19 I.—5.

quoted where the uniform rate should be put on one side. There would be no use in paying attention to the fault-finding that would follow such a change. Where circumstances vary, the tariff should be changed. On the Port Chalmers line a reduction of 1s. 4d. has been made. The rate now is 6s. 4d., against the old rate of 6s. The lighters are working for 6s., or a little under. I would recommend that the rate be reduced to 5s. 8d., or even lower if necessary, in order to gain the traffic. It would also be well to adopt the principle of the Victorian Government. They carry all ship's goods according to the ship's bill of lading, or at a rate of 5s. per ton.

412. Mr. Macandrew.] When the Southern provinces had the management of the railways they took the ships' manifests?—Yes; on the Victorian railways everything that goes into the sheds is

charged for at one uniform rate.

413. Mr. Bunny.] To whom are you responsible in the Railway Department?—To the Engineer-

in-Chief.

414. If it were left in your hands could you see your way to reduce your staff?—Yes; I could reduce the staff so far as the ticket-sellers are concerned. That reduction alone would effect in salaries a difference of £4,000 or £5,000 a year.

415. Doing away with the weighing of goods would not be a saving, would it?—No, as we are paid for the work. Great savings have been effected during the past five months on the Christchurch

Railway. A saving in oil alone has been made amounting to £300 per month.

416. Has the expenditure been increased under the General Government?—Very slightly, if

417. I do not know whether you have seen the Report of the Auckland Railway Commissioners. There is a charge of six guineas in it upon which I would like to have your opinion?—I have not seen it. There is an item in this account to which I would object.

418. It seems to me that the charges shown on that are excessive?—The charge of six guineas

seems rather high.

419. The Chairman. The six guineas is at the rate of 3d. a mile.

420. Mr. Bunny.] It seems to me that the charge for wear and tear absorbs the whole lot?—It costs 3s. 9d. a mile for working a train.

421. Mr. Reader Wood.] The price charged is enormous in comparison with the cost?—If we

had double the number of trains the cost would be much lower.

422. Respecting the charges for special trains on a line like the Auckland and Mercer Railway, there is any quantity of time for despatching special trains?—As to the hiring of special trains, I would reply to your remarks in this way: A School Committee come to me and say, We want to give our children a treat. I would say to the Committee, How many children have you? Eighty, perhaps, might be the answer, and the Committee would endeavour to get the train as cheaply as possibly. If they wanted to go a short distance, I would ask them could they afford to give £4? or, if not, I would accept £3.

423. Mr. Bunny.] Then you would not lay down a cast-iron rule of a pound a mile? That is to say, you would act just the same for the Government as if you were acting for a company?—Precisely, in such cases as I have alluded to. My only objection to special trains is the danger of putting one on a line suddenly. I think a special train despatched for a doctor or under other urgent circumstances

should be charged for fully.

424. That would be taking advantage of the position a man would be placed in.

The Committee rose at 12.30, and adjourned until to-morrow at 11 a.m.

THURSDAY, 16TH AUGUST, 1877.

16th Aug., 1877.

Mr. Convers examined.

425. Mr. Macandrew.] I understand, Mr. Conyers, that for many years you have been connected with railway work, and have gained great experience in the practical working of railways in all their departments—as a mechanical engineer, traffic manager, and as general manager?—Yes; I have been engaged in the different capacities named for about nineteen years.

426. The system of railway management adopted in Otago prior to the Colonial Government taking

over the railways was founded very much, if not altogether, on your suggestions?—Yes.

427. And that system, so far as it went, has been found to work eminently satisfactorily?—Yes. 428. Would you be good enought to explain to the Committee the system of audit established at your instance on the Otago lines?—The auditor was appointed by and directly responsible to the Provincial Treasury—that is, he was outside of my authority at my own request. I gave him such assistance as I could in obtaining all the necessary papers and seeing that the stationmasters performed their duties properly towards him in forwarding their returns. The cash from all the stations was sent to the railway cashier every morning, at the head office, Dunedin, where it was checked with the accompanying returns, and then paid into the bank and duly certified to. The cashier checked nothing but the slips, and simply paid the money into the bank. He had a proper set of books, and kept a debit and credit account against all the stations in the country, and certified to the amount received from each station. There was also a travelling auditor, who travelled from station to station. His business was to check the books of each station he visited, and see that they were kept in order and conducted properly. He had also to see that all documents were filed and placed on record, and also to see that all goods delivered were properly signed for by those to whom they were delivered. Such was the work to which the whole of his time was devoted.

429. Under that system would it have been possible for any of the employes having the handling of the money to keep any?—No, unless two of them were in collusion. To give an instance: The stationmaster at Port Chalmers forwards goods to Balclutha. These two stations are sixty miles apart. The goods conveyed are shown on way-bill. It states the name of the sender of the goods,