggestion be practicable, having regard to the fact that you are going up all the time in the neighbourhood of Terrace End to Bunnythorpe?—It would mean very great development of new construction-work necessary to get up to the level again.

And all that means heavy cost?—Very.

He also made some suggestion that instead of having overhead bridges you should have subways between Palmerston North and Terrace End?—Yes.

That still involves you in the same difficulties as you find at present in regard to the station-site and yards?—That is so—exactly the same difficulty.

What do you say about this difficulty of subways?—Subways anywhere between the Square and, say, Scandia Street are quite out of the question; but in any case a subway would cost quite as much as an overhead bridge.

Why out of the question?—On account of the water. It is possible that we might avoid the water difficulty in Scandia Street, but not between Scandia Street and the Square.

So that, looked at from any point of view, your difficulties in connection with the Palmerston North railway facilities seem to be very serious?—There is no doubt about that.

And whatever you do is going to involve in considerable expense?—Very large expenditure.

Had you taken all those matters into consideration before you came to the conclusion that from every point of view the diversion is the best scheme?—I had.

Mr. Marchbanks.] With regard to the crossings north of the Square, supposing your track was lifted 5 ft., 6 ft., or 7 ft. and banked, that would mean you would get the subway 8 ft. or 10 ft. in under the present ground-level?—If you raised the level 8 ft. at Alexandra Street the distance between the street frontages is 132 ft., and you must make provision in any scheme you are going to carry out for ultimately four lines of railway. We have three lines at the present time. That means 54 ft. total width. If you are up 8 ft., you cannot then have banks for the 54 ft. width, which means concrete walls and complications, which add very seriously to the cost unless you are prepared to buy frontages. In the present grades it would be pretty awkward to do, and you are still faced with the question of what you are going to do with the shunting.

How would you put a subway there?—You cannot put the subway there. [Plans discussed.]

Mr. Luckie.] In connection with your estimates of the cost of the deviation as indicated in the statement put in, you state, "Main deviation, station-yards, locomotive-depot, &c., £600,000." Does that include all the subways and overbridges which you are going to make?—Yes.

Both for vehicular as well as pedestrian traffic?—Yes.

What do you estimate would be the cost of those?—I provide nearly £60,000 for overbridges. Does that include the necessary overbridging you would have to do at the station itself?—Yes. Including the big one at Rangitikei Street?—Yes.

That does not include the additional line you would require to get to the Whakaronga Station?—No; in the £50,000 for the Whakaronga Station I have included £12,000 for bridging.

Those are all at the present rate of expenditure?—Yes, all the schemes are on the same basis.

Why is it you have put in these overbridges—because really the new deviation is in outlying districts—they are not through any portion of Palmerston North, or any populated area?—That is so.

But you have provided bridges nevertheless?—Yes.

There must be innumerable instances of level crossings, particularly from Lyttelton to Timaru, in the immediate neighbourhood of good-sized towns where there are no bridges or crossings?—That is so. If you leave them out you can knock £50,000 off the estimated cost.

There are an enormous number of level crossings in the South Island where the trains pass through towns as large as Palmerston North and there is no protection?—There are quite a number of level crossings in New Zealand which are not bridged, and as I stated in my main evidence, those bridges can be omitted if it is desired; but in my recommendations to the General Manager I am making my own personal recommendations. I think it would be better to spend the money on bridging those, because it would give us not only safety for the general public who have to cross the railway-lines, but it would also enable shunting to be carried on quite freely without any fear of killing anybody.

But under the new proposal I take it there was only one road through which it would be necessary to carry on any shunting operations by reason of the adequate area you have for the station and yards?—Not at all. There would always be shunting between the passenger-station, the goods-yard, and the sorting-yard, and also between the passenger and goods yard and engine-depot, and those are on the other side of the roads.

Only one road?—No, two roads.

I thought there was only one road that crossed the proposed station-site?—No. [Plan referred to.]

Part of your sorting and marshalling yards will be down near Rangitikei Street?—Yes.

I take it the sorting-yards comprise the area north-east of Rangitikei Street, and include the area that was shown as being under flood in the photograph that was produced at Palmerston North?—That is so. We have taken the levels of that country, and the greatest depth in a very much higher flood than you are referring to was not more than 18 in. Those were the levels taken by quite an independent engineer, and the flood-levels he showed were higher than the floods you referred to when the photograph was taken.

What would be the highest flood that you have known there?—The flood-level of October, 1920. The formation-level will be 18 in. above the highest flood-level.

You do not know of your own knowledge how many level crossings there are between Christchurch and Timaru?—I will find out for you.

There has been no occasion of any steps taken to protect them? The whole outcry so far as Palmerston North is concerned, according to the evidence, was based upon the difficulty of the level crossings. The question of the level crossing is no more a great difficulty in Palmerston North, with the exception of the question of the shunting into the Square, than in all the other towns in New Zealand?—The whole suggestion is quite silly.

RICHARD WILLIAM McVILLY further examined.

Mr. Luckie.] You have expressed your approval of the reports of Mr. MacLean in connection with this matter?—I have expressed my approval of the scheme, yes.

I gather from the report that the deviation appeared to be Mr. MacLean's proposal originally, was it not?—I do not think we need discuss that: I have expressed my approval of it.

I take it the new proposal had its origin about the time of Mr. MacLean's report?—If you ask when the proposal had its origin, it was in 1919.

Prior to that time most of your attention had been directed towards an improvement of the conditions at the Palmerston North station-site?—Oh dear, no! we had been considering improvements at Palmerston North, as to what was necessary to provide for the requirements of the traffic, looking ahead, and we were not committed to any permanent scheme of alteration. Temporary expedients had been considered.

But nothing in the nature of a permanent improvement?—No.

Then all these schemes from 1889 were only temporary expedients?—Temporary expedients put forward to deal with business at that time.

But not for the future?—As far as it could be foreseen; but the traffic varies very rapidly, and the fact of this increase of 500 per cent. in the last twenty years is a pretty fair indication how much it has increased.

Mr. Myers.] And how much in the last ten years?—About 100 per cent.

Mr. Luckie.] It is common ground that something had to be done, the only question being whether you had previously considered any other proposal involving the deviation prior to 1919?—The question of what improvements had to be affected at Palmerston North, and the best way of dealing with the problem, had engaged the attention of the Railway Engineers for a good many years prior to that.

You have examined with Mr. MacLean the reports that he put in of the proposals that were indicated, and you are satisfied that his method was the only one that could by any means be carried into effect?—I am perfectly satisfied that the scheme outlined by the Department and approved by the Department is the only one that will meet the position that has arisen and also provide for the future.

Had no definite scheme been gone into prior to 1919 for the purpose of permanently improving the station accommodation at Palmerston North?—The only schemes that had been considered prior to 1919 were, as I have said, tentative schemes to provide for the position as it existed at the time.

And prior to 1919 the Department had not considered any scheme for the permanent improvement of the conditions?—In my opinion none of the Railway Engineers prior to 1919 had ever contemplated that the schemes they were then putting forward were anything more than temporary schemes.

Do you mean to say that the departmental Engineers had never taken into consideration the things which they took into consideration in 1919 during all the time before that when there was so much pressure from all sides?—The Railway Engineers in making the proposals they did at the time were providing reasonably for the business as existing at that time and for reasonable expansion, but none of those Engineers, as far as I am aware, ever regarded the proposals as being more than tentative—that is, they were not to be permanent.

Then they never attempted any scheme of permanent improvement prior to 1919?—I have not said that. They put forward schemes which in their opinion were sufficient to meet the requirements of the traffic at the time, and for a reasonable period afterwards.

That is all you could do under ordinary circumstances?—No, you could do more than that. All railway people have to profit by their experience and by their knowledge of the business and the altered conditions, and the conditions in this country so far as the railways are concerned have altered materially—and very rapidly—during the last ten years.

And particularly in Palmerston North?—Not only in Palmerston North, but right throughout the North Island system. What has taken place since 1908 right through the North Island is going on everywhere. Facilities that were thought amply sufficient to provide for many years in 1908 are found insufficient everywhere to-day.

Is not that the experience of managers of railway systems in a great many countries?—Yes; but it is not any reason why this Department, or any other railway management, should sit still and not make proper provision for the future.

No, it is a reason the other way?—Well, that is what we are doing.

What I am surprised at is that something in that direction had not been done prior to 1919?—Prior to 1919 the Engineers submitted proposals which they considered were sufficient, having regard to the traffic they had to deal with and the traffic in sight; but the conditions, as I have already said, have materially altered since then, and what would have been and was a good and sound policy in 1908 or 1912 would not be a good and sound policy in 1919.

But nothing actually had been done in the matter of improving the accommodation at Palmerston North, and although that land was taken about ten or twelve years ago, practically nothing has been put on it since?—For the reason that it was becoming evident then that there were grave difficulties in the way, and that any money that was spent there would have to be wasted, as the accommodation cannot be provided on the land available.

Then, as a matter of fact, they have been practically standing still for a long time in Palmerston North?—You want us to stand still now and we want to get on.

No, we suggest there is another method which is an improvement on that submitted by the Department, which we say should be given effect to; but the Department has practically done nothing for twenty years?—That is no reason why we should sit still for another twenty years and do nothing.

But this is a sudden discovery of the Department's that something very drastic is necessary?—It is not a sudden discovery on the part of the Department.

From the point of view of railway management you consider that after the report of 1919 nothing else will be sufficient to satisfy the requirements of the Railway Service in that neighbourhood?—I consider that from our past experience, and looking to the future, nothing short of what is proposed will meet the position.

And the chief thing that is required as far as the Railway Department is concerned is adequate additional accommodation for the purpose of providing passenger-station accommodation, facilities for handling goods, dealing with engines, and the want of the necessary additional area?—The chief and main thing is the provision of adequate railway terminal facilities at Palmerston North.

And that is largely a matter of area, is it not?—It is a matter of general lay-out, and sufficient area to make a lay-out.

Does it not come back to the question of satisfactory accommodation and area?—It comes back to the question of satisfactory accommodation and proper facilities for working.

It is mostly a matter of area?—No, it is not mostly a matter of area. You may have an area of 500 acres, and if you do not know how to lay it out you might as well have no area at all.

That is a matter for the railway experts who know best how to lay it out; but it is really a matter of area, and necessarily the amount of accommodation you can get on that area?—It is a matter of accommodation and facilities.

You were concerned with the negotiations which took place relative to the closing of Cook Street and previous to that the closing of Pitt Street?—I do not know that I was concerned. The correspondence passed through my hands, and I discussed the matter at various times with the responsible officers of the Railway Department, of whom I was one at that time.

The same methods of improving the railway facilities at Palmerston North were in the mind of the Department, at any rate, from 1889 to 1912, when Cook Street was first closed in 1889 and when last closed in 1912?—The necessity for making reasonable provision for accommodation at Palmerston North was in the minds of the responsible officers of the Department.

They never successfully closed it, and yet they affected to close it again as late as 1912, having the same object in view?—To make a temporary improvement to meet the position.

Was it then considered to be merely a temporary improvement?—Yes. The improvement that was then proposed was one which the responsible officers of the Department recognized would not last for all time.

And yet you have told us just now that the reason it was not done was because it was temporary?—It was not done.

But they must have intended to do it in 1912 when they issued another Proclamation closing the road?—No. I have told you that in 1912 the matter was gone into and discussed. Difficulties arose, and it was then foreseen that there would be some doubt as to whether any money that was spent there would last for any time.

I understood it was not done on account of the war?—The work was not carried out on account of the war.

I gather that if it had not been for the war the work would have been carried out and the street closed?—It might have been; but still all the work would have been of a temporary nature, and we would have to face the position and the expenditure now.

Was it known in 1912 that it was only to be a temporary work?—It was known in 1912 that the work that was proposed would not last for a very long time.

Was it known when you acquired the land some years before?—The land was acquired in 1912.

It was only acquired as a temporary expedient?—A temporary expedient for the business offering then and for a few years afterwards.

A similar scheme involving the closing of Cook Street was in the minds of the officers of the Department right back to 1890?—The question of improvements at Palmerston North has been in the minds of the Railway management since 1874.

But they did not improve any of the difficulties—it was the same idea of improvement from 1890 to 1912?—For the reason that no responsible Railway officer will spend any more money at any time than is necessary to provide for the present requirements and the prospective requirements for a reasonable period, and you have to be guided in these matters by your knowledge of the business.

Precisely; and it is only since 1918 that you have woke up?—No, it is not; we have been awake all the time.

The same scheme which appeared to satisfy the Department for twenty years is suddenly departed from in 1919, and an enormously greater expensive scheme is suddenly put before the authorities for their approval, no suggestion of it having been made before?—For the same reason that a building that would have satisfied the Farmers' Union in 1900 would not satisfy them now, hence the Featherston Street structure.

Mr. Myers.] I think you have some figures which show the increase in the traffic since 1914 at Palmerston North?—Yes. [Comparative statement put in: Appendix C.] I wish to point out that the items in the column for 1921 are only up to the 28th February.

Have you any other figures or data you desire to put in?—Yes; I now produce a return asked for by Mr. Marchbanks, of the goods traffic to Palmerston North, local and through. [Statement put in: Appendix D.]

That shows that the statement you made previously in regard to the percentage of through traffic was about correct?—Yes, that the through traffic was about 80 per cent. I asked the Stationmaster at Palmerston North to send me a return of the traffic dealt with at the private sidings for the year. That statement shows that the total number of wagons dealt with for McGill's was 1,652; for Cook's, 2,087; and for Clausen's, 1,475. That is, roughly, five per day for McGill's, seven per day for Cook's, and five per day for Clausen's. [Statement put in: see Appendix E.]

One gentleman at Palmerston North said there were something like 80,000 tons that went over the sidings: would that be about correct?—If you take those wagons at 10 tons each, the trucks average about 8 tons maximum, that means about 40,000 tons a year.

Have you any other statement to produce?—If you remember, I stated when giving evidence previously in regard to Mr. MacLean's figures that they were the approximate cost of operating. I have gone into certain proposals, and the question of the cost of operating the different schemes that have been put forward. I now produce a statement of the cost of operating a depot two miles south of Palmerston North.

Apart from any cost of construction, you make the total cost in the matter of operating-charges come out at what?—The total recurring annual charges would amount to £37,484; the non-recurring charges amount to £11,000, making a total of £48,484, which, capitalized at 5 per cent., amounts to £969,680. [Statement put in: see Appendix F.]

Have you any other statement you desire to put in?—I have here a statement which shows the cost of operating a "loop at Terrace End for east and west traffic only." The cost would be £20,524 per annum. £5,000 of that is non-recurring. [Statement put in: see Appendix G.]

Have you any other statement?—Yes; I have a statement of the cost of "operating depot at 92 miles," which is Terrace End. The non-recurring charges would amount to £11,000, and the recurring charges to £123,086. Capitalized at 5 per cent. that would amount to £2,681,760. [Appendix H.]

We know that to completely alter the arrangements and divert the line as you propose will cost a certain amount of money, but when that is done, what do you say as to the cost of operating the new station and yards as compared with the present operations: would the cost be greater or less?—I should imagine we will get economy in the operating-cost, and at the same time give the business quicker despatch. When you consider that at the present time the station deals with from 1,500

to 2,000 wagons per day, that those wagons are delayed on an average three hours per day on account of the lack of facilities, you will see how it would work out. At one hour a day each wagon represents 71 wagons per day, and that multiplied by 313 working-days amounts to 22,000 wagons in the year lost for one day. If you take it at two hours you get twice that, and so on.

The Chairman.] And you are short of rolling-stock?—Yes. Apropos of that I should like to direct the attention of the Commission to a report made on the American railways in June, 1907. It deals with the importance of terminal facilities, and the effect of delays at the terminals. The report states: "The importance of terminals to the operation of a railway as a whole is indicated by an analysis of a typical journey of a freight-car made recently by a statistician of a western railway, and based upon the statistics of the Inter-State Commerce Commission for the year ending 30th June, 1904. From these data the average trip was found to consume 17·72 days, during which time the car travelled 260·19 miles under load and 124·14 miles empty. On this trip the car spent 1·6 days in trains, two days with the shipper for loading, an equal time for unloading, and 12·12 days or 68 per cent. of the time, in yards, in interchange between roads, undergoing repairs, standing idle, &c. The largest part of the car's time is spent in yards. This is indicated by the fact that roads moving cars long distances without having to put them through and hold them in many large terminals make a much greater mileage per car per day than those as to which the opposite is true. For instance, in the fiscal year ending 30th June, 1906, the average miles per car per day on the Union Pacific reached the remarkable figure of 73·5, while on the Pennsylvania railroad, with its large eastern terminals, this figure was only 24·19, and on the New Haven only 14·20 miles. The effect of large terminals upon the car-movement and upon railway operation in general is further evidenced by the statement that there are probably at all times in the fifteen largest terminals of this country approximately one million cars, or 40 per cent. of the entire number in this country, and four times the number estimated to be in trains between terminals. The most serious need of the railways at present is more ton-miles per car per day. Because of this fact, any measures that will shorten the time required for a trip (equivalent to increasing the number of cars available) is of primary importance. As only 1·6 days, or 9 per cent. of the time is now spent in trains, it is evident that the opportunity to effect an improvement through increasing the speed of trains is limited. Also, any attempt to reduce the time now allowed shippers at the beginning and end of the journey may be expected to meet with their opposition, and only limited improvements can be expected here, at least in the near future. Therefore, improvements must be looked for chiefly in the twelve days now spent by the car in yards, where it is under the direct control of the railway. If the total time required per trip could be reduced to fifteen days by cutting down the time spent in yards and otherwise unaccounted for to 9·4 days, it would be equivalent to placing about 400,000 additional cars in the service."

The alteration proposed in Palmerston North would mean a considerable saving in the cost of your work and of your general operations in the North Island?—Yes, a quicker turnover of rolling-stock passing through the station.

Have you anything further you wish to put in?—I do not think so.

The Chairman.] In the event of the deviation taking place, have you considered whether you can provide siding-accommodation for the sidings now at Terrace End in use by the flour-mill and one or two other firms?—I do not think they can get accommodation at those sidings.

Mr. Marchbanks.] You could not leave the present track in its present position?—No. It will be far better for those people to do what the Borough Council will have to do—that is, go over to new ground where they can get proper facilities.

That is a pretty serious matter financially?—Yes, and our proposal is a pretty serious one financially for the Department.

Mr. Luckie.] In the case of an operating-depot two miles south of Palmerston North, that is to be a depot two miles distant from the station?—It is the point at which I understand the gentlemen who are opposing the railway scheme suggest that the goods-depot should be put.

The value of this report and the amount of money involved in it is the result of having the goods-depot about two miles from the railway-station?—To some extent it will be governed by the distance that the depot is away from the station; but if you spread your depots then you have all the additional cost of running, and to the extent that the distance run increases so the operating-cost increases.

If it is possible to provide equal railway facilities at some point south of the present railway-station so that there will be no greater difference in the distance between the various operations at your station, including passenger traffic or goods traffic, marshalling and engine-sheds, as you propose, then I take it the cost of operating, as far as you are concerned, would be the same?—Oh, no. You are taking it from the present station and putting the Department in a position where it will have to incur the expense of other overhead charges and supervision by spreading the business, whereas under the Department's scheme the whole of the station operations will be controlled by one head.

We say that if the same facilities can be provided at another point on the line between Palmerston North and Longburn as you are providing at Rangitikei Street, that the operating charges will be the same?—Not necessarily.

Why not?—You are overlooking the fact that if you put this depot down where I understand you propose to put it—namely, on the right-hand side of the line going to Longburn.

I am not assuming that. If we give you equal accommodation for Palmerston North as you propose to give yourselves at Rangitikei Street, then there is no difference at all?—You are not going to get me like that. If you tell me where you are proposing to put the railway-depot I will tell you. Speaking as a railway man, I tell you that as soon as you spread your yard into different operations, then you inevitably increase the working-cost. You cannot give us in connection with

the Palmerston North Station on the present site the same facilities that we propose to provide on the new site, and you cannot give them to us where they will be under the one control.

That is based on the assumption that there has got to be dual control, and a considerable increase in the overhead expenses?—Yes, I have to consider that.

I wanted to know what was your reason for preparing this statement?—The particular reason for the preparation of that statement was to give the Commission some concrete information as to the effect of putting a goods-yard away from Palmerston North on a site that I understood you had in your mind, or that the people you represent had in their minds, at Palmerston North. There are certain operating-charges which the members of the Commission, at all events, will understand are inevitable as soon as you cut your terminal into two parts, and particularly is this so at Palmerston North, which is a subterminal station, where you have to deal with the local trains and the through trains.

Mr. Miles.] I gather that the various temporary expedients you have referred to from time to time have been found entirely inadequate by the way the traffic has grown?—That is exactly the position.

Mr. Marchbanks.] In connection with the construction of the Greatford Railway, I think you gave evidence to the effect that there was 22 or 24 per cent. of the traffic which now passes through Palmerston North would be diverted?—No; what I said was that the percentage of traffic that would be diverted to the Greatford Railway would not exceed 20 per cent. It was about 18 per cent. in 1916, and it is a little less now, but I put it down at 19 per cent. as an outside figure.

If the deviation of the Rimutaka Incline were made how much of the traffic would be saved from going through Palmerston—I mean, all the east coast traffic from Eketahuna and Pahiatua which now passes through Palmerston?—If the deviation of the Rimutaka line is made, and it increases the mileage, as I understand it will do—

I do not think it will; I think it cuts out eight or ten miles?—If it does, the only difference it will make will be that the traffic from eight or ten miles north of the present limit, which is Eketahuna, would go via the Rimutaka; but when you get to the point where the distance is equal, we find it best, or as cheap, to send it round the other way. For that reason all the traffic that now originates at stations north of Eketahuna is sent round via the west coast line through the Gorge and via Manawatu line.

That is with the summit grade; but assuming that is cut out, how does that effect it?—It would then be a matter of convenience and a matter of distance.

There would be a fair amount of traffic from the east coast which would be diverted?—According to the distance. We would not do any longer hauling than necessary. Immediately the route via the Rimutaka line was longer, then the traffic would go round the shorter route, having regard, of course, to holiday times when the lines were crowded.

And also having regard to the amount of traffic that would ease the west coast line?—Yes; if the line is crowded then we would certainly use the other route; but we would not divert the traffic over a longer route to any extent.

Some reference was made during the sitting of the Commission to Mr. Hiley's scheme. There was really no Hiley scheme, was there?—The 1914 scheme that was included in Mr. Hiley's report of 1914 was really a proposal that was made by our own Engineers in 1910, 1911, and 1912 onwards.

It was simply to improve the station and close Cook Street?—Yes, close Cook Street and make some improvements to meet the pressing emergencies of that time.

The Commission adjourned till 10 a.m. next day.

WELLINGTON, WEDNESDAY, 23RD MARCH, 1921.

JOSEPH PRIME MAXWELL sworn and examined.

Mr. Luckie.] You were for many years General Manager and subsequently Commissioner of Railways for New Zealand?—Well, briefly, I am a member of the Institute of Civil Engineers. In New Zealand I was for six years District Engineer in the Public Works Department; after that I was nine years General Manager of Railways, and after that five years Commissioner of Railways. I have also had some experience in England, having had five years' railway experience there before I came out here.

I think you have travelled in Europe and America since your retirement from the Government Service?—As far as railways are concerned, I have seen railways all over the world, and have studied them in various countries—namely, in Italy, France, Belgium, Great Britain, Egypt, India, Ceylon, Cape Town, and Natal. Whether I have been travelling officially or unofficially I have always made it my business to look at the things that impressed me.

You are well acquainted with the Palmerston North Railway system and the congestion in the traffic which exists there at the present time, and it has been under your notice before, has it not?—I visited Palmerston in addition to the other places that have been mentioned. I have known Palmerston since it was in bush, when they had a wooden tramway to Foxton, and I have seen Palmerston North a great many times throughout a great number of years—forty years or more.

And watched its growth?—Yes. I have also seen the outline of the proposed deviation, and I visited the proposed station-site, which it was stated to me was liable to extensive floods.

Mr. Myers.] Stated by whom?—Stated merely by the man in the street. It was mentioned, that is all. Perhaps I might say as a preliminary that my time in Palmerston North on this

occasion was very brief, and I made a very cursory examination of the conditions. I was able to go down and see the site where it is said the station is going to be. I went down to Kairanga Road and examined the properties very cursorily on both sides of the line. I also looked at the station, and can quite corroborate what has been stated that the present conditions are abominable, and it is very difficult to do anything at all properly. That I may say generally. I only desire to refer to the general features, because the details of a thing of this kind must be finally worked out by the Railway officers, and therefore I am only giving a general opinion. As to the floods, I have always remembered the saying of a man who had a great experience with rivers, roads, and bridges in New Zealand. That was the late Mr. Blackett. His dictum was that whenever you get the record of highest flood, a few years later you are sure to have one higher. That is not a joke—there is a principle underlying it, and that is, in countries where there is a sudden change from rough country and watersheds to plains, and thence to the sea, with plains rising and land forming and extending farther seawards, it is invariably the case that there are great deposits of drift coming down from the higher country. The land is always rising more or less with the river-beds, and consequently the floods are always, in that stage of geological existence, tending to get higher. With regard to this particular place, I know very little about it, but I have had something to do with the Manawatu during past years, although it is so long ago that I forget a good deal about it. This particular place is liable to flood from two streams which rise on the west side of the ranges. That is one place where flood-water comes from; and on the other side the Manawatu River floods from the east coast, and, as occasionally happens, there are great rainfalls and floods from both sides. The two western streams get backed up by the Manawatu, and that causes the extreme flood. That is about all I know of the general features. If you are going to put a station on that site you must reckon to put it at least a couple of feet above the last flood-level. It is always difficult to get the exact thing, and you will probably have to reclaim. You will possibly have to provide a yard of filling for every square yard of ground. Supposing there are 80 acres, and you have 5,000 yards to the acre, that is 400,000 yards of filling. You have to buy the land to get filling from; you cannot take it from the adjoining area, and you would have to go up to the Gorge to get land, and bring every yard of stuff down by rail. When you get the stuff at the site there is the further cost of spreading, because with a shallow reclamation you are constantly breaking the road about to get the stuff distributed; I should not be surprised if it cost 4s. or 5s. a yard. Suppose it cost 4s. which is one-fifth of £1, the 400,000 yards would cost £80,000. I am only talking generalities, but I think if you look into the matter closely you will find it will cost something like that to provide the filling for the site of the station. That is as far as that site is concerned. Presuming you have unlimited funds and can do what you please, it is a very nice thing to have heaps of room and be able to design a station without the smallest restriction in any way to get the best condition of things you can. I quite agree with Mr. McVilly that it is most important that you should have the best facilities for shunting, sorting wagons, and doing everything at that station. It is not the mere economy you effect by this work at the station itself—you cannot trace the economies—the economy is effected in the distribution of the goods and stock and other ways; so I quite agree with Mr. McVilly that you should have the best accommodation to give the best results. However, there is one aspect of the question which I do not agree with. I think that to divert the railway and to spend £750,000 on making a new station is the height of extravagance. I do not think there is any reason in it, especially in these times when everything in the way of economy is so important. £700,000 for one station! It is terrible! Then I have also seen plans showing the various proposals.

Mr. Luckie.] You refer to the red and green schemes?—Yes. As you know, I was only able to look over some one else's shoulder to get an insight into the ideas, but when I heard Mr. MacLean's evidence in regard to the proposals, how impracticable everything was, and how costly, as far as I could judge, I agreed with him that the proposals were as bad as could be, and I would not like to express my opinion very deliberately after hearing his evidence. I quite agree with Mr. MacLean that it is very impracticable to do anything on the present site of the station.

You consider that the two proposals are totally inadequate for any purpose?—I accept Mr. MacLean's evidence as quite clear on the subject. It would be very impracticable and costly to do anything on that site. I do not think I need say anything more about the plans. I might say, however, that the only difficulties in retaining the station on the present route are taking enough land suitably situated, and dealing with a moderate amount of road and street traffic across the lines. These are the only two difficulties that present themselves to me. If you take enough land suitably situated you can make as good a station as any one is capable of designing. With regard to crossings, I would say that where trucks have to stand for some time and trains have to wait, together with considerable shunting, you should not have a street-crossing on the level; but it is quite absurd to imagine that you have to spend £700,000 on another station because you have a couple of streets which have to be crossed.

Mr. Myers.] We have not suggested that?—The railway-crossing question has been made a great deal too much of. People get the railway-crossing mania: It is a regular mania. I look around this room and see people with whom I have been associated for years working together in the same Department and attending to the same business, and they will know that I am not talking complete nonsense. I say that the railway-crossing business has become a regular mania. Now, just think of this: we were told that there were twenty trains in and twenty trains out of Palmerston North Station in a day, and going over a level crossing somewhere up the road. The most a railway-train would take in passing over a crossing would be something under half a minute, and if there are forty trains a day over that crossing, they would occupy twenty minutes at the very outside—that is to say, less than one minute an hour. Then, the people who constantly get wild—we have all got wild about it, and I am as bad as the rest of my

esteemed friends, and the Chairman is as bad as I am—cause what I call monuments to be erected all over the Dominion consisting of bridges of some kind which no one ever uses if he can possibly help it. When I went up to Palmerston the other day Mr. Fulton took me down to a level crossing. He examined the ground a good deal and said, "There is a good deal of traffic across here." I looked at the ground after he said that and admitted that there evidently was a good deal of traffic. Then we looked up and down the street, but there was not a single vehicle or a single soul within view. However, just by us was a beautiful monument going over two or three lines of railway; and I do not suppose any one except the blind and the lame ever went over it. No active person would think of going over it. That is a monument of what I call the railway-crossing mania. We all know what it is, and it is a very bad thing to get. The Palmerston North man who lives in danger of his life near Terrace End has only to keep clear of that line exactly twenty minutes out of the twenty-four hours. Then this unfortunate person comes down to Wellington. He gets into a tram and goes up to Manners Street, where he sees two lines of tramway down the middle of the street, with people going across in every direction, together with motor-cars and horses, all day long, and he does not, as a rule, see many accidents; so that the railway-crossing question is quite a mania. Then you take up this Palmerston plan—it is a terrible thing to look at; it almost puts you off your head. Then you come to Wellington and you think nothing about it. There are 70,000 people in Wellington and, I think, twelve thousand in Palmerston North—about one person to the acre, and they mostly stay at home. When I was up in Palmerston North I never saw twenty people congregated together, except on a railway-platform.

Mr. Luckie.] There are innumerable railway-crossings throughout the railway system in New Zealand, are there not?—Of course there are. If you go to Canterbury and take the line between Christchurch and Temuka you will not find a single bridge across the line, but there are scores of railway-crossings. You have to put up with them, and you cannot help it if you are going to be at all economical. I do not think very much about the question of railway-crossings. I have a formula which I always express: If there are trains shunting and standing about at a cross-road, you can have a subway or a bridge if it is found necessary. That generally suits the people.

As a matter of fact, you consider the question of subways and overbridges is only a matter of vital consequence in the neighbourhood of cities where there is more than the ordinary traffic and much shunting?—You cannot make a definite rule about it. Cook Street is a 99 ft. street. It is easy to put a bridge along the middle of Cook Street, and that will leave 35 ft. on each side. There is no difficulty about putting a bridge across there if required, but that is a matter that the Department and the municipality have to settle for themselves. Mr. Fulton says that he could put a subway there; but he believes more in subways than I do, and I believe more in bridges than he does. Mr. Fulton took me down a subway much against my will, but I noticed that the inhabitants kept perfectly clear of it and never went near it. I had to go up and down the steps, and I was not at all pleased with my experience. However, in dealing with the main question, I think there is no difficulty in taking enough land. There should be no shunting across the Square at all. Take the block of land which lies between West Street and Botanical Road. The present goods area is very much blocked; it is not used fully, and there are old buildings across it. Then there is the engine-shed, and not more than half the area can be used at the present time. The block of land from West Street to Botanical Road, and between Main Street and Church Street, can be taken wholly. There are a number of small residences on it, but that area gives 80 chains from Botanical Road to the Square. Now, supposing that after mature consideration the General Manager and the Chief Engineer consider that is not sufficient, they could take the continuation across Botanical Road. On the left-hand side as you go north to Terrace End there is a confectioner's shop known as Dustin's. I should not attempt to take any of that valuable land north of Dustin's. Mr. Fulton has made a small sketch-plan to show one way of doing it, but there are many ways which the Railway people may elect to work out for themselves. Mr. Fulton's sketch-plan will show that you can take land from Dustin's corner to Kairanga Road, or farther if necessary. Then you could put the station in the vicinity of West Street. [Plan produced and explained.] You will then have room for the passenger-station and the passenger-sidings. You will have approximately 14 chains across from Church Street frontage to the boundary of this land; therefore I can see no difficulty whatever. As I said just now, it is a question of taking sufficient land in a suitable position to get the goods-station on one side, with sorting-yards and sufficient sidings to do the thing effectually and completely. You will then not shunt on the Square at all. You will have a considerable distance between the points and the Square to enable you to shunt your trains if you want to. There is no question about it that you will get about 90 acres for your station in the manner I am suggesting, remembering that you have a large quantity of land already, and that you absorb the whole of the present Main Street on both sides. Main Street will be diverted between Dustin's and Kairanga Road.

Mr. Marchbanks.] Do you propose to close West Street?—I think West Street will have to be closed; but when you get your passenger-station there I would make a passenger-footbridge to connect Church Street with the new station and with the new Main Street. You would then be able to have a covered-in accommodation for vehicles approaching the station from the Church Street side, and the main approach would be from the Main Street side. You could have facilities for getting a passenger approach to the station without crossing the railway-lines on the level. The question of cost is, of course, a little more difficult, because I have not had a detailed plan, and have had no time to make one. The compensation which is put down by the Railway Department for the land on account of the diversion is £100,000, and a similar sum should suffice to take all the land to retain the station on the present route by going south. It might be found that the whole of the land taken was not immediately wanted. For instance, on the Church Street frontage you could get a very large sorting-grid there, and in that case you might retain the people on the Church Street frontage

as tenants. Of course the details would have to be left to the Department to work out. Then you would put your engine-shed at the end. I understand it is hardly big enough now. I saw in one of the estimates £50,000 for engine-sheds, but I hardly think, if you build the additional accommodation first and then move the present engine-shed down, that the £50,000 would be necessary. I have not studied the point much, but I should be inclined to put down £10,000 instead of £50,000. Now in regard to the question of the levels. I think some trouble was made about this. It is not an invariable custom to put railway-stations on the level. The English line I was engaged on the construction of was the South-western line. A grade of 1 in 200 was allowed for stations; with a grade of 1 in 300 you could hardly tell whether it was a grade or level—most people would not be able to tell with their eye. You could get a grade of 1 in 300 in the present position quite easily. Any little grading that it might be necessary to make in the extension could be done if required, by very little filling. I mention that incidentally. It is not a desirable thing to go in for a large amount of filling to obtain a dead level; and not only that, it would be extravagant. They can do very well with a grade of 1 in 300, and I believe that is obtainable. I understand that part of the line is on a grade of 1 in 600. Then, the Chief Engineer, in his examination, said that it would be necessary to take some immediate steps to give accommodation at the present station to deal with the goods, and I am quite certain he is right. One only needs to be a quarter of an hour there when trains are coming in to recognize that fact. It is very badly wanted, and if they design the station at that place they will design the existing sidings to work in with the new scheme. If they do that they should be able to make a very great improvement in twelve months' time. On the other route they say they can do it in five years, but we all know how Governments act, and we could not reckon on getting it done in five years. It might be done, but it is very improbable. At the same time, twelve months would enable them to put additional accommodation on the present route; in the meantime that would be of very material advantage to the working.

And would it be of use later?—They would no doubt design a new scheme to make use of the existing sidings and accommodation. I do not think they should make a clean sweep of everything they have got and begin *de novo*. They could not very well do that. In my opinion they certainly should not spend one-third of what they propose in the deviation to carry that out. I am only taking a bird's-eye view of the situation, because I have not had time to go into the matter in detail. However, I should not be at all surprised if it cost less than £200,000. It depends on what you do, and whether you are going to make half a dozen overbridges. I would taboo the overbridges, with the exception of one at Cook Street.

The Chairman.] And any subway?—I would not have a subway. I think possibly the work might be done for £175,000. I do not know much about the present conditions, but I am quite sure that the suggestions of the expenditure of £700,000 is the wildest extravagance one could possibly go in for. I would not have it.

Mr. Luckie.] Do you consider that such an expenditure on any feasible proposal is in any sense justified?—I said at the outset that it is not justified. I think it is very extravagant. I do not think the objects that the General Manager and the Chief Engineer are aiming at are extravagant, but I think they could attain them on the present route. There is one point I should like to mention. The idea was expressed by the General Manager and the Chief Engineer that if they took the railway-station away they would have 7,000 ft. of land which could be sold at £30 a foot. My imagination would not carry me that far. You can buy land at £20 a foot in a thick residential area, and the idea of giving £30 a foot for business purposes is ridiculous. They will not get it in my time or our time.

Mr. McVilly brought forward yesterday a statement of the probable cost of operating a railway-line at that point, he suggested, two miles south of Palmerston North, chiefly because there would be a considerable distance between the engine-shed, the yards, and the station, and he produced some very startling figures as a natural consequence. In your opinion, with the necessary area on both sides of the railway-line—

Mr. Myers.] Those figures do not apply to one compact station and yards.

Mr. Luckie.] Are you satisfied, from the suggestions you have made, considering the railway-station, engine-yards, and sorting-area that could be found in the manner you indicate, that the traffic could be worked as economically as in the proposals made in regard to the deviation?—That was the last remark I made. I think that if you took adequate land in a suitable position you could make the design as good here as anywhere else. I wish to say that there may be more ways than one of taking land and even going farther south, if the Department thinks it better to do so, but I have not had time to consider the aspect of the matter referred to by Mr. McVilly. Mr. Fulton has gone fairly closely into the question and has made a trial sketch-plan, and we have come to the conclusion that we can make just as good a station to the south in most respects as they could do on the diverted line.

And would it have the same reasonable easy means of communication with the Town of Palmerston North as the proposed station?—It is nearly in the same area.

By this method you would avoid all question of interference with the Square for shunting purposes?—We would not shunt over the Square at all.

You say that could be done for something under £200,000?—I said "less than one-third," and it might be £200,000, but if carefully worked out you might even do it for less than that. It depends upon how prices go. If the price of rails goes up and wages increase we do not know where we are.

In your opinion is there ample land that could be taken there at a moderate cost?—I do not think the land which I have referred to would require the expenditure of £100,000 for compensation. I heard a witness the other day referring to sidings, and the question of the interference with private sidings. I want to say this, because the question of the private siding is a very big one: It is over

forty years since I was instrumental in pointing out to the Government that they must not allow private people to secure rights of entry on to railway-lines and railway land by means of sidings without having a proper agreement and restrictions. The sidings are the property of the Railway Department. The Railway Department only is entitled to run its trucks and goods across the street from private sidings. As far as I remember, the man who applies for a siding takes it at his own risk. The Government has the right to alter its railway-station for the convenience of the traffic or the public service and put it wherever it likes.

Mr. Myers.] Subject to three months' notice?—Very well. I was instrumental in getting that done. Before I joined the Public Works Department they were going wildly with respect to this matter; if they had allowed private persons to establish private rights on railway land the Government would not be able to deal with the public traffic. I do not think this Commission can take into account the question of private sidings; and if they took the railway away altogether and put it down in the swamp, all the sidings would be wiped out.

Mr. Luckie.] It would be possible under your proposals to have a uniform width from Short Street down to Boundary Road of about 14 chains?—I have given the extreme width of 14 chains for the things mentioned by Mr. MacLean—namely, station-building accommodation, wide platforms, and sidings clear of the running-lines for passengers; but that is a point the Railway Department would go into if they decide to take up this scheme.

As a matter of fact, the land south of the educational reserve and right down to Kairangi Road is almost entirely vacant on that side?—Yes, there is very little on it.

And right down to Boundary Road the same thing applies?—I think so, but I did not go down that far.

Mr. Myers.] I think, Mr. Maxwell, that you left the New Zealand Government Railways in 1894, or thereabouts?—Yes.

And since then you have not been actively connected with the New Zealand Railways?—No, of course not, except that on one or two occasions I have had the opportunity of going over them officially and examining them.

For the purpose, speaking generally, of some inquiry?—Sitting on a Commission, in one case, with one of the gentlemen sitting on the present Commission. We went over a great portion of the railways.

That was for the purpose of inquiring into some specific question?—Yes.

The only reason why I ask you the question as to when you left and how long ago it was is this: Am I not right in thinking that in your time as General Manager and Commissioner you had to consider the question of the railway facilities of Palmerston North?—Just about the time the Commissioners were appointed there was something done. I remember once meeting the Mayor of Palmerston North and listening to the complaints about the railway-station in the Square, but the Commissioners had no loan funds for expenditure. They were entirely in the hands of the Government and the Public Works Department, and consequently when it came to work of that kind it was a matter of negotiation and persuading the Minister of Public Works to do what we wanted. Then the process was that the Chief Engineer of Railways, who was then Mr. Lowe, and the Public Works Department fixed up things between them in the best way they could for the carrying-out of the work. That is how it was done.

I am not referring to the old station in the Square, but to the existing station. Was not the existing station and were not the facilities at that station the subject of some consideration and concern even in your time?—Yes, but I think the station has been altered since then.

That may be so?—The present position of the station was fixed during the time of the Commissioners by arrangement with the Public Works Department.

I take it that you prepared the report or notes some days ago upon which you have given your evidence to-day?—Yes, two or three days ago.

My point is that you prepared them before hearing Mr. MacLean's evidence yesterday?—Yes, and I still adhere to my notes.

I suppose on questions of estimate and cost you would take what Mr. MacLean says as being approximately correct?—Mr. MacLean probably has much greater facilities for giving the areas and estimates that he has done than I have. I understood him to say that he has made a shot at it because at present it is in embryo. It is only a diagram that he has produced, and he cannot be expected to give you minute estimates. I can only take a bird's-eye view of the matter and guess. I understand Mr. MacLean has done the same, because he has not enough data to give an accurate estimate; but as he is in work I should say he is better able to do that than I am. I am only giving you my opinion. If I was on Mr. MacLean's side I should go and consult him about matters. You need not make any mistake about that.

There are several leagues interested in this matter. Would you mind telling me by what league, or by whom, you are asked to come into this matter?—I was not asked by any league. I was asked, I think, by Messrs. Field and Luckie. I am not conscious of there being any league connected with it. I reckon that the Railway Department is one league because they want to divert the line, and I am not of that league.

You have said that if the new proposed site is adopted it would be necessary to erect the station only a foot above the highest reputed flood?—I should say you ought to do that at least.

Did you not hear Mr. MacLean in giving his evidence say that he has provided for that in his proposals?—Yes, I heard that; I wish to corroborate by my views that it should be so, and that it would cost a very large sum to do it, which I put down at £80,000.

You have told the Commission that you agree it is urgently necessary that something should be done to improve the facilities at Palmerston North?—Yes, I think so.

To quote your own words, I think you said "The present position is abominable" ?—Yes, that is so.

Supposing that the proposed deviation were to cost no more than the scheme you are suggesting you would agree that the proposed deviation would be a better scheme ?—No, I should not. I prefer to remain on dry land in preference to going into a swamp.

Have you taken any levels to ascertain whether or not the land you are speaking of as swampy is swampy ?—No, I have not. The only information I have to go on is the photograph, and that shows that it is rather damp. That has impressed me very much, and I am biased by that very largely.

Do you approve of a railway running through a town like Palmerston North if it could be avoided at a reasonable cost ?—I think you are asking me to give a concrete answer to an abstract question. Do I think it reasonable to go and remove the railway from Palmerston North and put it outside ? I do not.

That is another question ?—You cannot state to me a general question on a theory of that kind that would enable me to answer it.

Do you approve of a railway running through the Town of Palmerston if it could be avoided at a reasonable expense ?—Yes, I approve of it running through Palmerston because it is of great advantage to the town that has grown up around it. You should not interfere with vested interests if you can help it.

In giving that answer you are considering the question of vested interests ?—Yes, that is one of the points.

Supposing the vested interests say they think it better in the interests of the town and of the public generally not to have the trains running through Palmerston North, would you still say that the trains must run through Palmerston North if it could be avoided at reasonable expense ?—If you have the whole population of Palmerston North giving a firm vote in the direction of getting the railway outside the town, that would have some weight, but I should not be disposed to waste money in going outside of the town for that reason.

My question presupposes the removal at a reasonable cost ?—Yes.

Do you approve of a level crossing in the neighbourhood of a station like Palmerston North ?—What do you mean by the "neighbourhood" ?—anywhere at the Square ?

Yes ?—I have no objection so long as you do not shunt over the Square. I have tried to explain that by saying that the forty trains per day would occupy about twenty minutes in twenty-four hours in going over the crossings, and only during that time would the traffic be interfered with, and that is nothing.

You agree, of course, that a bridge is necessary at Cook Street ?—I think it might be desirable, and I think the people would want it.

Would you as a railway man tolerate a moment longer than is necessary the existence of Cook Street as a level crossing ?—I would not have a level crossing there, but if it is absolutely essential, according to formula, and you can afford it, you must have a bridge or subway.

Now, in regard to the land you suggest taking : you propose to divert Main Street to the northward ?—From Dustin's towards Kairanga Road.

And you propose to put the station in the vicinity of where West Street is now ?—That is one proposal.

Where would you have your station then ?—The passenger-station is to be in the vicinity of West Street. I explained to you that I have no plan, but that Mr. Fulton has prepared a trial sketch-plan, and if he exhibits that to you you will be able to get a clear understanding of the position.

You propose to retain the Church Street site for goods ?—Yes.

The vicinity of the present engine-shed would be taken up by your goods-yard ?—Yes, that is according to how the Department choose to design.

So that you would have your goods-yard on the one side of the main line and the passenger-station on the other ?—Yes.

That involves all trains crossing the main line when entering or leaving ?—No, not all trains ; that is a detail of working which it is difficult to answer. It is necessary to have a detailed plan. You will have a through siding and enter the goods-station from either end.

Did you see the statements that were put in by Mr. MacLean when giving evidence yesterday showing what each of his alternative schemes meant and what they involved ?—I saw his plans, but as he described them as so impracticable, I did not think it necessary to go further.

Now, take Mr. MacLean's second alternative scheme. Do not bother about the estimates at all, but read down to the word "estimate." It reads, "Station (low level) at present site to deal with all business except locomotive-depot ; bridge over centre of Square to allow of shunting to northern (eastern) side of Square ; purchase of property south of West Street to enable all present area to be utilized, and for shunting facilities, south end ; West Street to be closed ; this purchase to extend to Kairanga Road. Main Street to be diverted to west (or north) side of railway as far as Kairanga Road ; Cook Street to be bridged, and Pitt Street subway extended ; overbridges with necessary approaches at all crossings north of Square ; double track, Longburn to Palmerston North. This scheme would only serve for a limited time. Shunting and passage of engines to and from engine-depot would be carried on over Kairanga Road level crossing" ?—I do not look upon that as resembling the scheme I am proposing, because it interferes with the Square.

But apart from that you see that the scheme is very much like yours ?—It differs very materially, because we are proposing to keep the passenger-station entirely clear of the Square so that there could be no shunting across the Square and no bridging across. There is an enormous difference.

But your scheme, if you alter the whole station and shift the whole station down, would be more costly than Mr. MacLean's, except for the bridges. I do not want you to look at Mr. MacLean's estimates for the moment?—Then how can you ask me if my scheme would be more costly if you do not tell me what his estimates are?

Mr. MacLean took all the land to Kairanga Road, as you propose?—Yes; and I say, take it farther if necessary for goods purposes.

Mr. MacLean says, "Leave the station pretty well where it is," and you say "Shift it to the neighbourhood of West Street"?—Yes.

The question I am asking you, and the only question, is that up to that point does it not necessarily follow that your scheme in that connection would be more expensive than Mr. MacLean's, inasmuch as he leaves the station arrangements pretty well where they are?—But is it not proposed to build a new station?

Yes?—And perhaps use the old building?

Apparently so: so, does not your scheme up to that point involve a greater expense than his?—I cannot tell you unless you allow me to read his estimates.

Of course, because I am trying to get something from you which seems to me to be so obvious without reference to figures?—It is not so obvious to me, because I want to see something more.

Each of you say, "Take the land to Kairanga Road"?—Yes.

So far as the taking of land is concerned, your scheme involves the same expense as Mr. MacLean's?—For goods purposes.

I do not care for what purposes: you are buying the same thing?—But you are not asking me about land, you are asking me about the total cost, are you not?

No, I am taking it by stages and first dealing with the land?—That would not make any difference in the land for the goods-station.

Precisely so. Mr. MacLean says, "Station at present site to deal with all business except locomotive-depot"?—What does that mean—goods and passengers?

"To deal with all business, and involves the use of the present station building with minor alterations"?—Minor alterations. That is a different matter.

If you leave the station where it is, does not that involve less expense as compared with your proposal of building an entirely new station near West Street?—I could not say without having it sketched out. If the Department is satisfied to leave the present station where it is, and to deal with the goods in the way I think, and not to shunt across the Square, they had better do it, but they cannot. You are going to effect all sorts of extravagances, to shunt across the Square, and to build bridges, and you cannot do it. Mr. MacLean can make you a trial sketch in a day, and let you see what he really means and what it involves.

You have told us what you mean?—I told you when I began my evidence that I am only giving you the general features, and that Mr. Fulton has a sketch trial plan which he can bring down. That will show more clearly what I mean.

But I may take it that you have not gone into the question of details—you have not gone into the matter closely nor into the question of expenses?—I have gone into all three questions. I have gone into the question of expense, as I have explained to you, and given you the total estimates.

Have you got any details to show how you have arrived at the amount you have given?—I have given enough details in the general information to show that I would remove the present passenger-station site to a place where we could have more land and more area for buildings and platforms than the minimum requires. I do not see exactly how you are going to keep the present station going and avoid shunting over the Square; but if you are prepared to shunt over the Square and keep the station buildings where they are, of course it will be cheaper.

Now, I want you to look at Mr. MacLean's estimate of that scheme, and you can cross out, if you like, the overhead bridges from the Square to Terrace End, estimated to cost £350,000. Do you see that that scheme, which certainly is no less expensive than yours, would involve an expenditure of half a million of money?—I have only arrived at the point that I see "£775,000; station-yard, buildings, &c., £150,000." I do not know what that means. Then, "engine-depot, £50,000." I have already expressed my view that £50,000 is a very excessive sum, in my opinion, for an engine-depot, and I do not know where he proposes to place it.

Have you had to consider since you left the Railway service the question of the cost of an engine-depot?—No, I have not.

It is a part of Mr. MacLean's ordinary work, is it not?—Does Mr. MacLean intend to build and equip an entirely new engine-depot and not make use of the present structure at all?

I do not know?—Well, I do not know either. Therefore you cannot expect me to answer that question. He says £50,000 for an engine-depot.

He is responsible for his estimates—I am not?—Then he says, "Double track, Longburn to Palmerston North, and separate tracks to engine-depot, £50,000." I have not included anything for that. If you want a double track, that is extra.

It is an item that has to be taken into consideration?—That is not putting the station south.

It has to be taken into consideration in considering what scheme should be adopted for improving the facilities at Palmerston North?—Yes. I do not think it is necessary.

But you are not running the railways?—No, and I have told you already that the Railway Department must be responsible for working out its own details. I merely express my opinion that £50,000 seems a very large sum for an engine-depot. I do not even know where they intend to put it. Then, the report states, "Diversion Main Street, roading, &c., and double track, Longburn to Palmerston North." I do not think that is necessary.

That must be left to the officers of the Department?—They must decide whether it is necessary to go to that expense.

Does not the necessity for a double track depend upon the volume of business on that particular line?—There is no more business between Longburn and Palmerston North than there is in other parts. You are not going to do away with the Longburn Junction altogether; it is needed for the branch line. You are not going to do away with the Foxton Branch. It is no more necessary to have a double line to Longburn than elsewhere: that is my opinion.

What do you estimate for the bridge in Cook Street?—I put down, roughly, for bridges £35,000. I notice that Mr. MacLean puts down for half a dozen bridges £50,000.

No; he puts down seven at £50,000 each?—Before expressing an opinion I should like to see the particulars of Mr. MacLean's estimates. There are bridges and bridges, and a variety of ways of building bridges, and one would like to know exactly what is going to be done before expressing an opinion. I would not put down £350,000 for bridges myself—I would put down £20,000.

Have you during the last few years had anything to do with the building of bridges?—No.

Are not the conditions now quite different from what they were some years ago?—You can take it that you are picking out an old fossil, and he will not talk in a modern tongue exactly.

I am not putting it that way?—No, I know that. I looked at the crossing and the distance, and I thought £20,000 would be sufficient to make a bridge for that place.

There again the men responsible for operating the railways must take the responsibility for saying what bridges are required?—Yes, they must take the responsibility: that is their business. Then, Mr. MacLean puts down £50,000 for contingencies. I have put down £15,000 or £20,000 for contingencies. Mr. MacLean totals up his estimates to £850,000.

Yes, and he includes seven bridges at £50,000 each, which for present purposes I am excluding?—Yes, that is right.

I am assuming for the moment that they are not necessary, and I take off £350,000?—Yes, that is a nice little item to take off. It is a great comfort to know that it is not going to be spent.

But that scheme, according to Mr. MacLean, would cost half a million of money?—I should knock off the £30,000 and the £350,000, which brings the total down to £425,000, and that I think would be double what I would spend.

Without having made a real estimate?—Yes.

You said that it is impossible to estimate the indirect benefits that will result from the improvement of conditions at such a station as Palmerston North?—Yes, I agree with Mr. McVilly that great advantages will accrue to the whole district by having a good station, but I consider it can be got in the south. You cannot estimate the saving very well. The irritation, to begin with, the wear-and-tear of body and soul of the whole staff is a very important, and it is a very serious item.

Mr. McVilly put it yesterday that one of the benefits resulting is that you can use your rolling-stock to very much better advantage?—Yes. At present the public convenience suffers very much, and there is the uncertainty of things in working the traffic. There are a hundred ways in which benefit would accrue.

Those are matters that the man in charge of operations takes into very serious consideration?—Yes. It is very nice if you have *carte blanche* and can do what you wish. It is all very nice where you can carry out your own ideas, but that was not so in my time.

When you prepared the notes upon which you have given evidence to-day were you aware, first, of the increases for the last twenty years, and, secondly, from 1914 in the traffic passing through Palmerston North?—I know in a general way that the traffic is many times greater than when I was in the Railway service. That we all know. It is a very big thing, and with the traffic particularly that goes beyond that station I do not know how they manage to get on.

I suppose you will agree with me that in devising means to meet the present facilities you have got to look a considerable distance ahead?—You must look some distance ahead, but it depends how far you think you can look. You must not attempt to look too far ahead, because you are just apt to go wrong in the distance you think you are looking. It is better to go slow in this case, and better not to be too extravagant in your views. I have seen it done so often in this country. You go and take a lot of land and do all sorts of things for one place, and then it has to be done all over again.

You think the conservative view should be taken?—You should be careful and not extravagant. I think the present proposals are very extravagant.

Would they be extravagant supposing the present traffic were doubled?—I think as far as goods are concerned you could give double the accommodation they have got now quite easily without carrying out the whole scheme.

That does not quite answer my question. Would you say it was an extravagant scheme supposing the traffic were doubled?—I should say it is extravagant to spend £700,000 when you could do it for one-third of that amount.

You view the present Railway officers take is this: that if they were to adopt some such scheme as you have suggested—and it is one of the schemes they have considered—it means that in a few years they would have to recast their ideas again, and probably then, if they found it necessary to divert the line, it is going to cost them a great deal more than it is going to cost them now?—I do not believe that. They can take enough land to do all I suggest.

That you will admit is a matter of opinion upon which you may be right or they may be right?—The whole thing is a matter of opinion, but one's opinion is formed from the circumstances you see around you. Money cannot be thrown away at the present time. You must do something for the goods traffic because you cannot hope to get the diversion for five years, and something must be done in the meantime, but that should be done in a way to enable the Department to go on and complete it later.

Your scheme is a scheme which may be temporary or permanent?—All schemes are temporary. That scheme would involve a considerable sum of money?—Probably a couple of hundred thousand pounds.

That is necessarily a rough estimate?—Yes. If I could save a couple of hundred thousand pounds by sticking to the present route instead of taking the diversion I would save it.

Even if in five years you had to reconsider the whole position?—You would not reconsider it in five years.

Well, say in ten years?—I think not. You must look forward to an enormous development in the traffic.

I do?—You are trying to look too far ahead. You cannot foresee.

Are you aware of the increase in the traffic since 1914?—I know it has increased several times.

Notwithstanding all the troubles of men being away?—I know it has increased.

And increased very considerably?—Yes, very well; but I think we are apt to take an exaggerated view of it. We have had it in evidence that there are only twenty trains in and twenty trains out in a day, in addition to the through trains. That is not a big traffic. All the trouble arises on account of having the goods arrangement and other things in an unworkable condition. The traffic there is a trifle as compared with that at the larger centres. Then you want to do something as if the traffic were going to increase at a stupendous rate, and you want to provide for fifty years.

Might I suggest to you that in the past large sums of money have been thrown away because people have not been sufficiently far-sighted, and they have constructed works which have not been of sufficient capacity having regard to the necessities of the next few years?—That is what I was just remarking—that in some places we have done work to meet the circumstances in anticipation of more traffic which has not eventuated. In other places, where we have carried out insufficient work, the traffic has increased. You cannot foresee these things. Therefore, you should not make provision for an enormous traffic fifty years hence when you are only concerned with the present.

I am not looking fifty years ahead. I suppose Palmerston must of necessity always be a pretty substantial railway centre, must it not?—It is a main junction accommodating six groups of traffic. You have two groups from the south, although one of them is small—namely, Foxton; two groups from the east coast—Wairarapa and Hawke's Bay; and two from the north—the North Main Trunk and the Taranaki. There are six groups of traffic to deal with.

Mr. Luckie.] Mr. Myers has asked you a question about the enormous rate of increase in traffic, and puts before you Mr. McVilly's statement showing that the total goods tonnage and passenger traffic between 1897 and 1921, a period of about twenty-four years, has increased about 400 per cent?—I have not seen the return.

Is it not natural to suppose that the rate of increase is not going to be maintained, in view of the fact that it has been largely due to the class of settlement that has taken place during that period?—I really do not know. The traffic has very much increased, and if you get a proper goods-station there will, no doubt, be a similar increase in a similar period.

I take it you are satisfied that the adoption of the scheme you have outlined for a new station at Palmerston North, or an extension of the existing one, will provide, with the area available and with that which can be taken if necessary, all the facilities that can be provided at the station at Rangitikei Street proposed by the Department?—I think you can take land enough in a suitable position on the present route in the way we have suggested to provide all the accommodation and facilities necessary.

And you estimate that that would not cost more than something like £200,000 or under?—That is what I made a rough shot at. I think it ought to be done at £200,000, or under one-third of the cost suggested by the Department.

Would that work take anything like the same length of time as would be involved in the proposed deviation?—I think not. It depends on how the Department is supplied with money; but certainly, to provide some improvement for the goods immediately could be done in a very short time.

You suggest that in the meantime and while the work was in progress you could provide the necessary improvements immediately, which could be co-ordinated with the scheme when completed?—That is generally what is suggested—that you could go on at once and provide some improved facilities which would work in with the scheme to be carried on simultaneously.

Whereas the Department will be obliged to carry out certain temporary expedients and spend money in temporary improvements during the five years that the proposed scheme was being completed, and then those temporary expedients would have to be scrapped?—I think the Department agree that they have to do something at once.

In the one case you could make the temporary improvements useful, and in the other case they would have to be scrapped?—In the other place they would be lost when the present route was given up, or largely so.

In accordance with your scheme, the only two streets that would require to be closed would be Cook Street and West Street?—Yes. I think Cook Street might be bridged if they wanted it, and West Street could be closed. It would not be closed to passenger traffic if you adopt a bridge to the proposed new station from Church Street side of the line.

The question of compensation in connection with the closing of Cook Street has been referred to a good deal. As far as traffic from the eastern side—the Manawatu River side—is concerned which desires to go into the Square, it could equally readily go up Church Street and get into the Square without any inconvenience at all?—I should think so.

The only question would be in regard to people desiring to pass from one side of the line to the other in the same neighbourhood?—Yes.

Is it not a fact that in the case of Palmerston North the natural tendency of the town and its growth has been enlarged to a great extent by the presence of the railway?—I do not know it for a fact,

and I do not know that anybody else does, but the general assumption is that it has increased because it has the railway-station and the railway running through it.

What would be the general tendency or result of the removal of a big station to Rangitikei Street so far as the future spread of Palmerston North is concerned?—I suppose the development of the town would naturally proceed at a greater rate in the vicinity of the railway-station at the other place.

Is it not your experience that railways pass through a great many cities in the Old World and elsewhere?—Yes, and they do in New Zealand too.

Is it not a fact that in all the large centres, in both the Old World and the New, the railways in the majority of cases are in the centre of the city?—It is very often so. My experience of New Zealand people is that they all want to go through some place where they should not go.

Under your proposal the Department could get just the same facilities that they can get elsewhere for one-third of the cost?—Yes, I suppose that is about it.

That is looking forward as far as is necessary in your opinion to look?—Yes.

You say it is necessary to take all the land that is required?—Yes, necessary to take the land first and then go on with the work afterwards.

JAMES EDWARD FULTON sworn and examined.

Mr. Luckie.] You are a civil engineer?—Yes, I am a member of the Institute of Civil Engineers and American Engineers. I may also say that I lived in Palmerston North from 1883 to 1888 and later saw the station shifted from the Square down to the present site.

How long have you been connected with railway work?—All my business life.

You were from 1883 to 1896 in the Manawatu Railway Company?—Yes, and I was Traffic Manager for the railway between Longburn and Wellington for seven years of that time. I saw a good deal of the station traffic in Palmerston North as well as controlling it down here in Wellington.

I think you have been to America and Great Britain since then?—Yes, I have travelled in America, in Great Britain, and on the Continent, and have taken a keen interest in railway-working and station arrangements there.

You have examined the proposals put forward by the Railway Department for the diversion of the railway-station at Palmerston North, and you have heard Mr. MacLean's evidence and seen the plans?—Yes.

Will you tell the Commissioners what your opinion is with regard to those proposals?—Well, I have heard Mr. MacLean's evidence, and understand the proposals put forward by him. I consider the two schemes, the one at the present station and the scheme for the goods-sidings away up at Terrace End, are quite out of the question.

What is your opinion as to the necessity for adopting the deviation which the Government proposes?—I think it is quite unnecessary and very much too expensive to make that tremendous alteration.

Do you know any other way by which the same work could be done without going to that expense?—Yes, at very much less expense.

What is your proposal?—My proposal is to go farther towards Longburn on the same line, by which means you would utilize a great deal of the work already constructed, instead of throwing it away and having to start *de novo*.

You prepared a plan?—Yes, to make it graphic I have prepared a sketch-plan. [Exhibit No. 10.] The idea of having plenty of land I entirely agree with. My proposal involves disturbing one gasometer close to the street.

Mr. Myers.] What length do you take?—A mile and a half of station land altogether. It was mentioned that we interrupted two streets, but we are also interrupting Kairanga Road.

Mr. Marchbanks.] Do you propose putting an overhead bridge over Kairanga Road?—No, I have not proposed a bridge there.

Do you suggest a subway there?—No, I would not put anything.

You would leave it and close the street?—Yes, close the street; but you would still have the same facilities for bridging the place in future, as is now proposed to be done at road-crossings on the deviation proposal.

Mr. Luckie.] Are you satisfied from your knowledge and experience of railway management that you could provide with these proposals just as satisfactory accommodation, facilities, and conveniences as could be supplied at the proposed station at the end of Rangitikei Street?—Yes, because you take just as much land and just as much length as they propose to take there.

Then it comes back to the general principle of having the necessary accommodation in a suitable place?—Yes.

And you have all that is required south-west of the present station?—Yes.

I take it that you would make a diversion of the main road and join the present road again farther down?—Yes, near Kawau Stream.

From the gasworks south to Boundary Road beyond Kairanga Road there are not more than about half a dozen houses, are there?—No.

That would be the only part that would involve any compensation?—Yes.

Mr. Myers.] Would you put a subway at Cook Street?—Yes, I would prefer it to an overhead bridge. I have an objection to overhead bridges, because they block the view of the signalmen and block the view of the yards. [Plan referred to and explained.] I would like to produce for the information of the Commission a book which contains a lot of useful information, called "Railway-track and Track Work," by Tratman.

Mr. Luckie.] As you would place the station would it be closer to the Square than that proposed by the Department?—It would be about 25 chains closer to Longburn than it is at present.

What do you estimate, roughly speaking, would be the probable cost of the work involved in your proposal?—I estimate about £200,000, similar to Mr. Maxwell; but I was not taking so much land as he was proposing to take. You could spend only as much money at first as you had available on useful works that could be put into service at once.

Does the configuration of the land present any difficulty?—Taking the land does not, and I do not see that the land I propose to take would be so much dearer than the proposed station land in Rangitikei Street.

You would not need to acquire, according to your proposal, any business blocks?—Only the gasworks portion.

You have watched the manner in which railway-management is conducted in the large centres of America and England?—Yes.

What is your experience of the general tendency in big commercial centres with reference to railway facilities—have they not terminal stations in connection with collecting and distributing centres like Palmerston North?—The tendency is that stations are being brought nearer the towns. At present they are proposing to take the Redfern Station right into Sydney, close to the Botanical Gardens. In fact, they were surveying it in 1916 when I was there. Then, Spencer Street, Melbourne, is right in the middle of the city, and so is Flinders Street Station. Goods-yards are not brought so closely in.

I suppose that is chiefly due to the fact of the difficulty of getting the necessary area?—Yes.

Here you have not that difficulty?—No. In connection with the big stations in England, they never think of shifting the passenger traffic from the city, and it is the same with practically all stations in London and elsewhere.

And if it is necessary to handle goods elsewhere, they go where they can get land?—Yes, but I say we can get land here close to the passenger-station.

And under your proposal you could provide all the necessary conveniences and accommodation for handling passengers and goods that may be required?—Yes.

Do you consider in making your estimate you have taken everything that is reasonable into consideration?—What is in favour of my estimate is that you have the station there now, and in addition you have the other materials and the signal arrangements which can be used there, whereas new ones would have to be provided at the proposed new site.

It is estimated that it would take four or five years to carry out the deviation and build the new station?—I do not agree with that. I do not believe that it would even be commenced in five years.

You think it will take longer?—Yes; and after they start the deviation they will not be able to use any part of it until the whole is completed. Under my proposal they could commence to-morrow making improvements and soon relieve the traffic. In reference to the deviation, my opinion is that they would not only not finish it in four or five years, but they would not start it in that time.

The Chairman.] Why?—Because they have not started the Wellington Station yet.

Mr. Luckie.] Then in the meantime you agree with all the other witnesses who have given evidence that it is absolutely essential some improved conditions must be provided now even if they adopt the deviation?—Yes.

And those improvements would have to be scrapped afterwards?—Yes.

Could you bring in temporary improvements that could be brought into line and used in connection with the present station under your scheme?—Yes.

Could you make them as efficient and far-reaching, looking ahead, as they could on the site at Rangitikei Street?—Generally, if you have the land of the same size you could make the station equally efficient.

Mr. Myers.] I think you designed the Wellington-Manawatu Railway, did you not?—I was one of the Engineers.

And I suppose you designed the Thorndon Station as it existed up to the time the Government took over the railway?—I think Mr. Marchbanks principally designed it.

What is the largest station-yard you have yourself designed?—I suppose the Thorndon Station, belonging to the Wellington-Manawatu Railway Company.

I want to show that in this particular matter your experience is not comparable with that of existing railway men. Apparently in the plan you have produced you show a number of blind sidings?—Those are neither here nor there.

What do you mean?—They are blind sidings for standing trucks. I have only taken about a day over the preparation of this question. The sketch only suggests filling with sidings the land that is at present unoccupied there.

Apparently towards the Square you show blind sidings?—Yes, they are only suggestions.

Are they workable?—They would be workable.

Could you work a station properly with blind sidings?—You could have a blind siding anywhere required.

You say it is quite feasible to have blind sidings there?—Yes, blind sidings, or any sidings found necessary. You would pull that sketch about as required when designing the station. No sidings at all are shown in Rangitikei Street station.

Mr. Marchbanks.] Those are standing roads for local traffic, are they not?—Yes.

Mr. Myers.] They are not intended for shunting?—You could not shunt from each end of a blind siding.

Must you inevitably shunt from both ends of a station like that?—No, not from blind sidings. They have blind sidings there now.

You say you have made some sort of estimate: have you a detailed estimate?—I have a sort of detailed estimate.

When did you make it?—I made it two or three days ago—before hearing any evidence.

Will you tell me what you have allowed for the Cook Street overbridge?—I have allowed for the overbridge and the subway £25,000.

You provide both a subway and a bridge at Cook Street?—No, for an overbridge at Cook Street. And you allow £25,000 for that?—Yes.

Do you provide for a subway at West Street?—Yes, and allow £25,000 for both.

Do you suppose for a moment that it could be done for that, or anything like it?—I would not have put it down if I had not.

Do you think it could be done for anything like it?—I do.

What is the width of the subway?—Narrow subway of 5 ft. or 6 ft.

And what length?—About 3 chains.

What is the width of the overhead bridge at Cook Street?—Not more than 20 ft. If I were anxious to save money I would make it about 18 ft. The Hutt Bridge is 18 ft. wide, you have probably seen the traffic there on race days, and that will give you an idea of what would be required for overbridge or subway at Palmerston.

What do you allow for the taking of land—taking the land as a whole?—I provide for 30 acres at a cost of £40,000.

That includes buildings and everything?—Yes.

Do you think you will get it for that?—Yes, approximately. I have added £25,000 on to this estimate.

What are the items?—The items I have allowed for are as follows: Sidings on goods site, £30,000; engine-shed and shifting goods-shed, £20,000; overbridge and subway, £25,000; passenger site (land 30 acres), £40,000; buildings, platforms, and road, &c., £30,000; sidings and signals, £30,000; total, £175,000; contingencies, £25,000; grand total, £200,000.

Have you provided for tracks?—Yes. I have provided for four miles of lines at a total of £30,000, and another four miles of goods-sidings at £30,000.

Mr. MacLean informs me that that is a long way under the price at which it can be done: What do you say?—For permanent-way I say that is about right. It may be a bit low.

We say it is a very big bit low?—Very well.

Speaking only of that particular point at present, on what experience, prices, or catalogues do you base that estimate?—On the prices of everyday work. Heavy rails and sleepers cost about £4,000 a mile, and there are other things, such as ballasting, and so forth. If you are going to criticize the estimates, I want to say that I am giving a diagram, while the Department has given us nothing.

The engine-depot you have put down at £20,000?—Yes.

You see that Mr. MacLean gives you some information, at all events, on that point, because he puts it down on a similar scheme to yours at £50,000?—I would say that, considering the position of money at the present time, we could gladly go ahead with £200,000 available in our pockets and do a great deal of permanent work there.

How long ago did you prepare that sketch-plan?—A few days ago—on the 16th March.

May we take it, then, that until you had been up to Palmerston North and looked around there you had not evolved any scheme for improving the facilities in that neighbourhood of the present station-site?—No, I had not done anything in the matter until I went up.

You had not previously been asked by any Palmerston people to advise them as to what could be done?—I do not know. Some people had been speaking to me before that.

But you had evolved no scheme?—No.

We may take it, then, that your scheme dates back only to the 16th of this month?—Yes, or a day or two before that.

How long do you think, if such a scheme were adopted, it would remain efficient and sufficient?—If you took enough land it would remain efficient and sufficient just as long as the other scheme.

You mean, if you took enough land to increase your layout and facilities as required?—Yes. I think you want to take enough land. If sufficient land is taken I would not find any fault.

Your scheme leaves the trains running through the Square, through the town, and over the level crossings?—Yes.

Do you think that is desirable?—Yes, I think with those level crossings and overbridges you almost want a policeman to make people walk over and use the bridges. People never walk over the overbridges in Christchurch or Lyttelton. To put ten or eleven overbridges in Palmerston North would be so hideous that people would go and live somewhere else.

Do you mean to suggest that if the deviation were not costing substantially more than the adoption of your scheme you would prefer your scheme, with the trains still running through the town and over the level crossings, to the deviation?—That is theoretically the position. But if you are going to make nine miles of new railway, is it not going to cost much more?

You must please accept my hypothesis?—Well, I prefer my own scheme—the present route.

Is that because it is your own scheme?—No, I will tell you why: the town, whatever you may say against it, will naturally grow out towards the new place, and they will have the same difficulties there later.

Is that your objection?—Yes.

But is it not a fact to which you are shutting your eyes that the town at the present time is extending towards the site of the new station?—Yes, but the same conditions will soon obtain at the new station as they do here.

You mean that a certain number of shops and buildings will gradually grow up around the new station wherever it is?—Yes.

Your scheme assumes that the Palmerston North people would submit to the closing of Kairanga Road and West Street?—I do not think they will make any bones about Kairanga Road, and I think they would submit to the closing of West Street also. The principal street is Cook Street.

I suppose you know that the Palmerston North Borough Council, which is representative of the citizens, and also the Chamber of Commerce, prefer the diversion which is suggested by the Railway Department?—Yes, I have heard so, but I am not very much influenced by the opinions of Borough Councillors.

Or of Chambers of Commerce?—No, there are all sorts of interests involved.

May I ask whether it is the interests of the people of Palmerston North that you have mainly in mind when you suggested that the railway-station should remain somewhere near its present neighbourhood?—Yes, I think it is in the interests of the people of Palmerston North, and it is in the interests of our pockets.

What is the principal consideration that moves you—is it the consideration of the interests of the people of Palmerston North?—I think the first consideration with me is the enormous expense.

And I suppose, like Mr. Maxwell, you admit at once that the question which is the better scheme is entirely a matter of opinion?—Irrespective of the question of expense, yes.

Including the question of expense?—No, because we have got a big station already there now, and in the other scheme they have to build an entirely new one.

Do you think you are sufficiently taking into consideration the probability of the development of Palmerston North, and the probable increase in the traffic there?—Yes.

I assume you were asked to come into this matter either by Messrs. Field and Luckie or by some people at Palmerston North?—I was asked to come into the matter by Mr. Field and Sir James Wilson.

You know, of course, that Sir James Wilson is opposed to any deviation here—he desires a deviation from Levin to Greatford?—Yes. I am not taking that into consideration.

But may I take it that what Sir James Wilson asks you to do was to advise whether in your opinion some arrangements could be made or some scheme devised which would involve the retention of the present site somewhere in its present neighbourhood?—Some such remarks were made, but I took no notice of them at all.

May I ask what it was that Sir James Wilson asked you to do?—Principally he was advocating the line from Marton to Levin.

He was mainly advocating the line from Marton to Levin?—Yes.

But the Palmerston North facilities must have had some connection in his mind according to what he was instructing you to do?—I gathered that it was going to relieve the traffic in Palmerston North to some extent if the line were constructed from Marton or Greatford to Levin.

But he asked you to advise or do something in connection with Palmerston North, did he not?—I do not know that he did.

But somebody must have asked you to go into this question at Palmerston North?—Yes, Mr. Field and Mr. Luckie.

But you were first spoken to by Sir James Wilson about the Levin to Greatford deviation?—Yes, with the inference that it would relieve the traffic at Palmerston North.

Mr. Luckie.] We asked you, Mr. Fulton, to advise whether this was a proper scheme, in your opinion, which involved such a large expenditure of money, and whether you and Mr. Maxwell would visit the present station and give your opinion on it?—Yes.

And you formed that opinion entirely regardless of Sir James Wilson in the matter at all?—Yes. We were thinking of the proposed Palmerston deviation as alternative to the present site.

Supposing you had been asked your opinion by the Government, would it have been the same as you have given before the Commission now?—Identically.

Irrespective of the people who asked for your opinion?—Yes.

You have given your opinion as a railway expert and a man having experience in these matters that your proposal is the most suitable method for dealing with the congested traffic in Palmerston North?—Yes.

As far as the question of level crossings is concerned, you have had experience of them all over the world?—Yes, I have seen them.

Is there any more danger or difficulty arising from level crossings at Palmerston North than anywhere else in New Zealand?—In proportion to the traffic, no.

And is it your experience that where overhead bridges and subways are constructed that nine-tenths of the people do not use them?—In Dunedin they have automatic gates, and I understood they worked very well. A driver with a loaded dray will never go over an overbridge if he can go over a level. I also draw attention to the automatic gates and level road-crossing in the Auckland Station.

And that is your experience not only locally but applies to all over the world?—Everywhere.

It may be taken that level crossings are a necessary incident of all railway systems in the world, especially where there is flat country?—Except where the traffic becomes excessive, and they then raise the whole track for road traffic to pass underneath.

The Commission adjourned till 10 a.m. next day.

WELLINGTON, THURSDAY, 24TH MARCH, 1921.

FRANCIS WILLIAM MACLEAN further examined.

Mr. Myers.] You were present when Mr. Maxwell and Mr. Fulton were examined, and you heard everything they said?—Yes.

You have seen the sketch-plan [Exhibit No. 10] that Mr. Fulton prepared and put in, and you have had the opportunity of studying it?—That is so.

Prior to Mr. Maxwell and Mr. Fulton giving evidence, had you considered a scheme very much like that they propound, and is not that the scheme set out as No. 2 alternative in the notes that you handed in to the Commission on a previous occasion?—That is so.

May the Commission take it, therefore, that you had considered a scheme similar to that propounded by Mr. Maxwell and Mr. Fulton, and, after consideration and comparison with the other schemes, discarded it?—Yes, a scheme somewhat on the same lines.

I think you have carefully considered the scheme now propounded by Mr. Maxwell and Mr. Fulton, and that you are able to indicate to the Commission the result of your consideration?—Yes.

Are you as Chief Engineer and as the officer responsible for the operation of the railways prepared to accept that scheme?—Certainly not. I do not operate the stations, but I have to design them, and I am not prepared to accept that scheme at all.

You are prepared to give reasons for that answer?—Yes.

Before I ask you to give the reasons in detail, will you please tell the Commission whether or not the estimate given by Mr. Maxwell and Mr. Fulton of £200,000 for the work they suggest is a sufficient estimate?—I have gone very carefully into the whole thing, and, economizing the expenditure as far as I think possible, I am quite satisfied that the cost of carrying out the proposals of Mr. Fulton, without including any duplication between Longburn and Palmerston North, would involve an expenditure of somewhere at least between £400,000 and £500,000.

And if you add the cost of duplication between Palmerston North and Longburn, what will be the result?—You would have to add to that £50,000, at any rate, which would bring the amount well up to half a million pounds.

I want to see that we are on common ground in regard to one fundamental matter. You have indicated what you think Mr. Fulton's scheme would cost?—Yes.

In your previous evidence you indicated what you thought your own deviation scheme would cost?—Yes.

Have you taken your estimates on the same basis in regard to those two schemes—because I want to ascertain whether you have considered Mr. Fulton's on any different basis from that on which you have considered your deviation scheme, or *vice versa*?—Such estimates must always be on the same basis to form any comparison at all, but I wish to point out in connection with my estimates of the deviation that I have practically in every item exaggerated the cost.

Does that mean that you have allowed what you think is an outside estimate?—A very outside estimate.

And is that estimate based upon present-day prices?—Certainly, present-day prices.

Have you estimated the cost of Mr. Fulton's proposal, carrying it out on present-day prices?—Certainly.

We must take it, therefore, that if present prices become reduced as time goes on during the course of whatever work may be adopted, there would be a proportionate reduction in either scheme?—Yes, certainly.

Now take, first of all, the objections you have to the scheme propounded by Mr. Fulton?—Mr. Fulton's scheme, in the first place, is dependent on the closing of two important streets—namely, West Street and Kairanga Road, or Botanical Road. Those are practically arterial roads—especially Kairanga Road. The Chairman of this Commission will remember the difficulties we have had in connection with Cook Street, which Mr. Fulton proposes to bridge. At any rate, he puts in his estimates an amount for the bridging of Cook Street; but it has to be remembered that we have been advised, and there is no doubt about it, that legislation is necessary to close any street in such a case. Further, these streets are the property of the borough, and we only have the right of user; we have no vested rights over those street-crossings at all. Therefore, any proposal that is made in connection with bridging or dealing with those streets is subject to the approval of the Borough Council. Personally I think it would be hopeless to expect Parliament to agree to the closing of those streets. The Palmerston North Borough Council, the Chamber of Commerce, the Agricultural and Pastoral Association, the Racing Club, and a large portion of the community are very keenly in favour of the new site for the station, and naturally would oppose any legislation which tended to defeat that object.

Or which would involve the closing of the street?—Yes. Mr. Fulton proposes to bridge Cook Street, but so far as I can make out from his sketch-plan he proposes to make some steep approaches. In a level piece of country like Palmerston North, with the area surrounding it, I do not believe that any steeper gradient than 1 in 20 would be tolerated. Further than that, there is the difficulty in connection with the work near Cook Street that the bridge proposed by Mr. Fulton only provides for access across the street, and does not provide for access from Church Street or Main Street.

Mr. Fulton proposes to adopt the American type of station with raised platforms?—

Mr. Luckie.] There is no suggestion of that kind.

Witness.] I am dealing with the sketch-design as proposed—and that proposal would not be tolerated for one moment.

Mr. Myers (to witness).] You see that Mr. Fulton's sketch shows the platform on the American plan?—Yes, and that proposal would not be tolerated in New Zealand. I am quite satisfied of that. It would, of course, destroy the uniformity of our arrangements in regard to our methods of working,

and will be a dangerous business. That system could not be worked with our general methods. Now, with regard to the goods-yard, Mr. Fulton's sketch proposes that we should purchase a considerable area of land towards the Square which does not now belong to us, and on this he proposes to put a number of blind sidings. Now, blind sidings have their uses if they are easy of access, but the access to these sidings would be from the middle of his yard, and therefore would be exceedingly difficult to work. The sorting-grids which he sketches have only a very limited amount of headroom for shunting. [Sketch-plan referred to.] Assuming that the property facing the Square is not to be purchased, then there will be very little headroom for shunting, and only for shunting in one direction. For shunting at Palmerston North it is essential that it should be carried on at both ends in any arrangement of sidings. Again, we come to where he places his goods-sheds, and the sidings connected with the goods-shed. He then proposes to stop at West Street, which will mean very little headway for shunting. For that reason I am satisfied that in order to make in any way a feasible proposition it would be necessary to purchase the block of land included between West Street, Main Street, Botanical Road, and Church Street, which Mr. Maxwell suggests, but it would increase the cost by at least £50,000, which I have not included in the comparative estimate. In my scheme I have included that.

But you have not included that in the extra amount which you have said that the carrying-out of Mr. Fulton's proposal would involve?—No, I have not included that, but I am satisfied that would have to be purchased. If we are to be compelled to stay at the present site I think it would be inevitable that we would have to purchase those two blocks. Now, in Mr. Fulton's design he also provides for an area of land to the south of West Street for carriage and wagon sidings. The shape of that land is such that it would be very difficult to provide a series of grids, such as sorting and standing grids, with the result that we would have to put in a series of long sidings and short sidings which would be very detrimental to proper working. Those are the main features of what I consider the difficulties of his design. It would be exceedingly costly to provide for signals and interlock a station such as this, and there are roads farther along than Kairanga Road towards Longburn over which a certain amount of shunting would have to be carried out.

Are those the principal objections you have to the arrangements in connection with the station and yard?—Yes, the main features. Perhaps I should say that Mr. Maxwell's and Mr. Fulton's scheme involves the removal of the station to a point about three-quarters of a mile from the centre of the Square, and at least a mile from what is recognized by all to be the centre of the present business, which is growing all the time towards the north-west.

You have already said that the figures you have given for the cost of Mr. Fulton's scheme above his estimate do not include an additional track from Palmerston to Longburn?—Yes.

Is that necessary if you keep your present site at Palmerston North?—The necessity for that at the present time is so acute that it has been included in the deviation scheme, and naturally if we are going to work here it will be still more acute, or, at any rate, more necessary than it would be in the deviation scheme.

And you have actually allowed £50,000 for that in your estimate of the deviation scheme?—Yes.

So that in order to compare your scheme with Mr. Fulton's you commence either by adding £50,000 to your own increased estimate of Mr. Fulton's scheme, or by taking £50,000 off your estimate of your own deviation?—That is so.

Then may we take it from what you have already said that in your opinion the adoption of Mr. Fulton's scheme would not be satisfactory for the purpose of the efficient running of the railway?—I think that scheme is quite unworkable.

And it still leaves, of course, the level crossings between Longburn and Terrace End other than those at Cook Street, West Street, and Kairanga Road?—Well, that is assuming that Mr. Fulton does not provide for any bridges in West Street or Kairanga Road. He stated quite definitely that his proposal meant the closing of Kairanga Road, and he proposed to make a subway for foot-passengers at West Street to get access to the station and Main Street.

It still leaves the other level crossings?—Yes, all the level crossings to the south and north.

Mr. Fulton's scheme does not include any bridges over the other level crossings?—No.

You have already told us that you object to level crossings in a borough like Palmerston North, but, after all, is that your main consideration, or is it a minor consideration?—I think it is a point to be taken into consideration—a point affecting the whole position, but it is not anything like the main consideration in our proposals.

You have included, I think, in your estimate of the deviation something like £50,000 for overhead bridges?—That is so.

So that in order to bring your scheme into comparison with Mr. Fulton's, could you or could you not reduce that item of £50,000 that you have got for overhead bridges?—Accepting the principle laid down by Mr. Maxwell that bridges should be provided wherever there was shunting, then that would limit the bridging to two crossings—namely, what is known as Gillespie's line, which is an extension of Kairanga Road, and the Rangitikei line. There are two other bridges which would be in a cutting and therefore would be bridged in any case. By providing bridges at those places and omitting bridges at the other road-crossings we could easily reduce our cost by £30,000.

Now I will take some other items. If you have to save money you could save it on your own deviation scheme. Mr. Maxwell said that you might require to spend up to 4s. per yard on about 500,000 cubic yards of earthwork?—Yes, he estimated 400,000 yards.

The estimate you gave this Commission when you gave evidence previously included how many yards of earthwork?—It included 500,000 yards at 4s.

You have already stated that you have put in outside estimates, but as a matter of fact what is your view as to the possible saving there?—Mr. Maxwell stated that he could not obtain the

material for this filling anywhere in the locality, and he suggested that it would be necessary to bring that filling by train from the Gorge line, and therefore he thought a price of 4s. would have to be put on for such filling. Now, as a matter of fact, a comparatively few chains after we cross the Rangitikei line we get into the terrace land where there is a deep cutting, and the material from that cutting would be quite close to where the filling is required, and it would be used for that purpose. I have put in a price of 4s., but I think it would be quite reasonable to reduce that £100,000 by £20,000.

Now take the item of your tracks: you have allowed in your estimate for fourteen miles at £5,000 per mile?—That is so.

Do you think you could effect a saving on that?—That is based on a price of £20 per ton for rails. It is difficult to forecast the future, but I think there is no doubt whatever that we shall be able to get rails at £15 per ton, and I am quite sure that the £70,000 I put down for that item could be reduced by £20,000 and possibly more.

But as you have already said, you were determined to be on the safe side and make an outside estimate?—I was not going to have it said that I was putting in estimates at which I could not carry out the work no matter what the conditions were.

The item of bridges you have dealt with—you have allowed £50,000 for them; but if you were to adopt the proposal suggested by Messrs. Fulton and Maxwell you could effect a saving of what?—£30,000.

That no doubt is a matter of principle, but do you agree with the principle suggested by Messrs. Fulton and Maxwell?—I do not.

Your own preference is for overhead bridges?—It is not only my own preference, but it is the consensus of opinion of railway engineers all over the world. At the present time we are constantly faced with accidents at level crossings, and I am quite satisfied that in the near future this country will have to face the bridging of a very large number of existing level crossings, and in connection with a new scheme such as this I am of opinion that it would be wrong to perpetuate level crossings.

I want to ascertain if it is a fact that in bringing your scheme and Mr. Fulton's scheme down to a common level you would effect a saving of £30,000 on that item?—Yes. Mr. Fulton referred to certain safeguards at level crossings, such as gates and bars. Those are in common use in many places. They have been used in New Zealand, but they were a constant source of anxiety to us owing to frequent accidents. Each one involves a power plant to operate it, in addition to a staff of men who open and shut the gates. The cost of them in most cases would equal the cost of a bridge.

You mean the capitalized cost?—Yes.

Now take the passenger and local-goods yards: I think you allow £120,000 in your estimate in connection with your deviation scheme?—Yes.

Do you regard that as an outside estimate?—I do.

What do you say about the possibility of that?—To give you an example: at present turnouts are costing £100 each; scissors crossings are costing £600 each; double slips are costing £250 each, and the cost of those is bound to come down. We have put in estimates for entirely new buildings on a very generous scale—namely, for buildings, platforms, and verandas, £50,000; and for roading I have put down £20,000. Now, I am satisfied those items could be reduced by £20,000.

In other words, I suppose we may take it that your estimate is made on the basis of your having, when the works are completed, a perfect organization there?—Certainly, as nearly perfect as possible—a thoroughly efficient arrangement.

Now, taking the sorting-yards and accessories, I think you allow £50,000?—Yes, and I think it would be reasonable to reduce that to £40,000 and still be very liberal. The engine-depot, without land, I estimated at £80,000. That includes shed, £20,000; sidings, £20,000; &c.

I think in your estimate you allowed for a sum under the head of "miscellaneous"?—Yes, I allowed £65,000.

Is that a liberal allowance?—That is what most engineers would call a most extraordinary allowance. You could easily cut that down by £20,000.

Then the land I think you put down at £100,000?—Yes.

It is all rural land, is it not?—Yes, I put the land down at something like £750 per acre, but the witnesses have put the amount down at £130. In the preparation of this estimate I originally put down £50,000, which I thought was ample, but I decided to be still on the safe side, so I put down £100,000.

But you think it will not cost as much as that?—Oh, no. I could knock £40,000 off that, or even more than that. That is a total of £160,000.

A total possibility of saving on the deviation estimates?—Yes. On the Terrace End—Whakarongo deviation I allow for two and a half miles of railway, £50,000, for a single line. That is a very high estimate, but I do not suggest that that would be reduced.

The Chairman.] That would not be spent in the meantime?—No. On top of all that I provide £50,000 for contingencies, which is a very high estimate considering the allowances which have already been made.

Mr. Myers.] It is very difficult to make estimates at the present time, is it not?—Yes.

It is difficult to make a satisfactory estimate of either the cost or the time required for completion?—That is so.

But you have taken everything into consideration and allowed up to the utmost limit?—That is so. I might say in connection with this saving, amounting to £160,000, I provided in my estimates for £200,000 on account of land to be sold. I was criticized somewhat for suggesting £200,000, but I think that estimate was supported by very experienced land-valuers and land agents, such as Mr. Nash and Mr. Johnston, of Palmerston North.

Mr. Luckie.] Mr Nash did not support it?—He did support it. He thought it was a very fair amount to allow.

Mr. Myers.] Mr. Nash suggested that this land would range from £8 up to £100?—Yes. I would like to call attention to this fact; that the officers who advised me on this point have quite recently valued another block which has been sold by auction, and the valuations, which were on the same basis, have, as a result of the auction, increased by 20 per cent.

Mr. Luckie.] Where was that?—At Stratford.

Mr. Myers.] Your point is, the same men who handled that land have expressed their opinion to you in regard to the price of this land?—Yes. Now, allowing that I am wrong, and putting it at £140,000, that means a total saving of £300,000. On the estimate of £300,000 it reduces the net cost to something like £400,000.

What you say is this: that as a matter of fairness, if you are taking advantage of any reductions in your estimates of cost, you should also, having regard to the evidence given at Palmerston make a reduction in your estimate of the value of the land that will be left in the neighbourhood of the present site at Palmerston North if the deviation is made?—That is so. Now, I would like to say further that in connection with these estimates I have thought it inadvisable to make any deductions on account of the value of tracks, buildings, and appliances which would be released by the deviation. We would have a single line of track from Longburn to Palmerston North, a double line of track from Palmerston North to Terrace End, a large length of sidings, a great many turnouts and buildings which could be made use of elsewhere. At a very low estimate—and this is affecting the total cost to the Government and not effecting the comparative cost—I would allow £60,000 for those.

Mr. Luckie.] After removal?—Yes, deducting the cost of removal, the value for use elsewhere would be not less than £60,000. I have not taken that into consideration.

Of course that saving would be made by the adoption of any scheme?—Certainly not. If you are going to remain at the present site you still have to use the rails between Longburn and Palmerston North and between Palmerston North and Terrace End. You would still go on using the sidings, and the estimates prepared for the alternative schemes do not include the cost of these extra tracks at all. This saving is only effected in the deviation scheme.

Mr. Marchbanks.] That material would be used in the station?—Yes, and in estimating the cost of this station that has been taken into account. If you care to go into the particulars of Mr. Fulton's estimate I could show you.

Mr. Myers.] Mr. Maxwell said that you would require to erect your buildings so that the formation would be at least 2 ft. above the highest known flood?—Yes.

Has all that been attended to?—Yes. Our scheme provides for the formation being well above—as a matter of fact 18 in. above—a flood higher than that which has been called attention to.

You are in entire agreement with what Mr. Maxwell says, and it is really rudimentary?—Yes. This flood is largely due to certain conditions in the Mangaone River and Kawau Creek, which are being dealt with quite independently of us altogether.

Turning to Mr. Fulton's estimate, he has made an estimate of the cost of carrying out his scheme of £200,000. You say it will cost double or more than that?—Yes.

I think you can illustrate that quite readily?—Yes. Mr. Fulton in his estimate has two separate items—namely, £30,000 for sidings, and £30,000 for sidings and signals: that is £60,000 altogether. In evidence he stated that he was including about eight miles of siding at £4,000 a mile, which is £32,000.

What is the length of siding necessary for your requirements?—At least twenty-three miles. In the station at the present time there are seven miles.

And that is totally inadequate?—Yes, absolutely.

You say as the officer responsible for this part of the Railway administration that twenty-three miles of sidings are required?—Yes, that is so.

And what about the item of £4,000 a mile?—£4,000 a mile is a low estimate for track where you have no interruptions at all; but in a station where you are laying tracks and interfering with the track the whole time, as you would be at that station, our experience is that the cost is practically doubled. However, not doubling it, but making the minimum allowance, he would have to provide eight miles more than he has provided for. Putting that at £32,000, he has to include his turnouts, which, at a very low estimate, and a far lower estimate than I have put down—namely, £10,000—would mean £42,000.

That is assuming you are going to use the present sidings which are there?—Yes, that is so.

Would you be able to do that?—No. I said I would put it at £8,000 for extra cost, making it round figures, but that would not look at it. That would mean £50,000 altogether. For sidings Mr. Fulton provides for £60,000, and he includes in his estimates signals. I asked the Signal Engineer what it would cost, roughly, to interlock this station, and, assuming the ordinary interlocking system, which is not a power plant, he said it would cost at least £20,000. That would involve a staff of twelve or more signalmen. Putting that at £20,000, and adding that to the £50,000, there is £70,000, and I am sure that is a very low estimate. You have to add £10,000 to Mr. Fulton's estimates for that particular item of sidings and signals.

You say that the signal arrangements would require a staff of about twelve men?—At least twelve men.

That is, if you give effect to Mr. Fulton's scheme?—Yes; that is for mechanical interlocking.

Supposing you adopted the deviation scheme, what about the staff then?—In the deviation scheme the signalling would not cost anything like that. It is included in "miscellaneous." I think it quite feasible that we could work it with not more than two thirds of that staff. If you introduce a power plant for signalling, then probably the cost would be doubled. It might be economical, but it would probably double the initial expenditure.

Now take the engine-sheds and shifting-goods shed?—Mr. Fulton allows £20,000. Included in my estimates are not only the engine-sheds but coaling appliances and the complete depot, which means a very large yard. We have to make very large provision for the storage of coal, and the lowest estimate that could be put down for the engine-depot, which means not only the engine-shed but the extension, because we want more than double the accommodation, would be £40,000. I put it down in my other scheme at £50,000. That would add £20,000 to Mr. Fulton's estimate.

Now take the overbridge and subway shown in Mr. Fulton's scheme: I think he allows £25,000 for the two?—Yes. Any scheme of bridging must be subject to the approval of the Borough Council, and I am quite satisfied that the Borough Council would not consent to any structure in the way of bridging such as that designed by Mr. Fulton. I have put down £70,000 for it.

Then you would require approaches?—Yes, in both directions, from Church Street and from Main Street, at a grade of not less than 1 in 20. In addition they would certainly require a tarred metal surface, the cost of which at the present time is something like 15s. per square yard, and that is certainly not included in this estimate. I am quite satisfied you could not put a bridge which the Borough Council would agree to at that place under £70,000. That is taking concrete at something like £4 a cubic yard, which is quite a reasonable sum for such work at present prices.

Mr. Marchbanks.] Is that for a concrete or a steel bridge?—A steel bridge with concrete walls.

Not on pillars?—If you put a bridge on pillars the cost would be greater. At the present time the cost of filling I have estimated at something like 5s. to 6s. a cubic yard, which is very reasonable.

Mr. Myers.] Now take the land?—Of course I may say that we are dealing only with the Cook Street overbridge. I have referred to the almost practical certainty that we would have to provide bridges at West Street and Kairanga Road. As to the subway, I do not know on what basis Mr. Fulton has estimated his subway. So far as I can make out he does not separate the two. Putting it down at about £10 a foot it would run into £5,000 or £6,000. Our pre-war cost for subways was £6 per foot, but at the present time we cannot put them in at £15 a foot.

Then, I think you have some observations to make in regard to the item of land which Mr. Fulton provides for. I think he provides for 30 acres?—Yes, apart from the area of 30 acres which he proposes to take south of Cook Street he proposes to take an area fronting Church Street, near the Square.

Not contiguous to the Square but near the Square?—Yes. Taking that frontage, there are houses and stores on it, and putting it down at £15 per foot, including the buildings, which is a ridiculously low value, that would amount to £12,000. From Thomas Street Mr. Fulton has provided for taking over a mile of frontage, which includes 300 ft. of the business property of the Tiratu Timber Company.

Mr. Luckie.] It was never intended to take that land at all?—Including the 300 ft. of the Tiratu Timber Company's property, there would be 660 ft. of the borough's gasworks property to a depth of 2 or 3 chains.

Mr. Myers.] Mr. Fulton said that was to be taken?—That is so. The Corporation has gone to immense trouble in connection with this property. It has sent complete plans of the property Home to the makers of the gas plant, and those makers have sketched out a complete scheme for the gasworks involving the use of the whole of the land. It is inevitable that if a depth of from 2 to 3 chains on a frontage of 660 ft. of that property is taken the compensation will be very heavy indeed.

Mr. Fulton's scheme involves keeping the borough's gasworks where they are, whereas the Corporation is quite prepared in the general interests of the city to shift the gasworks up to the site of the new station?—That is so.

But if the Corporation is bound to keep the gasworks where they are by reason of the station remaining where it is, then the Department will have to face a very heavy claim for compensation?—The Corporation is bound to keep the gasworks where they are if the station is to remain there, because siding-accommodation is necessary for the gasworks. Then, along from the gasworks to about half a mile from Kairanga Road is a frontage of valuable property to be taken. I cannot believe that for £40,000 the necessary provision could be made. The property of the Tiratu Timber Company that has to be bought is near the Square, and the Corporation's gasworks property is very valuable. I cannot believe that anything like £40,000 is going to be sufficient for that. I am certain it would have to be more than double, and I would put down £50,000 at the least in addition to Mr. Fulton's £40,000.

Mr. Marchbanks.] That is £90,000 altogether?—Yes. I am satisfied it will run into nearer £100,000 than £90,000. That does not include everything between West Street and Botanical Road on the opposite side, for which I allowed £50,000.

Mr. Myers.] I suppose we may take it that as a Government officer holding a responsible position you recognize that it is part of your duty to give the best service at the least possible cost?—That is so. There are other items that have also to be considered. Mr. Fulton provides £20,000 for buildings. As I said before, the sketch he has prepared is on the basis of the American system of working. He states that there will be no platforms, but to make a comparison with the estimates of the deviation he provides £30,000 for buildings, platforms, road, &c. Well, in the deviation scheme we put down £50,000, and if you are going to make a comparison at all, then you must add £20,000 to Mr. Fulton's estimate in that respect, because it is the same accommodation. Then there is another item. Mr. Fulton includes roading in the item of £30,000, but what amount he provides for roading itself I do not know. Mr. Fulton in his scheme has to form a main-road deviation from Short Street to Cook Street to half a mile beyond Kairanga Road. In the case of low land which requires filling, and which would require to have a top surface to make it as good as the present road, part of that road Mr. Fulton proposes to make 132 ft. wide. I have no hesitation in saying in regard to the cost of that road, and the cost of the necessary roading inside the yard to give access to the local sidings, &c., that if he could do it for less than £40,000 at the present time he would be very lucky indeed. I put down £40,000.

What does Mr. Fulton provide for it?—Nothing. He says, "for buildings, platforms, road, &c., £30,000." I assume that in that part of the estimate roading was left out. Omitting roading altogether,

and taking roading by itself, what I assert with every confidence is, for a road of that kind, and remembering what I said before, that the Borough Council owns the roads and must be satisfied with the construction of it, he would be very lucky indeed if he could do it for £40,000. The total of those items amounts to £190,000 or £200,000, which is practically double the estimate.

That is without any allowance for additional work between Palmerston and Longburn?—Yes, certainly.

Mr. Luckie.] You say now that the net cost of your proposed deviation, after making due provision for all the allowances, and probably other estimates of cost which you have been careful enough to make in your original estimates, could now probably be reduced to a net cost of about £340,000?—£400,000.

There is the saving of £60,000?—I said I did not wish that to be deducted.

But as a matter of fact you say it is worth that?—Yes, it is certainly worth that.

That brings it down to £340,000?—Yes.

You really believe that all this saving will be effected, and that the total net cost to the Government, after making provision on that basis, is going to be £340,000?—I would not say so if I did not believe it.

Do you know of any occasion in connection with previous estimates where the estimates have been so much better than the actual results as in this case?—Yes, I do.

You know that in a good many cases in New Zealand in connection with Government institutions the customary thing is for the estimates to be largely exceeded?—I do not wish Mr. Fulton's estimate to be compared with those reduced by me. I wish to put before this Commission as my official estimate the original estimate I put in, and any comparison that would be made would be with the original estimate, the net cost of which was £500,000. I have stated that Mr. Fulton's scheme will cost at least from £400,000 to £500,000.

Does that include the cost of the additional overhead bridges outside the shunting-area?—It does not include any bridges other than Cook Street.

You say that the Cook Street bridge would cost £70,000?—I am sure of it by comparison with present prices.

How much will the Rangitikei Street bridge cost?—£6,000.

Do you not think you would have to provide similar accommodation for traffic at Rangitikei Street, considering the importance of Rangitikei Street, that you would at Cook Street?—Yes, I do.

Then, why is there the difference?—Any engineer would know that.

Unfortunately, I am not an engineer?—It is a difficult thing to explain such engineering matters to a layman, but I will endeavour to do so. At Cook Street you are faced not only with one bridge, but you have to take the approach along Cook Street and Short Street. You have to make an approach in each direction along Main Street, and the same in the case of Church Street. That would mean six approaches, instead of two as in the case of Rangitikei Street. You have, further, to make two additional bridges to allow of level access from one part of Church Street to the other, and from one part of Main Street to the other. At Cook Street you have a bridge which is 6 chains long over the tracks, while at Rangitikei Street you have only about half a chain.

You know, as a matter of fact, do you not, that the great bulk of the traffic that goes over Cook Street goes into the Square, and could easily go up Church Street to get there?—I have already explained what is perfectly apparent to every one—namely, that whatever bridge is made over Cook Street must be done to the satisfaction of the Council, and I am absolutely certain that the Borough Council would insist on what I have said.

Apparently a lot of shunting is going on and nothing has been done to stop it. Cook Street is right in the middle of the shunting-area at the present time, is it not?—Yes.

What I want to put to you is this: assume you could get, in this neighbourhood of, say, the site of the Gas Company, an area varying from 12 to 14 chains wide by a depth of about 80 chains across, a total of 120 acres, or what it is assumed will be the necessary area, could you not, having acquired that land, and putting aside the question of the cost of the land adjoining the Grand Hotel, and including the purchase of the dwellinghouses in West Street, carrying this down to Kairanga Road and beyond it, and getting an area of 100 to 120 acres—do you mean to say that you could not just as effectually provide all the necessary accommodation and conveniences for working there as you could at Rangitikei Street?—Given an uninterrupted area of certain dimensions at that particular place you could no doubt provide accommodation just as well there as at Rangitikei Street—that is, given an uninterrupted area, remember.

You refer to the difficulty of altering the tracks on the existing line of railway where the work is being done at the present time?—I am referring to a great deal more than that.

That is one of the difficulties?—One of the smaller difficulties.

It is not a serious difficulty?—Yes, it is a serious difficulty, but the greatest difficulty is where the area is riddled with street-crossings and valuable property.

Take the dwellinghouses between West Street and Botanical Road: there are about twenty small dwellinghouses there, are there not?—They are not small.

You think it would take £50,000 to do that?—My dear sir, to take what you are talking about would cost a million to get an uninterrupted area such as you think. It would cost hundreds and hundreds of thousands of pounds to purchase the land alone.

You are quite satisfied of that?—Yes, quite satisfied.

In any case, you will have to make very large improvements in the present station, will you not?—Yes.

And you will have to work there until the new station is constructed?—That is so.

Then those improvements will have to be practically scrapped afterwards?—No.

They will be torn up and taken somewhere else?—That is so.

I understood you to say you would require fourteen miles of tracks in the new station?—Yes, a double track seven miles long, and twenty-three miles in addition to that.

If you duplicated the line from Longburn to Palmerston North it could be done at the same cost alongside the present line, could it not?—No. Unfortunately the duplication of the railway between Longburn and Palmerston North presents a good many difficulties. There would be a certain amount of bridging, and there is also a deep drain, in addition to many other difficulties. I consider we would be fortunate if we could duplicate that line satisfactorily for £50,000.

But it all runs along practically on one side of the road from West Street?—It does.

So that there would be no severance there?—Oh, yes.

You would simply take the additional area of land which the railway at present occupies?—No, you would have to put the whole thing in the centre of the roadway, or else take land on the western or northern side.

That is the strip of land which at present has no frontage?—It has a legal frontage to the Longburn-Palmerston North Road and Railway Reserve.

It is useless without crossings?—There are twenty-three private crossings.

It would leave the same number of private crossings?—It might increase them very much. These people have the right to subdivide their land.

Have they the right to subdivide it now?—Yes.

So that they might increase the number of crossings now?—Yes.

And duplication of the railway-line would not increase them?—No.

It is only a question of taking another strip of land?—That is so, probably, and for the main road.

You have got the road there already?—If you take a strip of land you have to dedicate it as a road.

But the road that lies on that side of the railway-line is totally unformed at the present time?—But in legal phraseology it is a road. If there is no roadway there the District Land Registrar cannot issue a title, but he can in this case issue a title because it has a legal frontage to a road.

You could get over that difficulty by dedicating a little on the other side?—You have to form a road.

I understand you to say that you allow only £50,000 for crossings which will be involved throughout the route of the new deviation—that is, if you put crossings at every street?—At every legal public road.

You have put down £350,000 for crossings between the Square and Terrace End: is that because they will be of that character?—Yes.

And you think they will be of that character right up to Terrace End?—Yes, I am sure of it.

If it is necessary to have these level crossings bridged or subways provided in this locality, surely it is equally necessary throughout the whole railway system of New Zealand where they are in the neighbourhood of large towns?—That is your opinion, is it?

I am asking you is that not your opinion?—No.

You made the statement that the Railway Department will be faced with the question of bridges at level crossings?—But I did not say at *all* level crossings.

But at level crossings in populated areas?—I said that the whole question of the bridging of level crossings would have to be faced.

What did you mean by that?—Exactly what I said.

Is it your opinion that bridges will ultimately have to be provided at level crossings?—What level crossings?

The Chairman: We all understand the position.

Mr. Luckie: You remember preparing this No. 2 scheme which I think you gave consideration to just at the time those figures were supplied, which was prior to the sitting of the Commission here?—In that particular form they were supplied.

You had not prepared any plans or outlined any definite scheme for the construction of a station farther south of Palmerston North?—I had not prepared any detailed plans.

Had you given the whole matter full and complete consideration?—I had.

And you came to the conclusion that the crossing element was the chief difficulty?—I did not say anything of the kind.

I am suggesting that?—Well, do not suggest. I did not. I have already said that it was not the chief consideration.

But one of the most important ones?—I said it was not one of the most important ones.

In any case you preferred and thought it wise to get outside that site?—If you will read my memorandum you will see the whole position set out. The point of view was put as clearly as possible before the General Manager, and the General Manager has put that before the Commission.

You are satisfied, I take it, that to do what is wanted at the present site, even without the bridging, except at Cook Street, as suggested in Mr. Fulton's scheme, is really going to be more expensive than your own proposal?—I believe it will be.

Mr. Marchbanks: Given this distance of about a mile and a half as shown on Mr. Fulton's plan, and assuming that the roads which he marks as closed are closed, is there any special difficulty in making the layout that would be satisfactory?—If you could get, as I said, sufficient length of absolutely uninterrupted area without any level crossings, and you are able to purchase sufficient land, then I think there is no question but that you could make a satisfactory station.

I understood from your examination by Mr. Myers that you had an objection to subways?—No, I do not object to them. What I gathered from the scheme as outlined on Mr. Fulton's sketch-plan was that it presupposes that you are going to have what they call in America a train-shed, with tracks on the level. [Sketch-plan referred to and explained.]

JAMES BURNETT sworn and examined.

Mr. Myers.] You are a civil engineer?—Yes, and a member of the Institute of Civil Engineers.

You were for many years in the Engineers' Branch of the Railway Department?—Yes, for thirty-seven years.

I think you retired, when?—I was Chief Engineer from 1908 to 1915, when I retired on pension. I succeeded Mr. Coom, and I had been Chief Assistant to him for seven years.

You apparently had to consider in your time this bugbear of the Palmerston North station?—Yes, I had to make proposals, but I explained to the General Manager that they were only tentative and temporary proposals.

For instance, in 1912 there were some proposals made?—Yes.

Does your observation apply to those proposals?—Yes.

At that time I think there were all kinds of railways proposed as part of a comprehensive scheme and all included in what has been referred to as Mr. Hiley's report?—Yes, but Mr. Hiley's report was after that.

But I think in 1912 there were proposals made for railways in various parts of New Zealand?—There have been for years and years large improvements proposed.

In 1912, for instance, were the difficulties in Palmerston North so acute as to necessitate a complete revision or change of site?—They were sufficient for economical working to make it necessary to increase the accommodation.

I think you have had the opportunity of seeing the records from 1914 up to the present day?—Yes.

And of seeing how tremendously the work has increased in volume at Palmerston North?—Yes.

Have you considered the question as to the best method to be adopted to overcome the difficulties at Palmerston North?—In the last report I remember making the difficulties connected with the closing of Cook Street especially appeared to be so acute that I said unless it could be satisfactorily arranged it would be inevitable that a new site must be considered.

That was before you left the service?—Yes, that was in 1912.

Knowing what you do now of the increase in the volume of traffic, do you think if even Cook Street were closed the present site is or could be made sufficient?—I do not think that any developments that could be made on the present site would give anything like the advantages which would be given by the deviation proposed by the Department now.

You heard the scheme propounded yesterday by Mr. Fulton and referred to by Mr. Maxwell?—Yes.

Have you considered that and compared it with the deviation proposed by the Railway Department?—Yes, I went into it yesterday afternoon with Mr. MacLean.

Which do you think is the better scheme?—I have not the slightest hesitation in saying that in my opinion the deviation scheme is a prudent, well-considered, and in the long-run an economical scheme. The cost of working such a station as Palmerston North, with the lack of facilities they have had for many years, is impossible to estimate. The whole of that would be obviated by the deviation. Moreover, there is one point I have not heard referred to, namely, the haulage. The total length of line would be reduced by half a mile, which in the course of years becomes quite an important matter. I have no hesitation in saying that in my opinion the deviation is the right thing to follow.

And you say that in the light of the modern experience you have had yourself in connection with the working of the New Zealand railways?—Yes.

Have you been in a position to consider, and if so have you considered, the question of the comparative cost between Mr. Fulton's suggested scheme and Mr. MacLean's?—Not in great detail, but in conversation with Mr. MacLean yesterday afternoon we went through the estimates and noted many things of which he has given evidence this morning.

You have heard what he has said in evidence this morning by way of comparison: do you agree generally with what he has said?—Yes, generally.

For instance, do you agree with him that in all probability very large savings could be made on his estimates in connection with the deviation scheme?—I would say that the estimates for the deviation scheme appear to be on the liberal side. Mr. MacLean has been very prudent in putting down what may be considered exceedingly high prices, but the difficulties of estimating them at present are so great that I think it is most commendable.

On the other hand, what do you say as to the estimate which Mr. Fulton made of carrying out his proposal?—I think it was insufficient, and he did not take into consideration many points that should be taken into consideration. There cannot be a doubt about it that if that suggestion were adopted overbridges at the three streets would be insisted upon.

The three cross-streets being Cook Street, West Street, and Kairanga Road?—Yes, it would be absolutely unavoidable.

That means two bridges that Mr. Fulton has not taken into consideration?—Yes, two long and expensive bridges.

Well, if you take those into consideration, and also other items which you think Mr. Fulton has underestimated or omitted to estimate, do you think in the long-run there is going to be very much difference in the cost between the carrying-out of his scheme and the carrying-out of the deviation scheme?—Not a difference that should be considered as against getting the deviation scheme for convenience, whereas by Mr. Fulton's scheme you are perpetuating the disadvantage of the railway running right through the main thoroughfare of the town and its approaches. There cannot be a doubt in my mind that if it continues there for a generation or two the whole railway through the town will have to be elevated. It is better to deviate it now before the town grows larger.

Elevation would mean the alteration of the grades, &c. ?—Yes, it would be very expensive, and would mean a matter of millions.

And then when you come to the cost of operating, I think you said that if you have a modern station constructed now with all conveniences you can work it more economically than you could work a station which you have to add to ?—That goes without saying.

Mr. MacLean's scheme involves the taking of a considerable quantity of land ?—Yes.

What is your experience, as a rule, in connection with the taking of land for stations ?—That you have to pay through the nose for it—top prices always.

As a rule has the Department in the past taken enough land for station-sites ?—No.

Would you say, then, that it is better to take more when you are taking a new site like this than to be more conservative and then take land afterwards ?—Undoubtedly.

Mr. Luckie.] Up to the time you left the service the question of a deviation had not been considered by the Department at Palmerston North ?—No.

Apparently nearly all your negotiations with a view to increasing the facilities at Palmerston North centred round the closing of Cook Street ?—Yes, mainly.

And had those difficulties been satisfactorily overcome and Cook Street closed, having acquired the land fronting Church Street that you did for the purpose of improving the conditions in Palmerston North, you would have no doubt made use of it for shunting and for the purpose of laying rails, would you not ?—Yes ; that is what the estimate of £40,000 was given for in 1911 or 1912.

Then, assuming that there would have been no difficulty about the closing of Cook Street or West Street, would it not have been possible, and indeed convenient, to have acquired the land lying south of West Street down Kairanga Road and improved the station-accommodation in that way ?—No, I cannot say that definitely.

You would then have had a more compact block of land of the necessary width and the necessary length, which could have been added to from time to time, and you could have increased the railway facilities. At any rate, when you were negotiating for Cook Street, there was no thought of deviating the station—the only thought was of improving the conditions where they were ?—That was the proposal at that time.

And that could have been effected by acquiring further land to the south ?—Not definitely ; but there comes a time in every business when a great change becomes necessary, and the man who is there at the time and who has the brains to foresee it takes it up. That has been done in this case.

You mentioned the question of the saving of half a mile of haulage : where would that saving be effected ?—It would be effected on all the main-line traffic between Wellington and Auckland.

But the reverse would be the case between Longburn and all the traffic that came through the Gorge, would it not ?—No, I think not. It would possibly be about the same in length, but that is a small portion. Temporarily it may be as you say, but that is not where the bulk of the traffic is—only 25 per cent. at the outside.

The proposal would involve a complete change in the station at Longburn, would it not—it would have to be pulled up and relaid ?—It would have to be rearranged.

Kairanga Road is mentioned as a road necessary to be bridged, but that road is only slightly used ?—I do not know personally, but I am given to understand it is the main access from the west coast and abattoirs. It is one of the main road-lines of the district.

COUNSEL'S ADDRESSES.

Mr. Luckie : Mr. Chairman, I only wish to make a short statement. It would be a matter of entire supererogation on the part of either of us to address you on the evidence which has been given. It is almost a matter of expert testimony which you gentlemen are better able to weigh. I only desire to say that the people whom I represent, while appreciating the absolute necessity for drastically improving the railway conditions at Palmerston North, submit that those alterations could be more effectually carried out at a site which could be acquired, they say, in the neighbourhood of the present site, and at the same time result in a saving of expense and delay, which we say would be much greater if the proposed deviation were adopted. It was merely for the purpose of putting these submissions before the Commission that the evidence of the experts was obtained ; but it must be understood that they were naturally working under most difficult conditions in view of the fact that they were obliged to submit to the Commission estimates arrived at at very short notice, and therefore were unable to go into the same amount of detail as the representatives of the Railway Department in connection with their own proposals. What we desire to show is that if given—and this is practically admitted—the necessary additional area in or about the site where the station now stands, similar facilities can be supplied at much less cost than is proposed by the Railway Department. The Railway Department, on the other hand, insists that, so far as the cost is concerned, there will be little or no comparison between the two proposals. It therefore becomes a question for you gentlemen to consider, and you are in a much better position to say what reliance is to be placed on those estimates. I cannot carry the matter any further. I think a good deal more than is necessary has been made of the level-crossing question, except in shunting-areas. Our proposal suggests that all shunting over the Square and except over two or three streets can be avoided. Those streets, barring Cook Street, are not of very grave commercial importance for traffic purposes ; and the grave dislocation of the trade, the innumerable injustices that must necessarily

result from such a tremendous change in the railway system by the removal of one of the most important railway centres a distance such as is proposed, is a matter which ought to be taken into consideration by the Commission in view of the fact that we say that the work can be done at materially less cost at or about the present site than would be the case in the proposed deviation. In all questions of estimates of cost you gentlemen know much better than any of us could urge upon you how little reliance can be placed upon even the best of them, because so much depends upon the price of the material, which we cannot control, and the cost of labour, which is always increasing in New Zealand and, unfortunately, becoming less efficient. There is one other matter I desire to mention, and that is the question that ought not to be called a deviation—namely, the Levin-Marton link line. As the members of the Commission are aware, those persons who are supporting the proposal of the Levin-Marton line are not urging the Commission at the present time to report that that is a matter for present consideration. The reason for the question being added to the order of reference was that, in the event of the Commission being satisfied that the proposed deviation was more expensive by comparison with another method that might be adopted to drastically improve the conditions at Palmerston North than was justified at the present time, it would therefore be an unjustifiable expenditure of the excess which might very well be expended in a link line which would open up a large amount of other territory. The one is purely a matter of railway administration, while the other is a question of national importance, and, we suggest, on its general principles, ought to be regarded not merely from the point of view of railway-construction and railway-management, but from the point of view of the enormous convenience to the travelling public, and the carriage of stock, merchandise, and material which would be the result by the saving of distance and consequent saving of what is so important commercially—the question of time. I wish to reiterate, as was mentioned by Mr. Skerrett at the conclusion of the Commission that sat in 1916, that it was not now a matter for consideration, but it was one which, when any further improvements in the railway service were to be dealt with, ought to be taken into consideration. It is not desired to press that matter at this stage and under the existing conditions. Sir James Wilson, I think, intended to make that clear when he addressed the Commission; and I have the authority of those persons whom I represent to put it to the Commission in that way—that while we are not urging that the Commission should suggest that this matter is of any immediate consequence, it is of sufficient consequence to justify the Commission in saying that in the early future a proper detailed survey should be made and estimates arrived at, so that when the matter comes to be considered in the future it will be fairly considered as a matter of importance not only to the railway system of the Dominion but to the convenience of the general public of the Dominion. It is a matter which, when considering the development of the railways throughout the Dominion, warrants the serious and favourable consideration of the Railway Department. With reference to the other questions as to which evidence has been adduced before the Commission, it seems to me, gentlemen, that I cannot add anything further. You are experts much better trained than we are to consider the evidence placed before you and your own knowledge of the service will enable you to pass judgment in the matter.

Mr. Myers: Gentlemen, I do not intend to take up more than a moment or two of the time of the Commission. I would point out that I have called very little evidence with regard to the question asked in the second or extended Commission—I refer to the question of the consideration of a deviation of the Main Trunk line. I called little or no evidence for the reason that I regarded the matter as one which, up to the end of 1916, is concluded by the report of the Commission of that year. Consequently, therefore, the onus of showing that the position has altered since then is upon those who urge, if they do urge it, that the time has arrived when the question of a deviation from Levin to Greatford should be further considered. If my friend Mr. Luckie says it is not suggested that the time has arrived for the further consideration of that matter, then it seems to me that on this point the Commission will have quite a simple task. It is not suggested by Mr. Luckie, nor is it suggested by any of the witnesses who have been called by him, that there is any alteration between the present position and the position as it existed at the time when the last Commission made its report. That being so, I assume that the report of the last Commission stands, and that the answer so far as the second or extended Commission is concerned is quite a simple one. I venture to say that we should not have heard a word at the present time about the deviation from Levin to Greatford or Marton were it not for the fact that a slight deviation is proposed at Palmerston North. I also venture to say this: that if the proposal of the Railway Department had been to retain the railway-station at Palmerston North in its present site, or in the neighbourhood of its present site, no matter what the expense, we should not have heard a single word from Sir James Wilson and those associated with him, and it was for that reason and that reason alone that I ventured to ask Mr. Fulton by whom he had been instructed in connection with this matter. The Commission, of course, will understand that I do not for a moment suggest that anything that Mr. Fulton has said he does not believe to be correct, and it was not in any way with a view of attacking his credibility that I asked him by whom he was instructed. The importance of the matter is this: that it is not Mr. Thomson's league, or Mr. Clausen's league, or the league of so-many gentlemen we have heard from Palmerston that are really fighting this question.

Mr. Luckie: Excuse me—my friend is not right.

Mr. Myers: One moment. What I say is that it is really not they who are fighting the question, because if they had been you may well assume that before they could suggest to the Railway Department or to the Government that the course advised by the Railway Engineers was wrong they would have had something in the nature of expert reports to back up their opinion, or the view they endeavour to press upon the Government; but they have done nothing of the kind, and it was not until the league of Sir James Wilson came upon the scene that we have any endeavour made to question the views of the Railway Department by means of the opinions of any engineer or engineers.

Mr. Luckie : That is not correct.

Mr. Myers : But it is correct according to the evidence. Mr. Fulton says it was quite lately that he was approached upon this matter ; Mr. Maxwell says the same ; and Mr. Fulton says that it was not until the 16th of this month, after this Commission had sat at Palmerston North and evidence had been given, that he went into this question at all, and as a result formulated the scheme which he has submitted to this Commission.

Mr. Luckie : That was done under instructions received from us, acting on behalf of the Palmerston North residents.

Mr. Myers : Well, it does not matter very much, but I can only act upon this statement that Mr. Fulton himself has made. The inference that I suggest is deducible from all the facts is that the real opposition to the scheme proposed by the Railway Department emanates from the league of which Sir James Wilson is the head and forefront—the league that year after year have been doing all they can to see that the Main Trunk line is diverted and deviated from Levin to Marton. That, I suggest, is their main consideration, and the real object that lies behind the opposition to the Railway Department in the proposals which they are making in connection with the facilities at Palmerston North. Now, gentlemen, I want to put this position : Mr. MacLean has dealt exhaustively, to the best of his ability having regard to the difficulties that he or any one else in a similar position is necessarily faced with, with the estimates of cost that would be incurred in the carrying out of the departmental scheme, and in the carrying-out of the scheme propounded by Mr. Fulton. According to Mr. MacLean there appears to be not very much difference in the cost. Let me put it this way : Supposing it would cost £100,000, or £150,000, or £200,000 more to carry out the departmental scheme than to carry out Mr. Fulton's, the mere question of cost does not conclude the matter. Of course, the Department says it is in a much stronger position. The Department says that there is not that difference, if there is any difference, in the cost between the carrying-out of the two schemes ; but I go further and say, supposing the cost of the departmental scheme would be greater than that of carrying-out Mr. Fulton's scheme, would Mr. Fulton's scheme be sufficient ? Would the Department be able to close West Street, to close Kairanga Road, without giving any facilities in the shape of overhead bridges ? And the moment we commence talking about overhead bridges for those streets we are adding very greatly to the cost of Mr. Fulton's scheme, quite apart from his underestimates in other respects, and the one or two omissions from his scheme of which Mr. MacLean has spoken. The original Commission asks, first of all, this question : " Whether the facilities now existing at Palmerston North for the conduct of the business of the Government Railways Department are sufficient and suitable for that purpose." I do not desire to waste the time of the present Commission upon that point.

Mr. Luckie : We both agree upon that.

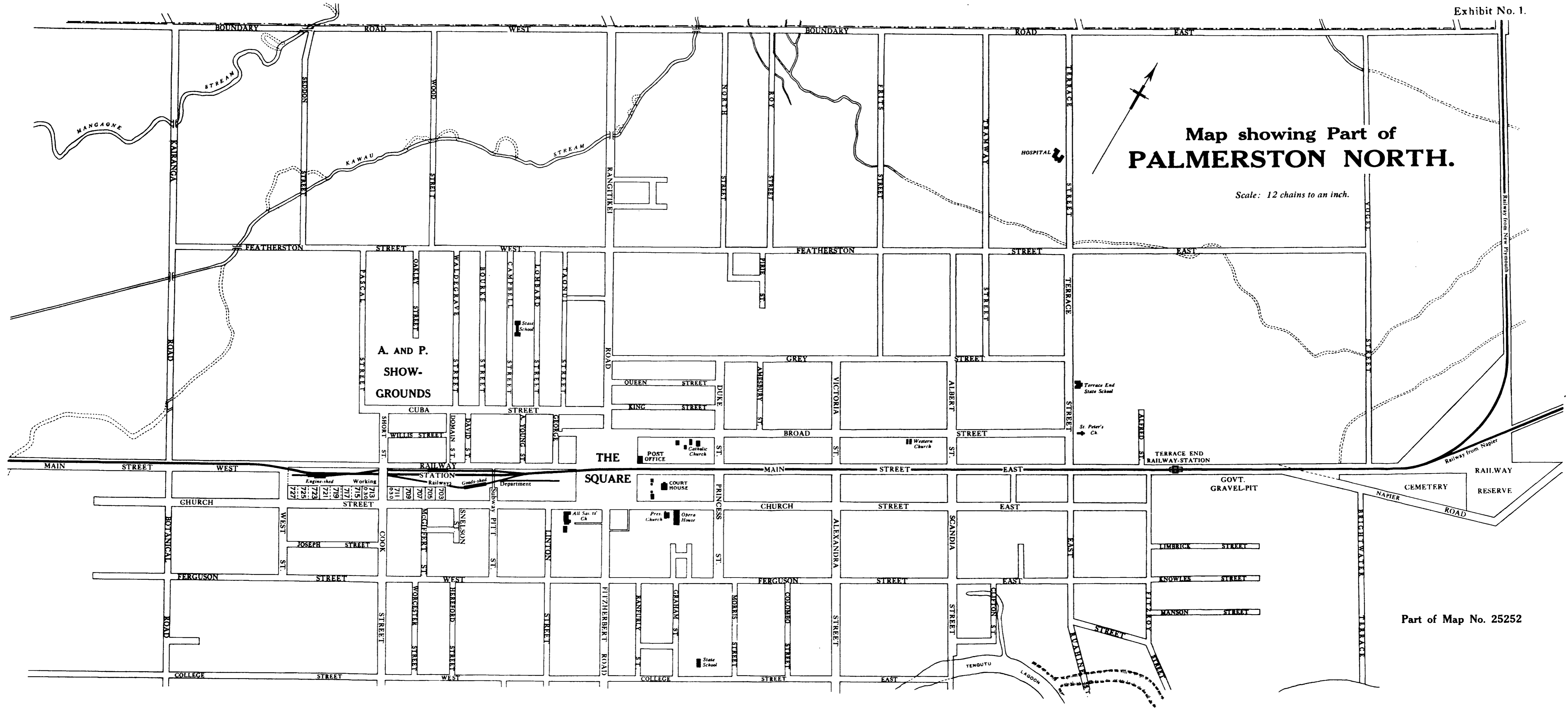
Mr. Myers : Even if we do our agreement is not binding upon the Commission. All I intended to say was that we have led all the evidence available to us, and we submit we can do no more than that, and that the answer is a plain one. Then, the next question is : " If such facilities are not sufficient or are not suitable for such purpose, what alterations therein (whether in respect of situation or otherwise howsoever) are necessary and desirable and best adapted to enable the business of the said Department to be carried on with the greatest degree of safety, efficiency, economy, and convenience." So that the Commission has to consider four factors ; not only the one factor of expense, but the factors of safety, efficiency, economy, and convenience. There is one point I do desire very briefly to stress, and that is this : that the officers of the Railway Department have no object in carrying out a scheme at greater expense if some other scheme at less expense would be sufficient. The scheme which has been propounded by Mr. Fulton is not a new scheme. It is not brought before this Commission and submitted to the Railway Department for the first time. I thought when we were at Palmerston, when Mr. Luckie was telling us how he was going to show us that we could do all that was required in the neighbourhood of the present site, that he was going to explode some bomb when we came back to Wellington. I thought that he must have some scheme, or that his engineers had placed before him some scheme of a surprising nature, and so simple that it would at once surprise us to see that we had overlooked it ; but when the scheme comes to be placed before the Commission and comes to be examined, we find that it had already been anticipated by Mr. MacLean even so far as this Commission is concerned, because its main features are set out in the second alternative scheme referred to in Mr. MacLean's notes. It is quite true that in that scheme Mr. MacLean sets down the sum of £350,000 for overhead bridges. I am quite content for the purposes of the present argument and for the purposes of the consideration of this Commission that the item could be altogether eliminated. When I say that I do not for a moment suggest to the Commission that these level crossings are at all satisfactory, I do not want to exaggerate the importance of having these bridges that Mr. MacLean provides for, and I therefore suggest that so far as that particular scheme is concerned, all those level crossings could be eliminated and the estimate reduced by the sum of £350,000. You still have a cost involved in that scheme of something like half a million of money. And be it remembered that Mr. MacLean gave that estimate and made that report before Mr. Fulton and Mr. Maxwell gave their evidence. Since then Mr. MacLean has had the opportunity of considering much more fully Mr. Fulton's scheme, and of considering the question of cost and the figures given by Mr. Fulton, with the result that Mr. MacLean shows, after making due allowance for the differences between Mr. Fulton's scheme and the alternative No. 2 scheme previously placed before the Commission by Mr. MacLean, that the cost of Mr. Fulton's scheme would be something like £400,000 instead of £200,000, and to that would have to be added a sum of £50,000 or thereabouts for the additional line between Palmerston North and Longburn. Well, the Commission, of course, if it comes to the conclusion that the officers of the Railway Department are all wrong, will say so without any hesitation ; but is there any material upon which such a finding could be made ? The

only material consists of a statement that has been made—of course, in absolute good faith—by Mr. Fulton; but when the two schemes, the deviation scheme and Mr. Fulton's scheme, are considered carefully and compared as to cost, our submission is that even on the point of immediate economy there is nothing to be said in favour of Mr. Fulton's scheme as against that propounded and proposed by the Department, while on the other hand there are many respects in which the advantage is clearly with the scheme which has been propounded by the Department. The Department is looking not only to the present but to the future. The officers of the Department have before them information as to the requirements of the Department, and as to the probable requirements in the future, which cannot be appreciated in the same manner by Mr. Fulton, or by any other engineer who lacks the experience and the knowledge of the requirements possessed by the officers of the Department. I do not think, sir, I can usefully add anything further.

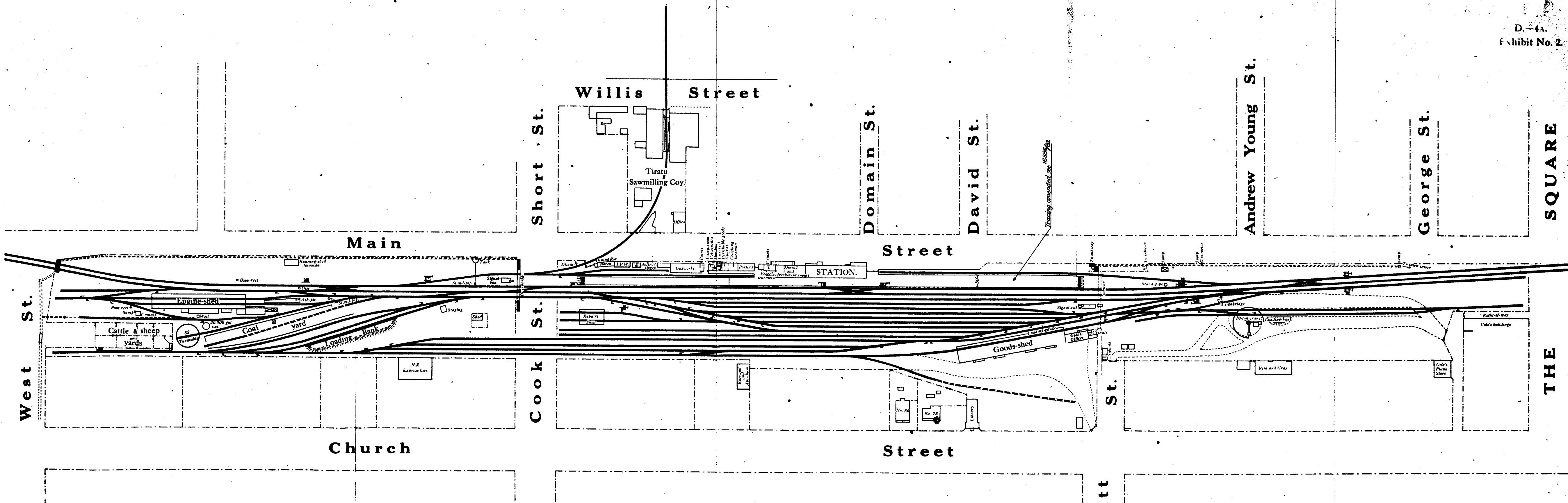
The Chairman : I think I speak for my colleagues as well as for myself when I say that we thank counsel for representing the case so lucidly and fully, and all that we have heard will receive our serious consideration.

Mr. Myers : I desire to say, and I am sure Mr. Luckie agrees with me, that our thanks are due to the members of the Commission for the consideration we have met with, and for the patient consideration that the question before the Commission has had at your hands.

Mr. Luckie : I quite agree, sir.



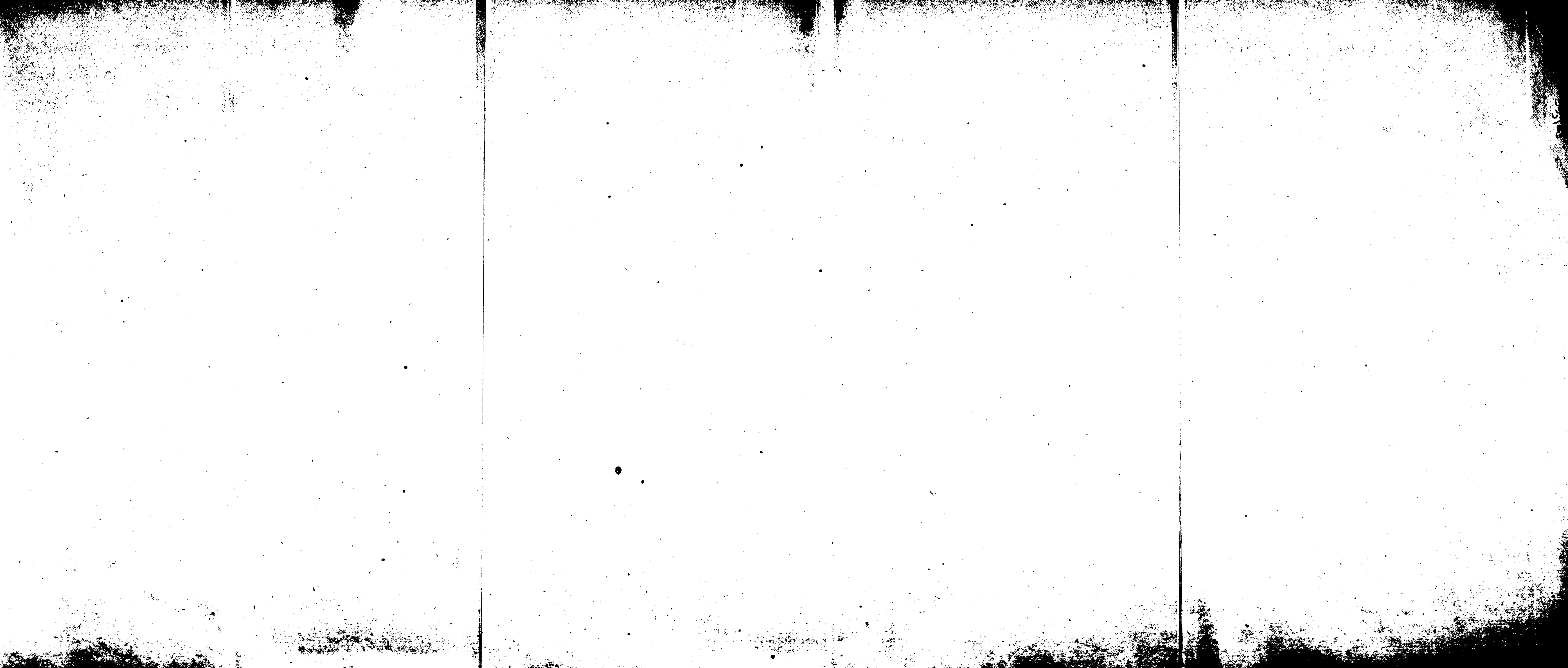
Part of Map No. 2522

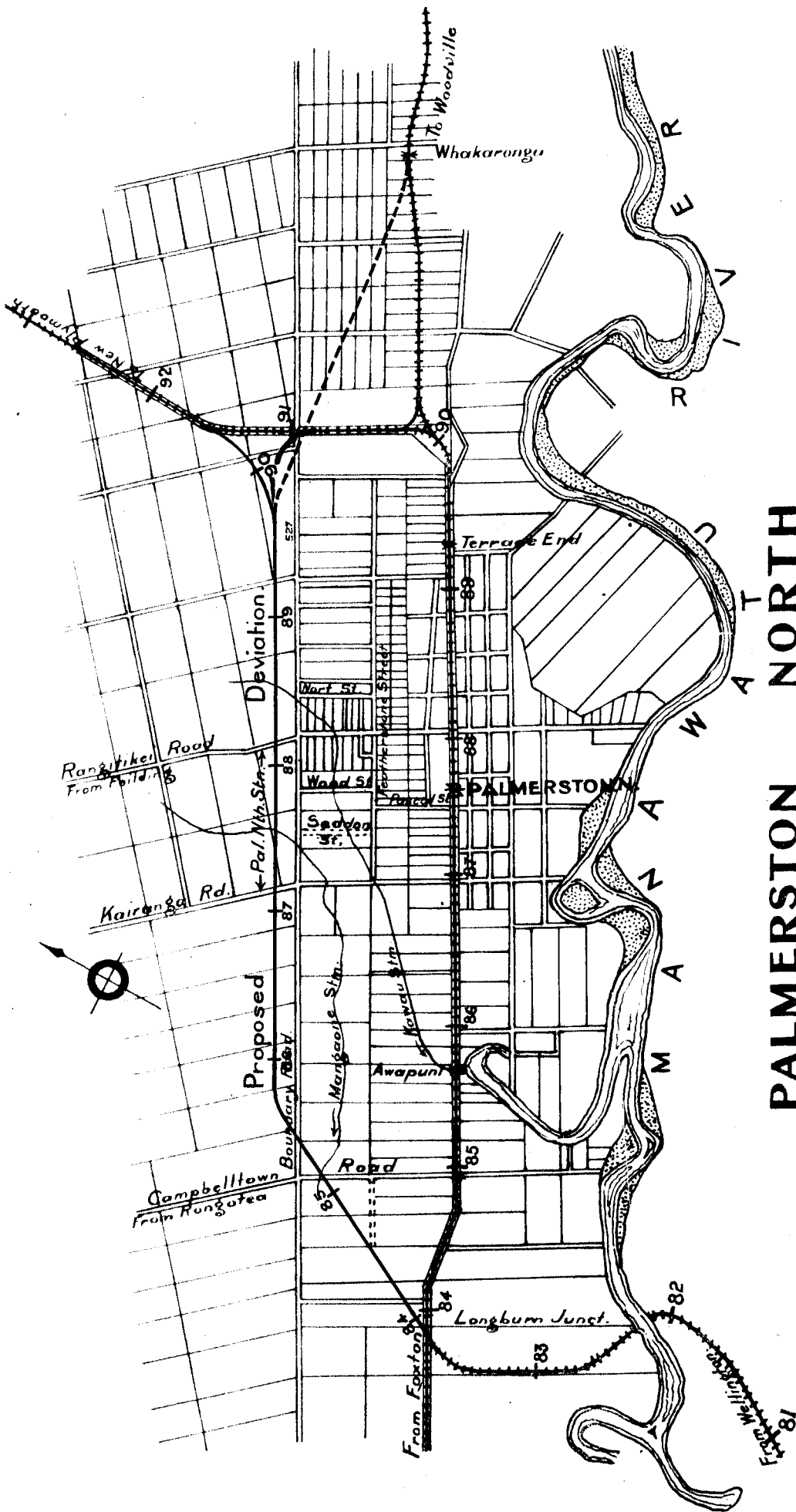


PALMERSTON NORTH.

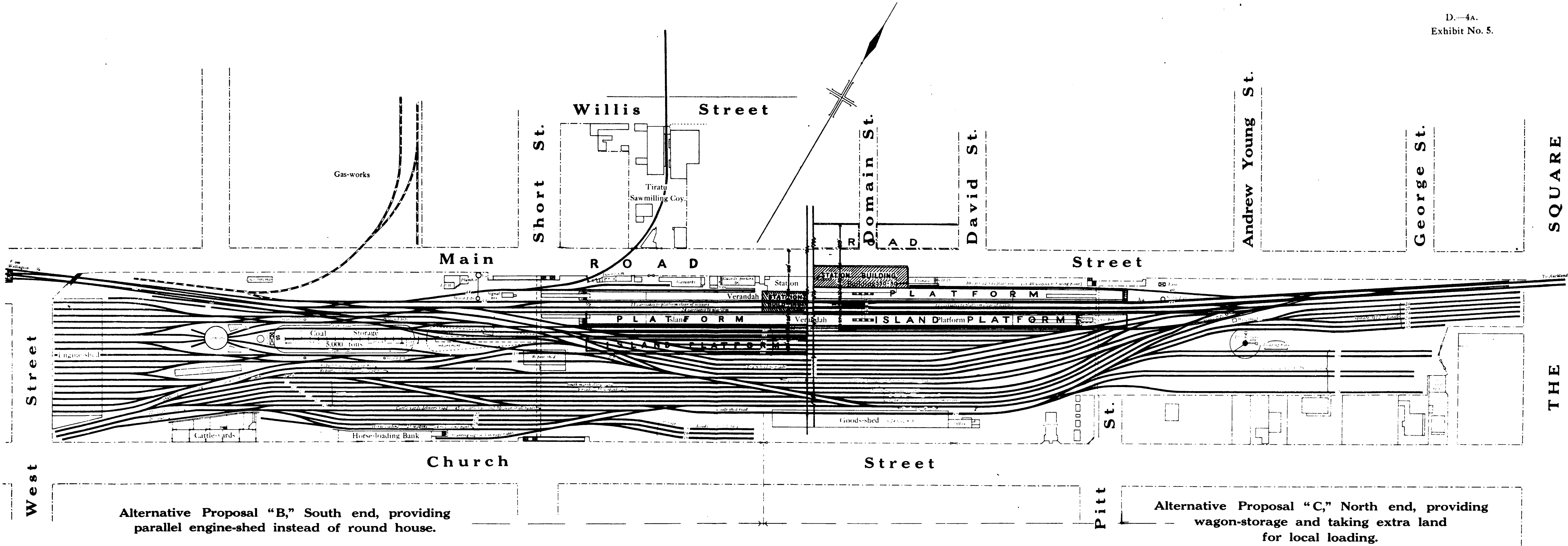
Scale: 2 chains to an inch.

No. 25610





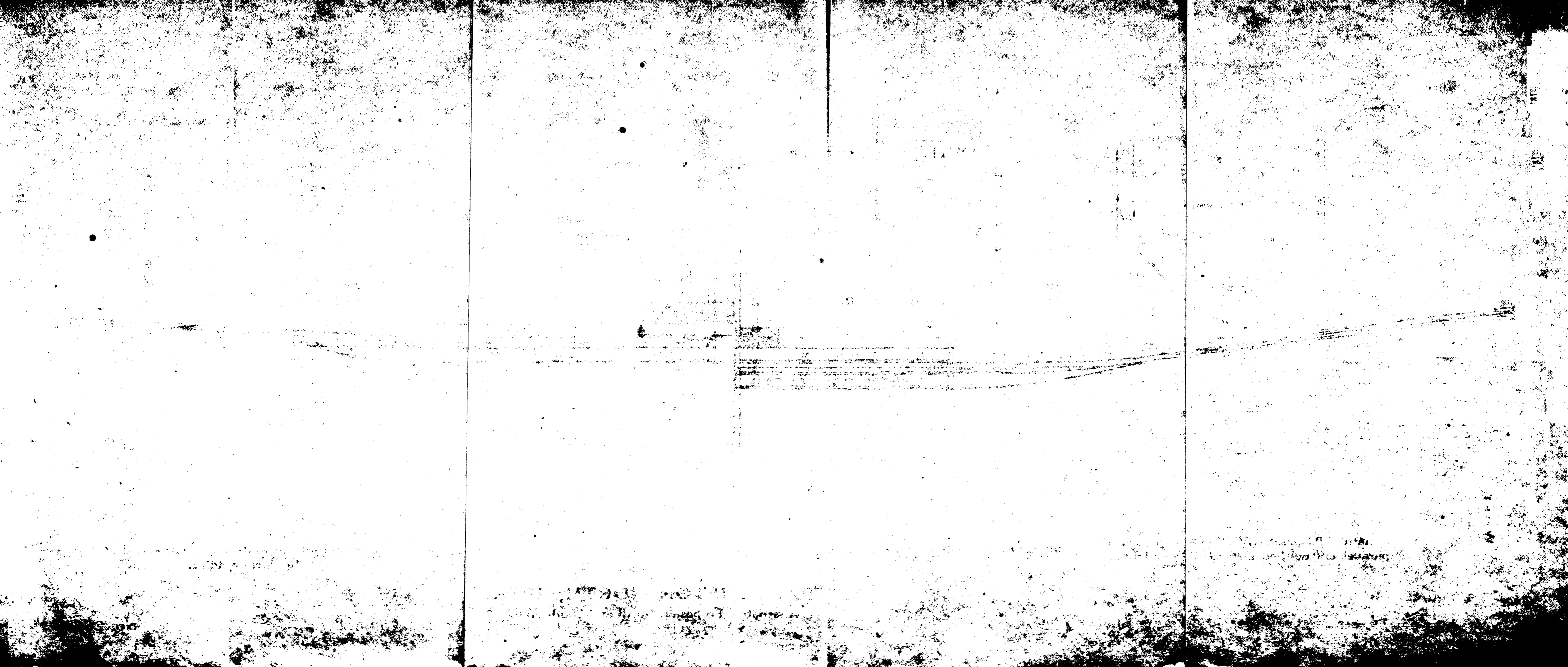


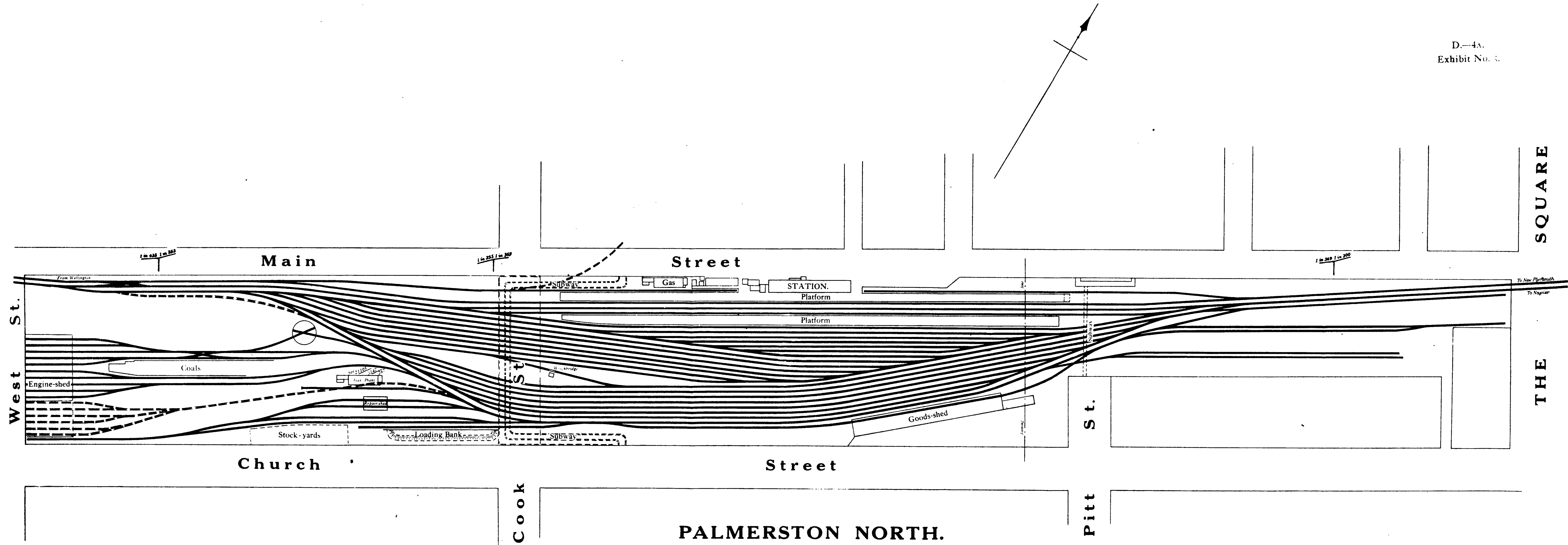


PALMERSTON NORTH, 1919.

Alternative Proposals, North and South ends.

Scale: 2 chains to an inch.





PALMERSTON NORTH.

Proposed yard

Scale: 2 chains to an inch

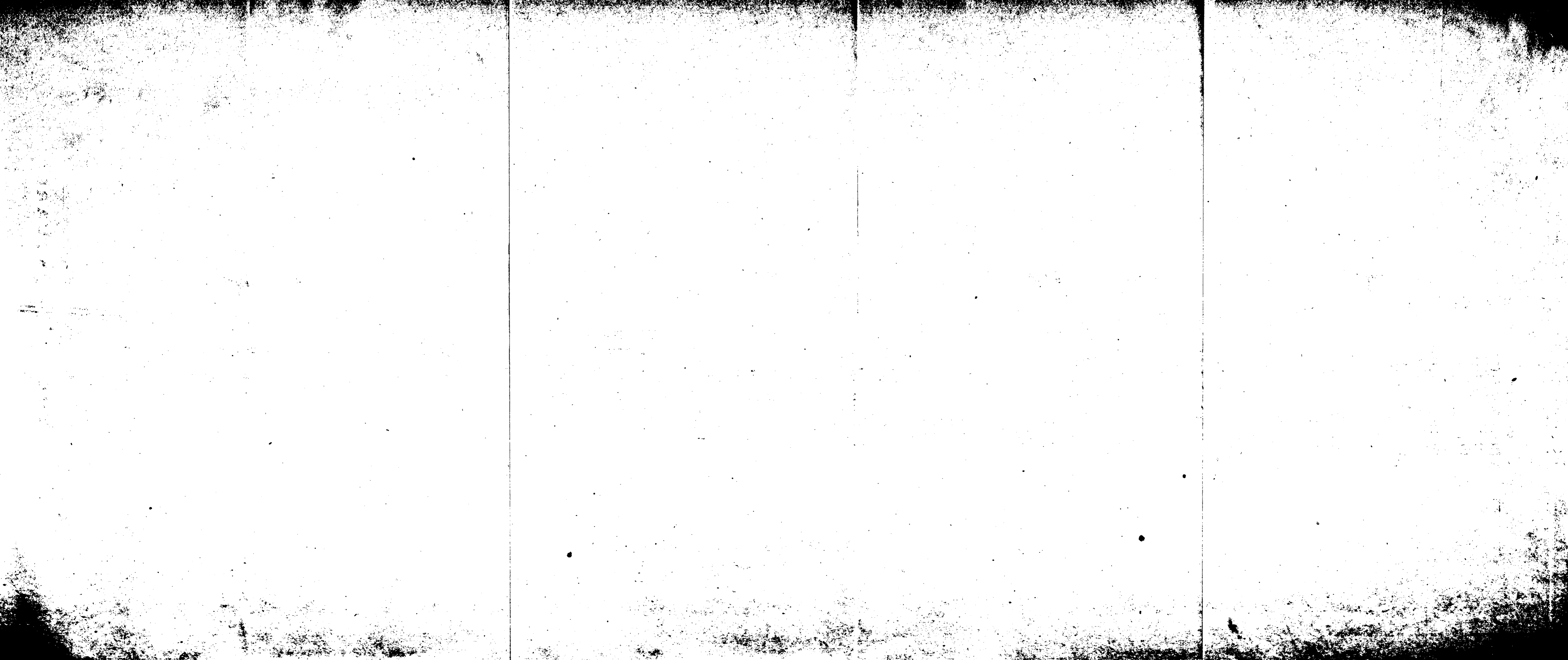
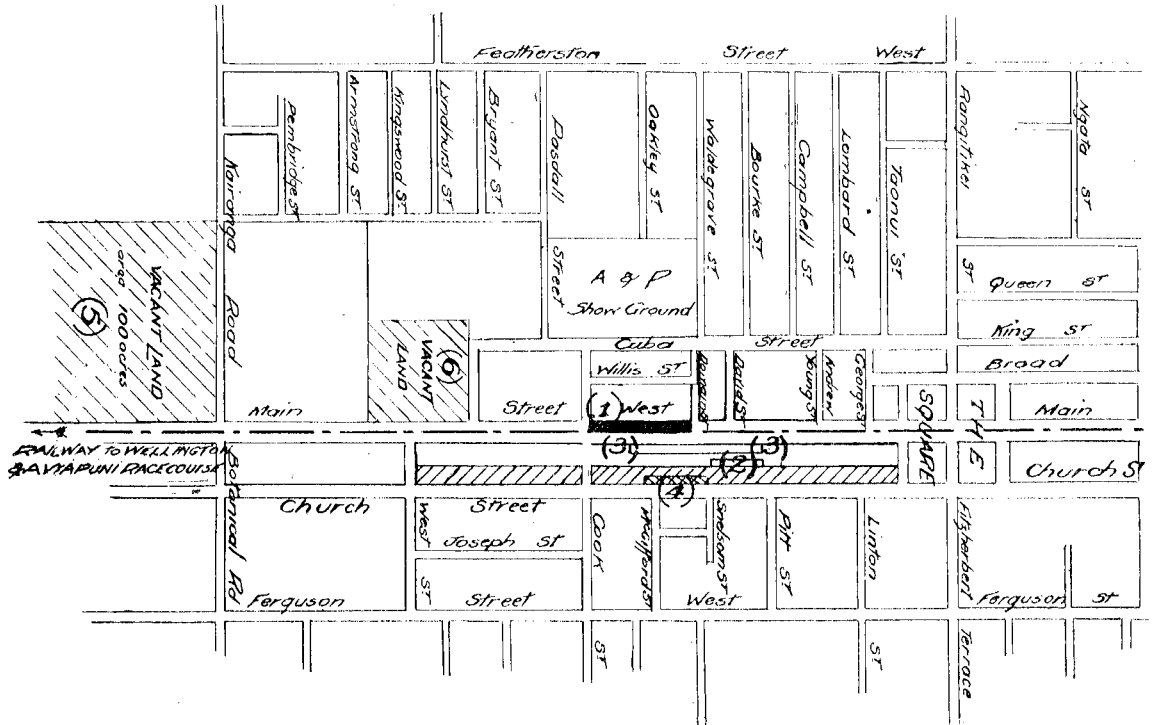


EXHIBIT No. 6.

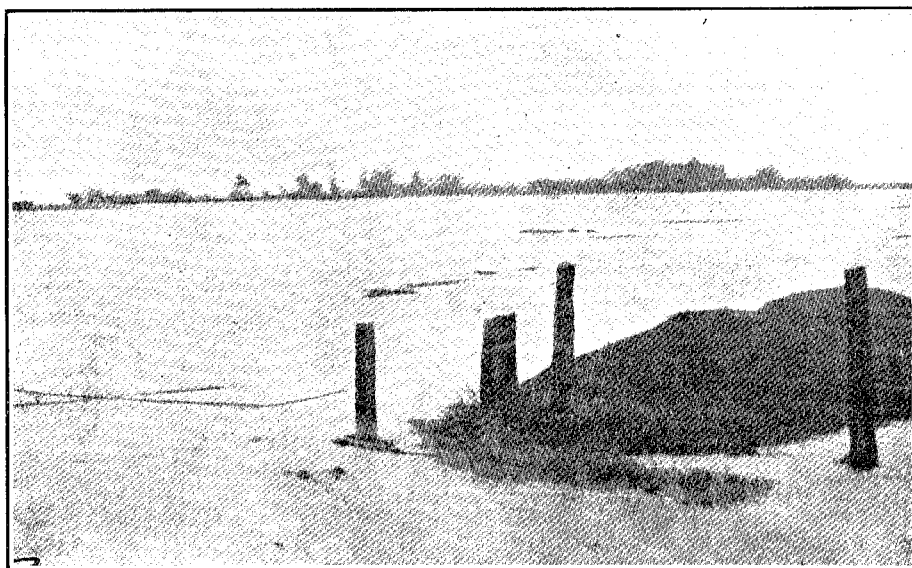
**Palmerston North present Railway Site,
showing room for extension.**



Railway property not at present utilized, a considerable portion of which was purchased and to be brought into use under Mr. Hiley's scheme, 2 chains wide by 53 chains long.

- 1. Station.
- 2. Goods-shed.
- 3. Proposed island platform (Hiley's scheme).
- 4. Prospective site, goods-shed.
- 5. Nathan's estate, 100 acres available for extension.
- 6. Pascall's estate, with room for running-sheds, cattle-yards, and goods-shed.

NOTE.—Vacant land shown in 5 and 6 is additional space not acquired or proposed to be utilized by Mr. Hiley's scheme.



PROPOSED SITE PALMERSTON NORTH NEW STATION.

Oct. 27 1920.

EXHIBIT No. 7.

PETITION OF BUSINESS MEN OF PALMERSTON NORTH.

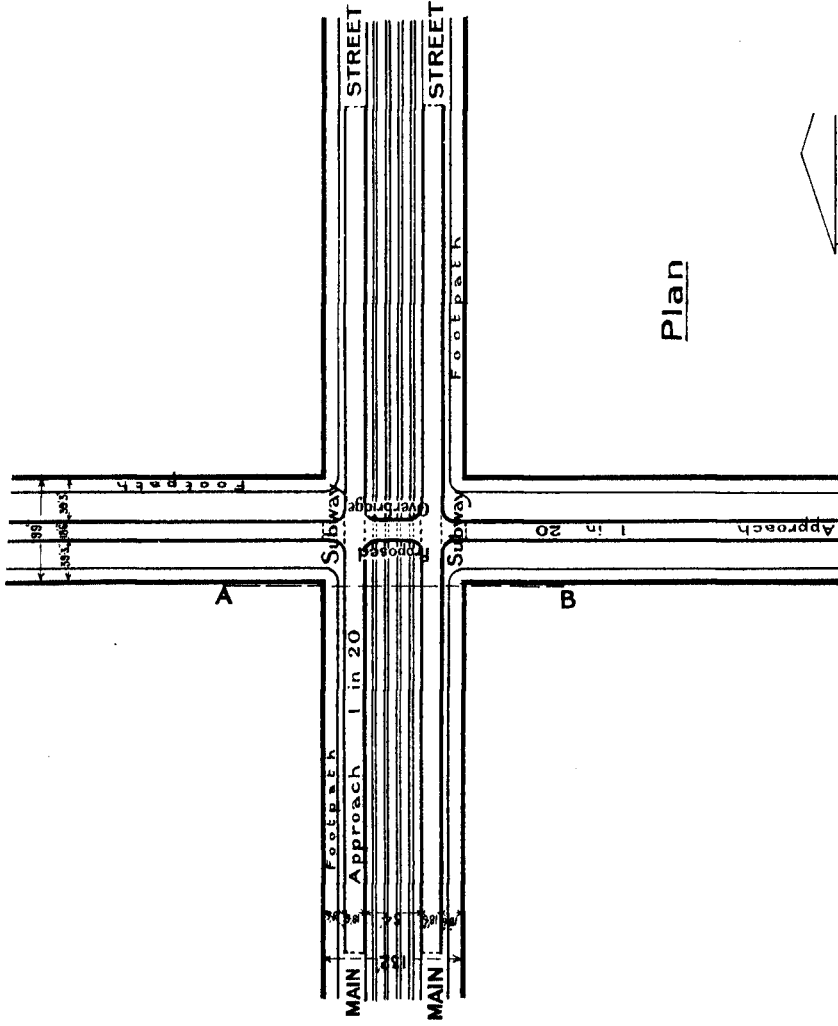
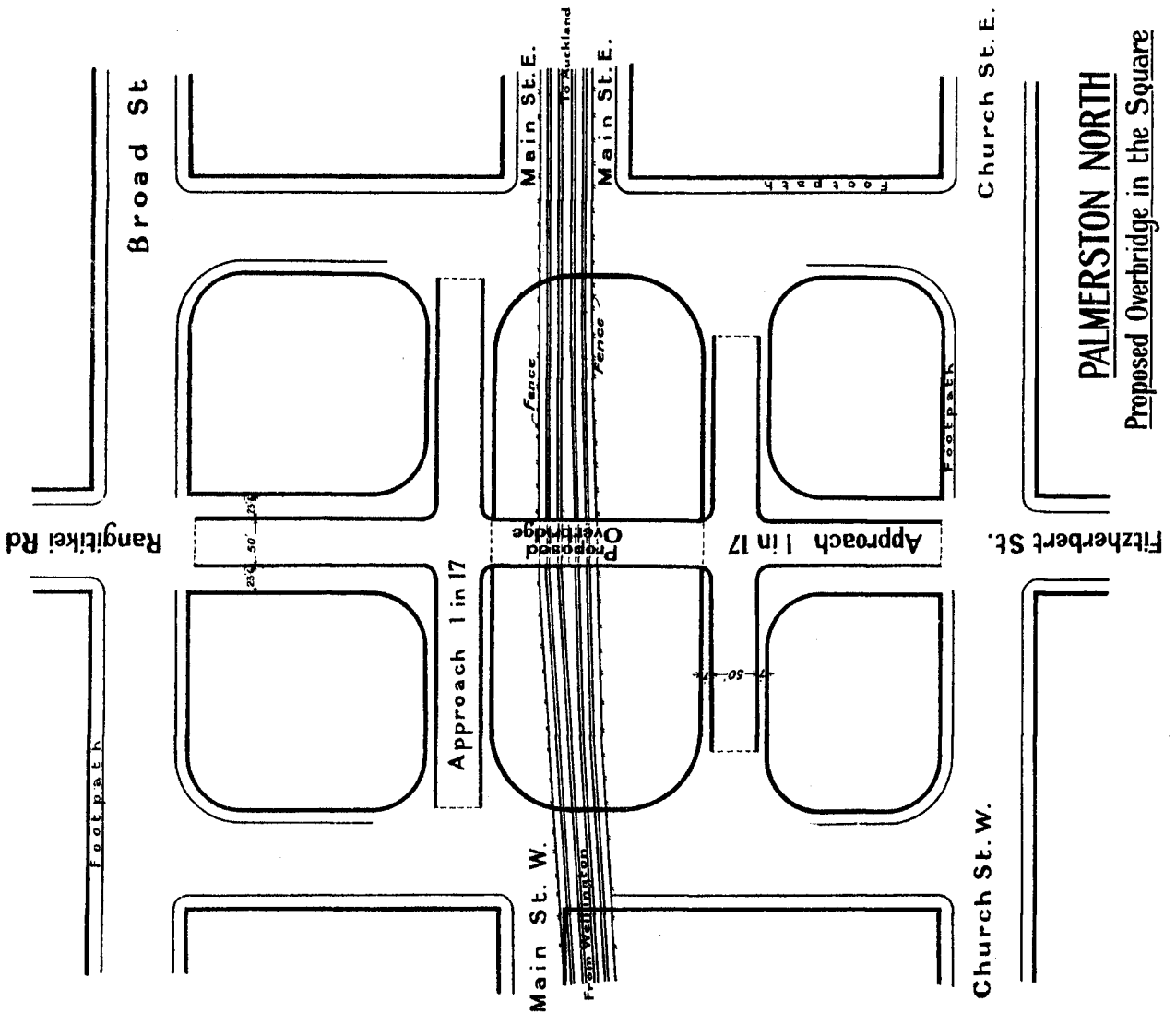
WE, the undersigned business men of Palmerston North, desire to endorse the action of the Borough Council and Chamber of Commerce in supporting the plan of the New Zealand Railway Department to remove the present railway yards and station from the centre of the town to the site proposed by the Engineer, near Boundary Road, for the following reasons :—

- (1.) That the present accommodation for both passenger and goods traffic is hopelessly inadequate, and immediate relief must be found, otherwise the efficiency of the service must suffer :
- (2.) That, owing to the congested nature of the yards, great inconvenience is experienced by the commercial community in despatching and getting prompt delivery of goods :
- (3.) Under present conditions the Department is endangering the lives of their employees :
- (4.) The lines running through our streets are a menace to the general public :
- (5.) That the new site provides ample room for storage and efficient handling of goods and produce :
- (6.) The undertaking will be productive, and is essential to the development of the North Island Main Trunk service.

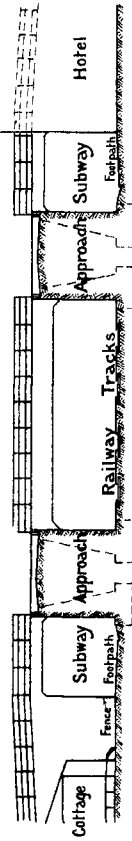
D. J. LOVELOCK, Land Agent
(and 236 others).

PALMERSTON NORTH

Proposed Overbridge at Street Intersections



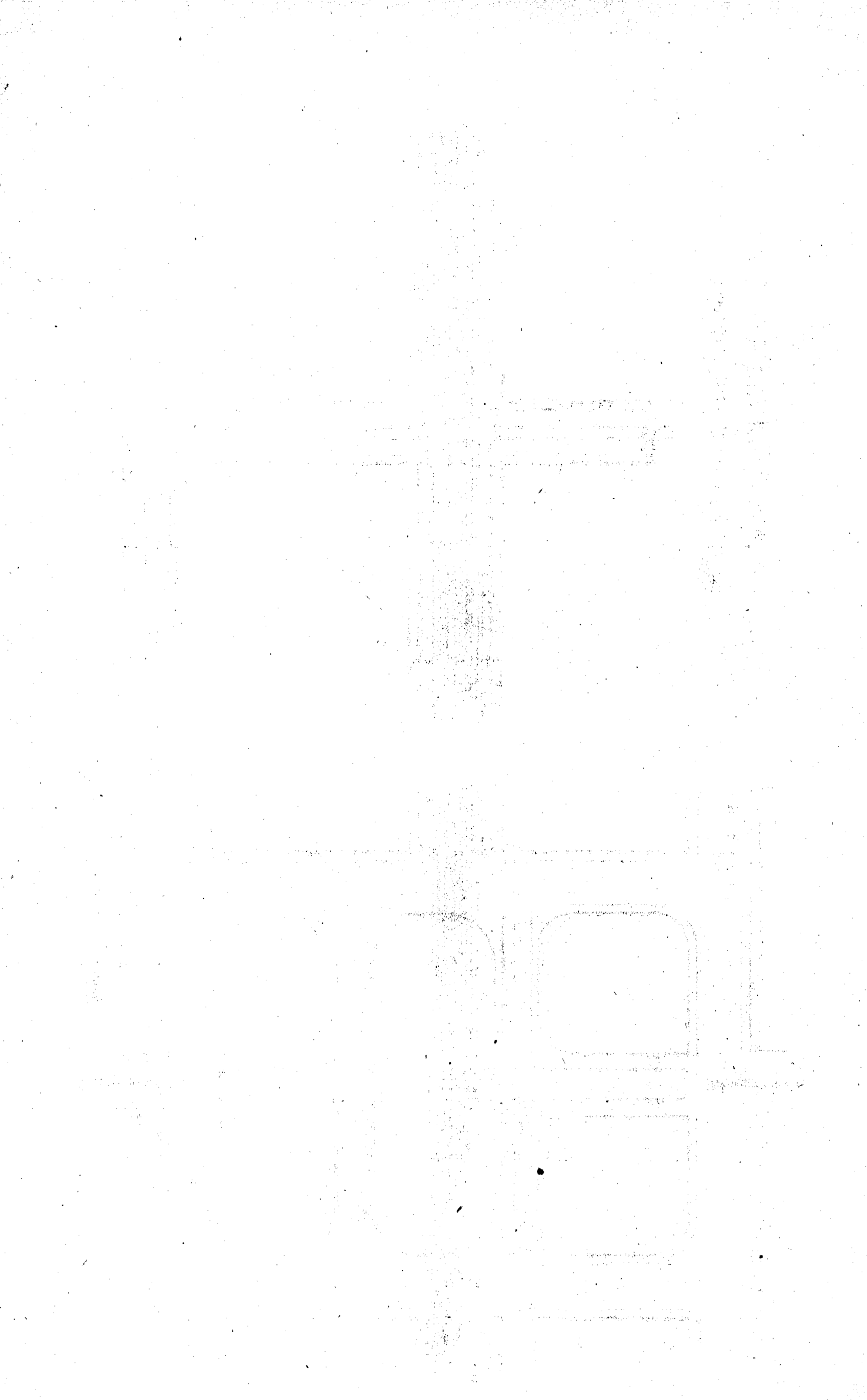
Plan

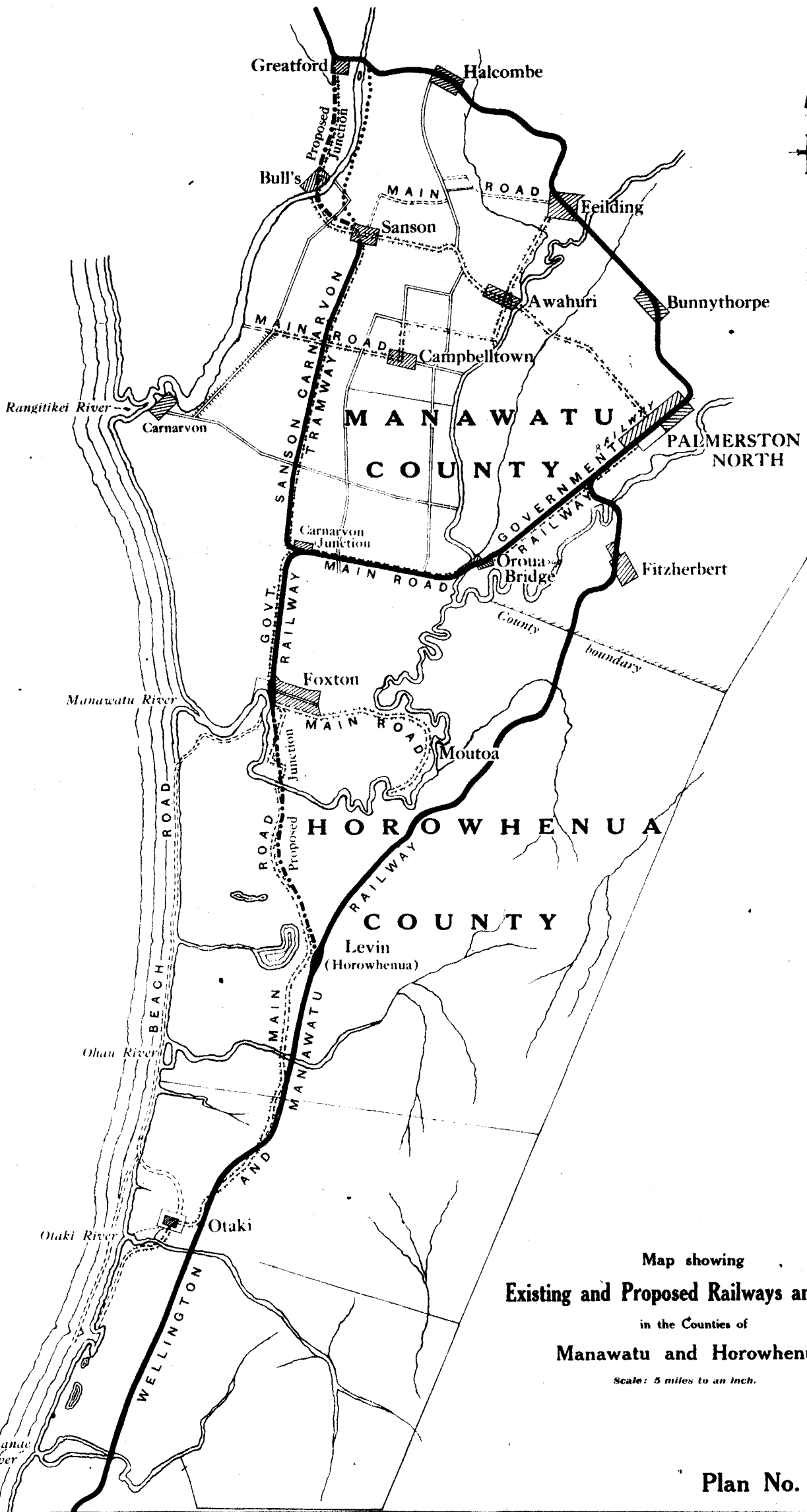


Section A-B

PALMERSTON NORTH

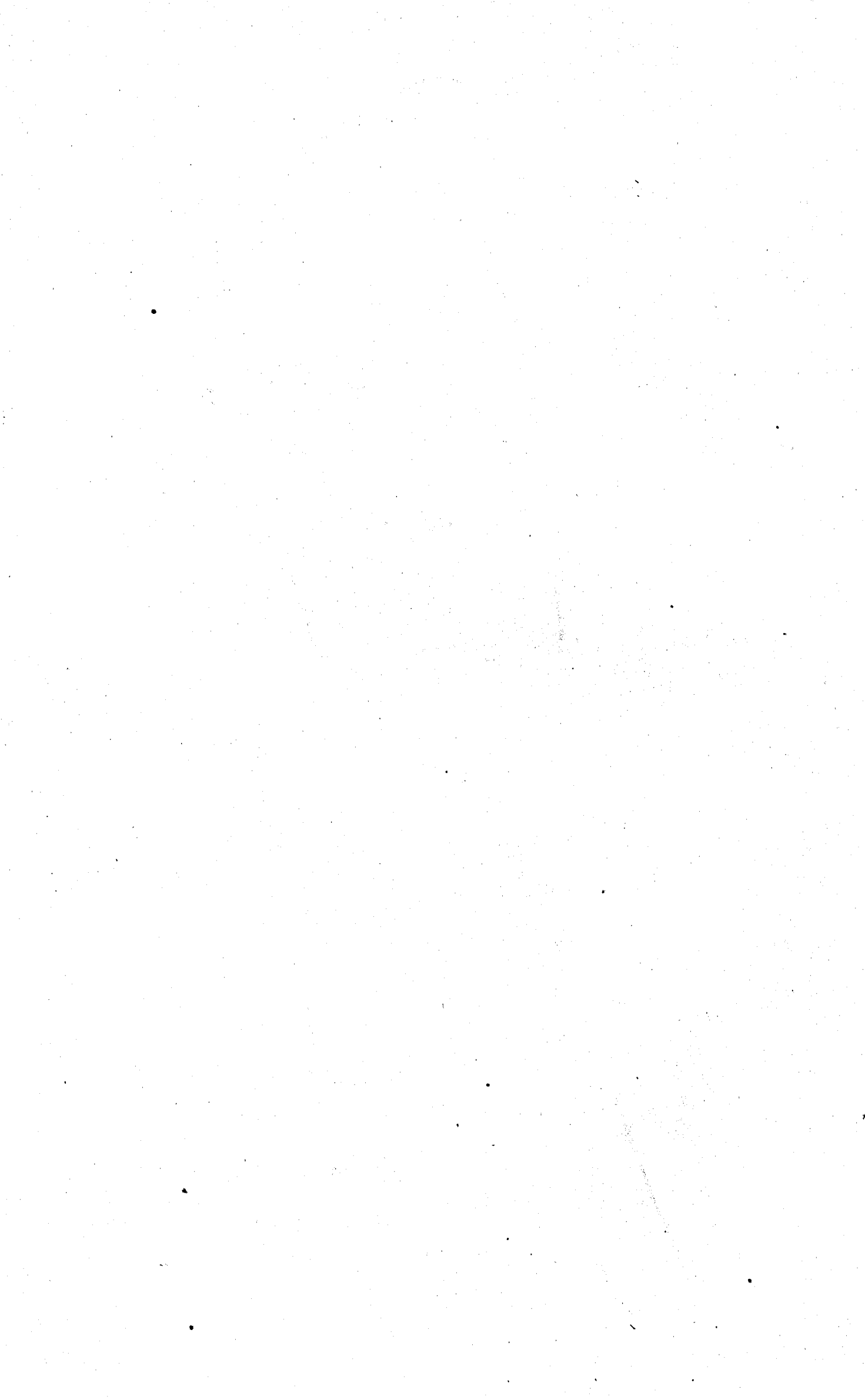
Proposed Overbridge in the Square





Map showing
Existing and Proposed Railways and Roads
 in the Counties of
Manawatu and Horowhenua.

Scale: 5 miles to an inch.

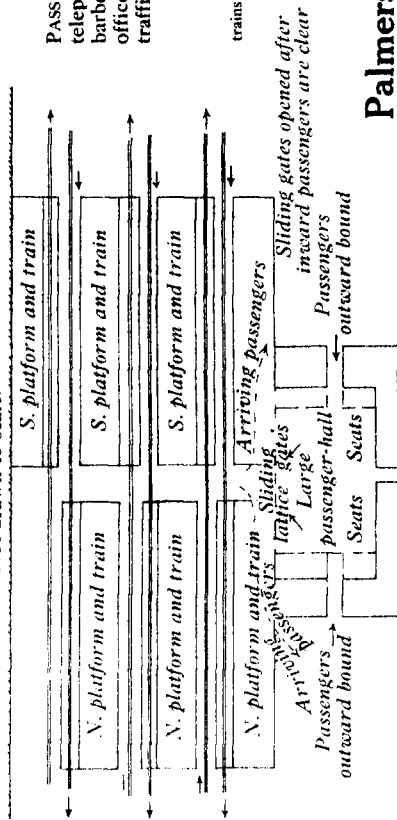


TYPICAL RAILWAY-STATION.

SEATTLE is a good example. All American platforms are flush with rails. They handle no luggage. Island platforms therefore only about 15 ft. wide.

Incoming passengers are clear before those outward bound are liberated from station-hall. British, French, Belgian, and German platforms are wider, and all are near the station-house. Platform access there mostly by subway; in Britain occasionally by over-bridges. Long platforms, with two trains standing on same line of rails, are rarely, if ever, seen. This is of course common knowledge, only written here suggesting various designs.

Not drawn to scale.

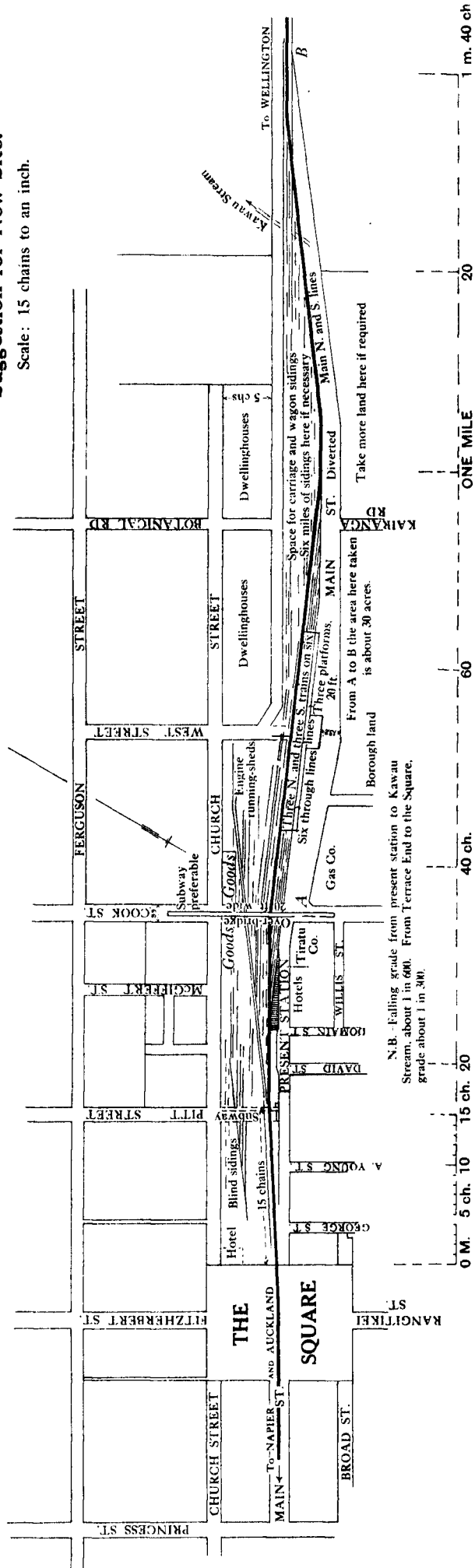


PASSENGER-HALL, like Seattle, has seats, telephone-office, cigar-stall, refreshments, barber, bookstall, toys, fruit, buffet, railway-office, &c. Roofed platforms for surface traffic asphalted flush with rails.

With subway access use shorter platform, with trains head to tail.

Palmerston North Railway-station. Suggestion for New Site.

Scale: 15 chains to an inch.



APPENDICES.

APPENDIX A.

RETURN OF TRAFFIC CARRIED ON MAIN LINE BETWEEN LEVIN AND MARTON FROM 1ST FEBRUARY, 1920, TO 5TH FEBRUARY, 1921.

Division.	Passenger Traffic.		Goods Traffic.				
	Number of Passengers.	Revenue.	Cattle.	Sheep.	Other Live-stock and Goods other than Minerals.	Minerals.	Revenue.
<i>Thorndon to Levin (inclusive).</i>	Number.	£	Number.	Number.	Tons.	Tons.	£
1. To and from Marton and stations north thereof (Main Trunk and branches)	119,863	239,265	703	6,061	65,335	7,604	142,608
2. To and from Pukepapa - New Plymouth and intermediate stations and branches	60,058	62,511	1,075	5,375	23,667	10,137	55,615
3. To and from Koputaroa-Greatford and intermediate stations	151,738	57,710	6,253	79,867	86,128	33,177	173,452
4. To and from Terrace End - Napier-Wairarapa	68,532	64,394	1,249	11,689	35,791	10,364	84,012
<i>Koputaroa-Greatford (inclusive).</i>							
5. Local traffic	232,957	18,357	1,318	50,090	22,308	4,025	10,582
6. To and from Terrace End - Napier-Wairarapa	116,926	30,820	12,108	311,075	21,498	1,691	33,688
7. To and from Marton and stations north thereof (Main Trunk and branches)	83,079	56,786	9,027	133,074	55,407	15,945	78,945
8. To and from Pukepapa - New Plymouth and intermediate stations and branches	57,148	23,580	6,887	107,901	18,329	1,179	25,403
<i>Terrace End - Napier - Wairarapa.</i>							
9. To and from Marton and stations north thereof (Main Trunk and branches)	36,426	66,131	10,472	221,328	65,804	31,491	134,167
10. To and from Pukepapa - New Plymouth and intermediate stations and branches	18,957	16,274	8,320	170,198	17,539	11,275	39,498

NOTE.—If the new line were made between Levin and Marton the only traffic which would go over it would be the local traffic (i.e., traffic to and from stations on the new line) and the traffic specified in items 1 and 2 above. All the other traffic specified in items 3 to 10 would still have to go over the present line, and the new line would be useless for the purposes thereof.

APPENDIX B.

PALMERSTON NORTH DEVIATION.—NOTES AND ESTIMATES.

PROPOSED SCHEME.

Deviation Longburn to junction with main line (near 91½ m.) beyond Terrace End, and, temporarily, junctions with existing and Napier lines for east coast traffic. Length, 6 miles 70 chains.

Double track throughout. Third track from station-yards to junction with Napier line.

Later direct line from junction for Napier line to Whakaronga Station. Length, 2½ miles. Single track.

Main passenger and local station, large sorting-yard, and engine-depot.

All road-crossings bridged.

	<i>Estimate.</i>	£
Main deviation, station-yards, locomotive-depot, &c.	600,000
Line to Whakaronga	50,000
		<hr/> 650,000
Contingencies	50,000
		<hr/> 700,000
Deduct value of present station-site, to be sold	200,000
		<hr/> 500,000
Total net cost	<hr/> <hr/> £500,000

ALTERNATIVE SCHEME (1).

Passenger and local-goods traffic at present station-site. Sorting-yard (land, earthworks, and tracks) north of present station-site (say, about 92 m.). Small sorting-yard (interchange sidings) on Napier line, with tracks to main sorting-yard. Engine-depot, say, south of present station-site, with special track thereto.

Double track, Longburn to Palmerston North: these tracks to be placed in centre of road and railway reserve. Extra track, Palmerston North to main sorting-yard, and regrading of present track (present gradient 1 in 63).

Retain present level crossings. Main Street widened (on railway land), and shunting over Square and West Street.

		<i>Estimate.</i>	£
Passenger and local-goods station	100,000
Main sorting-yard	80,000
Subsidiary sorting-yard on Napier line, and tracks to main sorting-yard	20,000
Engine-depot, &c.	50,000
Double track, Longburn to Palmerston North	50,000
Extra track, Palmerston to sorting-yard, and regrading of track	50,000
			<hr/>
			350,000
Contingencies	50,000
			<hr/>
Total	£400,000
			<hr/> <hr/>

ALTERNATIVE SCHEME (2).

Station (low level) at present site to deal with all business except locomotive-depot.

Bridge over centre of Square to allow of shunting to northern (eastern) side of Square.

Purchase of property south of West Street to enable all present area to be utilized and for shunting facilities south end. West Street to be closed. This purchase to extend to Kairanga Road.

Main Street to be diverted to west (or north) side of railway as far as Kairanga Road.

Cook Street to be bridged, and Pitt Street subway extended.

Overbridges, with necessary approaches, at all crossings north of Square.

Double track, Longburn to Palmerston North.

This scheme would serve for a limited time only. Shunting, and passage of engines to and from engine-depot, would be carried on over Kairanga Road level crossing.

		<i>Estimate.</i>	£
Station-yard, buildings, &c.	150,000
Engine-depot	50,000
Property	50,000
Diversion Main Street, roading, &c.	20,000
Double track, Longburn to Palmerston North, and separate tracks to engine-depot	50,000
Bridges—			£
Cook Street	70,000
Extension Pitt Street subway	35,000
Square to Terrace End (seven)*	350,000
			<hr/>
			455,000
			<hr/>
			775,000
Contingencies	50,000
			<hr/>
			825,000
If specially prepared surfaces for overbridges (concrete, tarred macadam, or other) add	30,000
			<hr/>
Total	£855,000
			<hr/> <hr/>

(Say, £850,000, compensation for closing south side of Square not included.)

* See plan No. 28970. Arrangement would not be considered satisfactory to public and owners of property in neighbourhood. Compensation would have to be paid to owners of property purchased, increasing cost by at least 50 per cent. See also plan No. 28969 for bridge at Square.

ALTERNATIVE SCHEME (3).

Station at present site for passenger and local-goods traffic. Sorting-yard at Awapuni (as in alternative scheme 4). Engine-depot between station and sorting-yard.

Main Street to be diverted to west side of railway, and West Street closed.

Double track, Longburn to Awapuni. Four tracks, Awapuni to Palmerston North.

Bridge at Cook Street. Pitt Street subway to be extended. Overbridges at all crossings north of Square. One bridge at Square.

	<i>Estimate.</i>	£	£
Station-yard, &c.	100,000	
Sorting-yard	100,000	
Engine-depot	50,000	
Diversion Main Street	20,000	
Double track, Longburn to Awapuni; four tracks, Awapuni to passenger-station		50,000	
		<hr/>	320,000
Bridges—			
Cook Street	70,000	
Extension Pitt Street subway	20,000	
Square to Terrace End*	350,000	
		<hr/>	440,000
Roading	40,000
			<hr/>
			800,000
Contingencies	50,000
			<hr/>
Total	<u>£850,000</u>

If special surfaces for overbridges, add £30,000. Compensation for closing south side of Square and for closing West Street crossing not included. If bridge at West Street required, add £30,000 to £40,000.

ALTERNATIVE SCHEME (4).

High-level passenger-station on present site, with high-level tracks to Terrace End and underbridges at each end of Square and each street-crossing. High-level track continued southward to Kairanga Road crossing, thence descending gradient (1 in 132) to about 86½ m.

Sorting and local-goods yards between 85 m. (Rongotea Road) and 86¼ m.—that is, yard at Awapuni.

Double track, Longburn to Palmerston North Station (passenger). Three tracks, sorting-yard to passenger-station.

	<i>Estimate.</i>	£	£
High-level passenger-station (buildings, platforms, tracks, &c.)	100,000	
Concrete wall, Main Street	70,000	
Filling	170,000	
Temporary work	100,000	
Extra cost of work during construction	30,000	
		<hr/>	470,000
Sorting and local-traffic yard, Awapuni	100,000
Engine-depot	50,000
High-level passenger-station to Terrace End	425,000	
Terrace End to runout	10,000	
West Street to Kairanga Road	30,000	
Kairanga Road to runout	20,000	
Bridges—			
Square northwards (eight)	50,000	
Pitt and Cook Streets	40,000	
West Street and Kairanga Road	12,000	
		<hr/>	587,000
Double track, Longburn to Awapuni; four tracks, Awapuni to passenger-station		..	50,000
Roading	60,000
			<hr/>
			1,317,000
Contingencies	133,000
			<hr/>
Total	<u>£1,450,000</u>

(Say, £1,500,000.)

* See plans Nos. 28969 and 28970, also note on scheme (2).

APPENDIX C.

COMPARATIVE STATEMENT SHOWING TRAFFIC AT PALMERSTON NORTH.

	1897.	1900.	1905.	1910.	1914.	1920.	1921.	Percentage of Increase, 1897-1921.
<i>Outwards.</i>								
Passengers .. No.	42,834	50,816	132,143	154,467	174,062	202,788	224,523	424
Season tickets .. "	124	236	394	363	495	817	710	473
Cattle and calves .. "	687	1,441	5,924	5,067	9,343	6,701	6,026	777
Sheep .. "	7,456	8,568	37,178	59,009	56,508	59,163	55,680	646
Pigs .. "	140	985	3,089	1,758	1,278	915	1,256	800
Timber .. Tons	189	215	979	1,271	917	1,066	944	400
Minerals .. "	395	7,117	4,147	4,066	4,117	2,820	2,601	558
Other goods .. "	6,708	9,341	8,977	12,734	16,445	26,021	34,168	409
Total goods tonnage ..	7,292	16,673	14,103	18,071	21,479	29,907	37,713	417
<i>Revenue.</i>								
	£	£	£	£	£	£	£	
Passengers, ordinary ..	7,982	9,698	16,300	30,956	38,777	63,050	77,164	992
Passengers, season ..	32	171	465	1,732	2,029	2,497	2,440	7,525
Parcels ..	970	1,069	1,532	2,404	3,153	4,326	5,221	659
Luggage and mails ..			732	802	970	1,766	2,137	
Goods ..	2,740	4,893	7,180	14,902	19,483	34,592	51,958	1,596
Miscellaneous ..	32	64	98	232	262	391	740	2,212
Rents and commissions ..	624	588	1,791	479	503	1,120	1,260	102
Total revenue ..	12,380	16,483	28,098	51,507	65,177	107,742	140,920	1,038
<i>Inwards.</i>								
Cattle and calves .. No.	513	1,381	2,455	2,161	5,098	6,695	4,967	868
Sheep .. "	20,126	32,955	38,702	37,141	33,224	62,408	50,371	152
Pigs .. "	143	322	1,614	807	688	11,173	15,113	10,469
Timber .. Tons	3,874	9,271	19,591	7,009	13,192	10,662	14,742	281
Minerals .. "	1,470	1,717	7,536	9,843	13,020	14,898	19,965	1,258
Other goods .. "	8,117	10,785	23,133	26,067	34,483	40,262	47,260	482
Total tonnage ..	13,461	21,773	50,260	42,919	60,695	65,822	81,967	509

APPENDIX D.

RETURN OF GOODS TRAFFIC, PALMERSTON NORTH.—LOCAL AND THROUGH.

Periods ended 11th December, 1920, 8th January, 5th February, 1921 (twelve weeks).

Division.	Cattle.	Calves.	Sheep.	Pigs.	Timber.	Minerals.	Other Goods.
	No.	No.	No.	No.	Sup. Ft.	Tons.	Tons.
1. Local traffic at Palmerston North ..	1,110	40	17,186	5,778	1,945,600	5,042	16,928
2. Traffic from and to stations south of Palmerston North to and from Bunnythorpe and stations north thereof	1,854	79	98,681	1,884	3,545,900	13,011	19,259
3. Traffic from and to stations south of Palmerston North to and from Whakaronga and stations east thereof	730	322	55,105	729	336,800	2,209	10,781
4. Traffic from and to stations Bunnythorpe and north thereof to and from Whakaronga and stations east thereof	1,736	100	51,016	17	3,912,300	6,026	8,570
Totals	5,430	541	221,988	8,408	9,740,600	26,288	55,538

APPENDIX E.

Traffic Department, Palmerston North Station, 18th March, 1921.

In re PRIVATE-SIDING TRAFFIC, PALMERSTON NORTH.

Memorandum for General Manager, Wellington.

As requested by you, I beg to submit the following:—

Number of Wagons in and out, to and from, Private Sidings at Palmerston North during Year ended 28th February, 1920.

Sidings.	Number of Wagons loaded.						Per Day.
	In.		Out.		Total in and out per Year.		
	Per Year.	Per Month.	Per Year.	Per Month.			
McGill's and Perrson's	1,166	98	486	40 $\frac{1}{2}$	1,652	5	
Cook's and Tong's	1,015	84 $\frac{7}{8}$	1,072	89 $\frac{1}{2}$	2,087	7	
Clausen's, Watson's, and Barraud and Abraham's	1,228	102 $\frac{1}{2}$	247	20 $\frac{7}{8}$	1,475	5	

I regret I am unable to give each firm separately without very much more time for research.

J. L. MORGAN, Stationmaster.

APPENDIX F.

COST OF OPERATING DEPOT AT (SAY) TWO MILES SOUTH OF PALMERSTON NORTH.

Number of ordinary trains—out, 21 ; in, 21. Specials average—out, 4 ; in, 4. Total daily trains, 50.				
Extra running between station and depot : 50 trains, 4 miles each : daily mileage, 200 ;				£
annual mileage, 62,600—at 4s. 10d.				15,128
Shunting services :—	Hours each.	Number of Engines.	Total Hours.	
	24	2	48	
	4	1	4	
	16	1	16	
	6	1	6	
		— 5	— 74	
Less present services	24	2	48	
	2	1	2	
		— 3	— 50	
Additional		2	24	£
Daily mileage, 192 ; annual mileage, 60,096—at 2s. 10d.				8,513
Staff : Traffic (23 men)				7,715
Locomotive (9 men)				3,128
Holiday traffic (extra cost)				3,000
Total recurring annual charges				37,484
Non-recurring charges : 2 shunting engines, £6,000 ; signalling and interlocking, £5,000				11,000
Total				£48,484
Capitalized at 5 per cent. :—				£
Annual recurring charge, £37,484				749,680
Non-recurring charge, £11,000				220,000
				£969,680

APPENDIX G.

LOOP AT TERRACE END FOR EAST AND WEST TRAFFIC ONLY.

Train—6 trips, 5 miles = 30 miles per day = 9,390 miles per year at 10s. per mile				£
Shunting, 40,064 miles at 2s. 10d. per mile				6,000
Staff—Locomotive (6 men) ; Traffic (9 men)				4,829
Shunting-engine, £3,000 ; signals and interlocking, £2,000				5,000
				£20,524
Capitalized at 5 per cent. = £410,480.				

APPENDIX H.

COST OF OPERATING DEPOT AT NINETY-TWO MILES.

Number of ordinary trains—out, 21 ; in, 21. Specials average—out, 4 ; in, 4. Total daily trains, 50.				
Extra running between Palmerston North and depot : 50 trains, 10 miles each : daily				£
mileage, 500 ; annual mileage, 156,500—at 10s.				78,250
Shunting services :—	Hours each.	Number of Engines.	Total Hours.	
	24	3	72	
	16	1	16	
	2	1	2	
		— 5	— 90	
Less present service	24	2	48	
	2	1	2	
		— 3	— 50	
Additional		2	40	£
Daily mileage, 320 ; annual mileage, 100,160—at 2s. 10d.				14,189
Train engine mileage to and from depot south of station-yard : 50, at 4 miles each : daily				
mileage, 200 ; annual mileage, 62,600				8,868
Additional staff : Traffic, 35 men ; locomotive, 13 men ; maintenance, 3 men				16,779
Holiday traffic (extra cost)				5,000
Total recurring annual charges				123,086
Non-recurring charges : 2 shunting-engines, £6,000 ; signals and interlocking, £5,000				11,000
				£134,086
Capitalized at 5 per cent. :—				£
Recurring charges, £123,086				2,461,720
Non-recurring charges, £11,000				220,000
				£2,681,720

APPENDIX I.

Care of Head Office, Railway Department, Wellington, 5th March, 1921.

Palmerston North Railway Commission.

SIR,—

I have been directed by the Royal Commission which has been appointed to inquire regarding railway facilities at Palmerston North to request to be informed whether any survey has been made by or on behalf of your Department at any time of the deviation which has been suggested from time to time of the Wellington—New Plymouth Railway between Levin and Marton or Greatford. I am also directed to ask whether you have in your Department any plans or estimates of cost of the proposed railway.

The Commission would be glad of the favour of an early reply hereto.

I have, &c.,

H. H. STERLING, Secretary.

Engineer-in-Chief, Public Works Department, Wellington.

Public Works Department, Wellington, 9th March, 1921.

Palmerston North Railway Commission.

SIR,—

In reply to your letter of the 5th instant, I have to state that no survey of the Wellington—New Plymouth Railway between Levin and Marton or Greatford has been made by this Department, although I understand some survey has been made of which we have no particulars. At any rate, if the survey was made it was many years ago, when the conditions were very different to those of the present day. The only plan we have is forwarded herewith [Exhibit No. 10], and is a copy of litho which the Department did not prepare originally. Such estimates as have been made in the past will be of no value at the present time. In 1904 the then Under-Secretary estimated the cost at £300,000, but this, no doubt, would be greatly exceeded to-day.

Yours, &c.,

F. W. FURKERT, Engineer-in-Chief.

The Secretary, Palmerston North Railway Commission, C/o Head Office,
Railway Department, Wellington.

Approximate Cost of Paper.—Preparation, not given; printing (850 copies), including maps, &c., £235.

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