

*Mr. Carruthers.* 15 per cent. to the good, and that since the General Government has taken charge there has been a deficiency?—No.

20th Aug., 1867. 208. That is not a fact?—No.

209. Is it not a fact that the line when under the charge of the Provincial Government ran the lighters off the water, but that immediately the General Government took over the line the lighters again commenced to run?—I think that the lighters competed successfully when the rates were raised, but they gave way again when the rates were reduced.

210. The Government have reduced the rates?—Yes.

211. Then that is an admission by the Government that they were wrong in raising the rates?—Yes.

212. They have done the same thing in Canterbury, I believe. They have raised the rates, and in consequence the traffic has decreased. Is it not the case that in the month of June on the old terms about 240 cattle trucks ran, and that in the month of July, under the new tariff, less than forty ran; and is it not true that the difference is owing almost entirely, if not entirely, to the rise in the rates?—It may be that less trucks ran, but I may say that the Provincial Government were running these cattle trucks at a dead loss. The rates at which they carried cattle not only would not pay, but every truck was run at a dead loss. It is of no use running cattle trucks or anything else unless it pays.

213. But if you have the trucks, surely it is better that they should be turning something in than standing idle?—If it costs 2s. 6d. to run a truck and you only get 2s. for it, I should think the fewer you run the better.

214. I will take the line between Auckland and Onehunga. I see trains of empty carriages constantly travelling. If you fill those carriages at 3d., will it not pay you better than taking two or three persons at 2s. and running with the remainder of the carriages empty, which is very nearly the case at the present time?—That might be very well if you could fill the carriages, but it must be remembered you would have to carry eight times the number of people to make things equal.

215. *Mr. Stevens* (through the Chairman): Following up the questions put by Mr. Richardson, I would ask whether I am right in my impression that the failure in Victoria as to the construction of rolling-stock arose not on the rolling-stock constructed in the Government workshops, but in respect of the work done by private firms?—I believe it was in respect of work done by private firms.

216. Then your objection as to probable failure would not apply to the Government workshops?—I think the greater part of a certain class of rolling-stock might be manufactured by the Government, if the more difficult parts were imported.

217. Do you consider that on the constructed lines now in operation the working expenses bear only a fair proportion generally to the cost of opening?—It is difficult to fix any percentage as being fair: it depends so much on the traffic. The Southern lines are worked at 71 per cent. I think that is pretty fair. It may be rather high.

218. As bearing closely upon that point, I wish to ask you if any provision is made for depreciation or renewal?—None.

219. Are you of opinion that safety—I mean by that customary prudence—requires that such provision should be made?—I think it ought to be.

220. Is it customary?—I rather think it is not. It used to be, but the system is dying out.

221. What percentage do you think should be allowed annually?—I should think about £100 a mile; it somewhat varies with the state of the railway. If it is fenced it would take £100, if unfenced less.

222. What period should elapse from the opening of the line till such provision should be first made?—A couple of years or so.

223. Not earlier?—Construction is not finished until after two years.

224. As regards injuries or loss of life by accident, are you aware what is the custom in other countries?—I am not.

225. As regards accident to railway employes, arising from no fault of their own—supposing any one were killed or injured, through no fault of his own, in pursuance of his duty, is it customary on Government railways to make any fixed provision?—I do not think it is. I have no knowledge of the subject.

226. Do you consider such a thing would be calculated to be useful in the public service, as giving more confidence on entry into the public service?—I think it would be a very good thing to do; and the annual charge would be small.

227. Do you think that would be a better plan than for the Government to make special provision when occasion arose?—I think it would be better to have a fixed rule. I may say, there is a benefit society.

228. That is compulsory under rule 14. Do you think that is sufficient to make adequate provision for such cases?—Not in case of death. It is not like life assurance, which would leave a widow and children well off, but merely sufficient to pay wages and the doctor's bill in case of sickness or accident.

229. Would it not be equally advantageous if the Government would establish some provision which would dispense with the necessity of a benefit society?—I should be sorry to see the benefit society abolished, because it is an important educational agency; at the same time, I think it would be desirable to establish an assurance fund. A deduction from the wages might constitute the privilege to belong to this, or there might be a small subscription. I should think Parliament would be inclined to pass an annual vote to assist such a fund.

230. *Mr. Larnach.*] Do you not think that if tickets were issued, to be available at any time, and stamped just as a postage stamp, that that would sufficiently ear-mark them?—They would have to be stamped in the train.

231. Why not before they were issued by the Government?—I do not think the plan would work.

232. Do you not think the Government are just as likely to be cheated under the present system