

481. *Mr. Conyers.*] The forgery would be checked in the Audit Office, where a duplicate to the forged ticket would be found. *Mr. Conyers.*

*The Chairman :* I understand the delivery of parcels should be done by private companies.

16th Aug., 1877.

*Mr. Macandrew :* If the railways were let, then the companies could do that.

The Committee adjourned till 11 a.m. to-morrow.

TUESDAY, 21ST AUGUST, 1877.

21st Aug., 1877.

Mr. CONYERS recalled.

482. *Mr. Stevens.*] I should like to ask you your opinion as to the necessity of the establishment of a renewal and depreciation fund in connection with the railways constructed. Do you consider it should be done?—I do.

483. When should it commence; I mean relative to the opening of constructed lines?—I think it would be best if it commenced from the opening; the amount required would, of course, in that case be smaller, than if left for a later period.

484. What form should the contributions to the fund take; that of a percentage upon the gross earnings?—It would be rather a difficult matter to estimate the gross earnings at first, but I think it should take that form. Of course, too, the amount would depend entirely upon the amount of traffic upon the lines. The amount taken must necessarily be larger if the traffic were heavy than if it were light. The money for renewal would be required earlier in that case. For instance, it would be required earlier on the Lyttelton line than on a branch line where the traffic was light.

485. But the basis would be a percentage on the gross earnings?—Yes; because on some of the new lines it might happen that the expenses exceeded the receipts, so that it would be impossible to take anything if we depended upon the net earnings. Of course the amount to be taken must greatly differ with the nature of the lines, and the traffic upon them. Some lines I could mention show no marked depreciation whatever; whereas on a piece near the Dunedin railway station, the rails have to be renewed every few months. I think a fair and reasonable rate would be such as would realise sufficient to replace rails every twelve or fifteen years, or thirteen to fifteen years. That is an opinion expressed without much serious consideration.

486. But you are clearly of opinion that some provision should be made?—I think so.

487. Can you give an opinion as to the relative merits of steel and iron rails?—There is no comparison between the two.

488. Are we using steel rails?—Very few indeed. I can only remember two or three miles of them being laid; some of these were imported by the Province of Otago.

489. Then with regard to all heavy traffic, I understand you that it would be advantageous to use steel rails?—Yes; on main trunk lines, where the traffic is heavy.

490. What is the difference in the cost per mile?—Not a great deal: about £2 per ton. From what Mr. Macandrew tells me, the difference is about 15 to 20 per cent.; £7 to £8 on iron; £9 to £10 for steel.

491. Do you think the rails that have been used in the construction of lines are sufficiently heavy?—I do not.

492. What weight were they generally?—40 lbs. per yard.

493. Do you think anything less than 70 lbs. rails should be used?—I think the rail now being used is a capital one; 52 lbs. per yard.

494. Can you give us your opinion, from what you know of Australia or other places where the Government owns the railways, as to what provision should be made against accidents to passengers. Is it customary to make some definite provision for such matters?—I cannot speak on that subject. I know nothing of the Australian practice in that respect.

495. What provision do you think should be made by the Government to meet cases of accident to servants of the Government on the railways; such a case for instance as that of Drury. Do you consider it would be better for the interests of the service if some specified permanent provision were made by the regulations for those dependent on servants killed or injured while discharging their duty; supposing always that the accident was not occasioned by any fault or negligence on their own part?—Certainly, I think some such provision should be made, provided the accident were not caused by the man's own negligence or by drunkenness. The present provision is not adequate. The Benefit Society is a very good thing so far as it goes; but it would be better to lay down the precise terms on which a man's relatives should receive assistance, instead of doing as was done in Drury's case. The compensation should be regulated by the salary a man receives, and his rank in the service. I should like to say, however, I have always taken a great interest in the Society on the Otago Railways since it started. It has never been subsidized by the Provincial Government, but still it has got on well, and has now some hundreds of pounds to its credit. I am President of the Society, and I consider that it has worked well. A man who is overtaken by sickness gets so much per week and his doctor's bill paid; if he dies, his widow gets so much; and, if his wife dies, something is paid to him.

496. The Government never subsidized it?—No; except that fines imposed upon the staff were paid into this fund.

497. As regards tenders for stores. Do you think everything should be included in the one contract? Do you not think it would be advantageous to divide the present schedules in some cases?—I think so. Under the present system, in Dunedin, we have one contractor to supply the whole of our requirements, except sawn timber and castings; and, in consequence, it often happens that we want something he has not in stock. He goes and buys from some one else, and we have to pay him a larger price than we should have had to pay if we paid it first hand. I think there should be a change.

498. [*Mr. Macandrew.*] Can you give the Committee any information as to the quantity of coal consumed per annum on the Government railways?—I should think about £20,000 worth a year.