Mr. Convers.

499. What coal is used?—Newcastle entirely.

500. Would it not be possible to use New Zealand?—Steps are being taken to give New Zealand 21st Aug., 1877. coal a fair trial. I received instructions on the subject about three months ago.

501. There are one or two locomotives at work under your charge made in the country?—Yes; there are two of them at Oamaru, and one on the Kaitangata branch line.
502. What is their power?—Eight-inch cylinders. They are about the smallest in New Zealand.

203. What was the price of them?—£1,200 delivered, each.

504. What would have been the cost had they been imported?—Somewhat less, or about the same. I may add that that on the Kaitangata line is burning Kaitangata coal, and is giving the greatest

505. Was there any difficulty in starting these engines at first?—Yes; one of those on the Oamaru line required some alterations to the smoke-box and exhaust pipe, and until that was done we had some difficulty in keeping up steam.

506. Is there any difficulty in getting up steam now?—I have not heard of any.

507. Is it necessary to use any particular fuel with it?—We use the same as we do with others— Newcastle.

508. There is no more difficulty in keeping it in repair than there is with others?—No.

509. And they are now working satisfactorily?—Yes.

510. I have heard it said it is necessary to stop these engines during the trip to steam?—I have never heard of such a thing since the alterations were made.

511. How many trucks will one of them draw on level lines?—Eight or ten, about the usual

thing

512. That is a fair load?—Yes; they are small light engines, and were made to work on 28-lb. rails; and I dare say they cost more than if they had been imported. I see a 9½-inch cylinder, the power of which would be in proportion to the power of those built here as the difference in the squares of the diameter of their cylinders, cost but £1,250.

513. At any rate, without reference to cost, they can be made?—Yes; but the most difficult parts

must be imported.

514. Mr. Larnach.] Do you think railways in operation can be satisfactorily worked under the superintendence of an Engineer-in-Chief?—I would rather not answer that question, as the Engineerin-Chief is my immediate superior officer.

515. In your opinion, can the lines be worked economically and satisfactorily unless they are under the sole control of a skilful practical officer?—I have no hesitation whatever in saying that whoever is placed at the head must be a practical and skilful officer, having a thorough knowledge of

516. You are in favour of the present system of issuing railway tickets?—I have answered that I have no objection to tickets being sold outside the station, provided they are got direct from the ticket office, so that consecutive order may be maintained there. That is required as a check.

517. Are you in favour of a weekly or monthly system of audit?—Of a monthly system.

518. What is your opinion as to the manufacture of locomotives?—I think locomotives should be imported; but other rolling stock might be made in the colony, that is, except the wheels and axles.

519. Cattle trucks?—All those sort of things. We have had very good ones manufactured in But we cannot do the more difficult things yet.

520. Mr. Macandrew.] At present?—Nor for a long time yet, I think. Wages are high and we must import; we cannot compete with Home labour. Skilled workmen in Great Britain get 6s. a day for ten hours; we pay 12s. for eight hours. If we could introduce machine work entirely that

would be a different thing; we might compete then with the Home productions just as we do in wood.

521. Mr. Larnach.] Are you not in favour of cheaper fares where it is possible to create traffic.

In some cases a railway would make its own traffic if properly managed?—I am in favour of moderate. fares and cheap trips when there is anything to be done. On such occasions, for instance, as races,

agricultural shows, regattas, &c., I have always done it.

522. Has your experience on the Port Chalmers line, in respect of Ravensbourne, shown you the value of encouraging traffic?—There has been a very large traffic encouraged there by issuing cheap season tickets. Some hundreds of people have settled between Dunedin and Port Chalmers owing to our having run morning and evening trains at cheap rates.

523. It has established Ravensbourne and other places?—Undoubtedly.

524. And they are now of great assistance to the revenue?—They are. In the first instance, we even carried their materials to build free. I would even go further, and give free passes for three or six months in order to encourage a traffic.

525. You would be in favour of doing that wherever the lines are open?—Yes; provided there was

a sufficient population.

526. Mr. Lumsden.] The costs of maintenance of railways is estimated by the traffic?—Yes. 527. And according to the character of the line itself?—Yes. 528. How does the Bluff line stand?—Very well. The Invercargill railways cost £104 per mile per annum, while lines about Dunedin cost £190. On the Bluff and Winton line one man is allowed for every two miles; between Dunedin and the Clutha one man is wanted for every mile. The one is laid with 72 lb. rails and the other with 40 lb. rails.

529. There is no reason then why the rates on the Bluff line should be high?—The railway cost more in the first instance, and the interest on cost is therefore much higher.

530. Ship goods are charged partly by measurement and partly by weight?—Yes.
531. And the rates are the same as respects the Bluff and Port Chalmers lines?—No, the same as the Bluff and Lyttelton lines. Port Chalmers is treated specially.

532. Do you think a Manager ought to have power to alter rates?—If there is competition.
533. Do you not think it would lead to complaints as to partial charges?—I think not, because it would be seen that the competition existed. I mean to say this, that a Manager should have power to