compete. Thus if lighters on the New River were carrying between the Bluff and Invercargill at 6s. 6d. I would lower the railway rates to 5s. 6d. I would have the traffic at any price; the traffic secured, the railway would be safe.

21st Aug., 1877.

534. Even at a loss?—The trains must run. Where railways are run they must be made to get the traffic.

535. There has been a question raised about leasing. This very line was leased once?—Yes.

536. How did it result so far as the public interest was concerned?—Not well.
537. The line was left in a very defective state of repair?—Yes. It required very heavy repairs, as might be expected in such a case.

538. You have had some experience in regard to native timber in the construction of railway trucks and carriages ?-I have.

539. What is your opinion of it for the purpose?—It is very good. 540. You have used kamai?—Yes, largely.

541. You are aware that it differs in quality in different districts?—Yes, so much so, that it gets

different names in different districts. I have used rata and found it very good; we call it iron wood. 542. Hon. Mr. Ormond.] With reference to passenger fares: I see in your evidence the other day *you say there has been a falling off in the Canterbury lines since the new traffic came into operation. Do you think we should increase our business on the railways by reducing the present uniform rate?— I do not think the present rates could be bettered. I think they are very moderate, and will bear favourable comparison with the fares charged in the other colonies, or in England. I may mention that they are just equivalent to the rate it is permitted by Parliament for the English companies to charge—viz, 3d. per mile first-class, and 2d. per mile second-class; return tickets being half-price in addition to single fares. I think that is very fair and reasonable in proportion to the working expenses. It must always be remembered that the working expenses in this colony are heavy. The difference between here and England may be stated as the proportion of 12 to 5. Coal, which is here 30s. per ton, is in England 9s. or 10s. Labouring men here get 6s. to 7s. per day; at Home they get 3s per day. Therefore it is only reasonable that the rates should be proportionately higher. I cannot speak as to New South Wales, but I know our rates compare favourably—in some instances

they are cheaper—with those in force in Victoria, Queensland, or South Australia.

543. Mr. Larnach.] They have abolished return tickets in Victoria?—Yes.

544. Hon. Mr. Ormond.] What is your opinion with regard to return tickets?—I think the matter of return tickets is a very important question, and one that requires very careful consideration, but I should be loth to touch it at the present time. It would no doubt be an advantage to the railway management, because we should get rid of half the tickets; but I am quite willing to bear that burden because I think return tickets are a public advantage. I think it is better to let the question stand over for the present.

545. Mr. Larnach.] Would you be in favour of extending the time for which they are issued?—I

would extend the time.

546. Hon. Mr. Ormond.] A ticket now issued on Saturday is available for Monday?—Yes.

547. Do you think the time might be further extended?—Yes.

548. How long would you give?—I would regulate it in proportion to the distance. In 25 miles I would require the passengers to leave one day and return the next; and for every 25 miles give him an additional day; so that a man who travelled 100 miles would have three or four days in which to return.

549. Mr. Larnach.] You would not allow him to get out and break the journey?—We do allow that now.

550. Hon. Mr. Ormond.] The extension of the time of return tickets would not interfere with the accounts?-No. After the ticket is issued and paid for, we consider it done with altogether.

551. You say in another part of your evidence that there is a loss on the Port Chalmers line?—

There was a loss under the new tariff of £1,200, or £1,500 a month.

552. What action has been taken with reference to that?—In the first instance, the rates were lowered. It was reported by the local Manager that the reduction was not sufficient to secure the traffic. The matter was represented to the Government, and the rates were then lowered to below what they had been under the old tariff, and the present rate will secure all the traffic to the line.

553. Do you know any other places where it will be necessary to reduce the rates so as to secure

the traffic?—I do not.

554. The ticket-sellers, are they still in operation?—No; abolished.
565. But are they re-employed in some other way?—No; since I gave my evidence they have been dismissed the service entirely.

556. It is left for you to deal with the matter as you think best for the management of the railways?—It is.

557. As regards the engines manufactured in the colony, you say that, with the exception of certain parts imported, they were manufactured satisfactorily?—Yes.

558. As I understand, they are not very powerful engines?—No; they are very small.

- 559. Can you give us any idea of the parts it was found necessary to import?—The wheels and axles, cylinders, springs, fire-box, framework, and tubes; everything else was made in the colony.
- 560. What proportion would the imported parts bear to the whole?—About a fourth or fifth. 561. Are there materials or appliances in the colony to make the larger engines required for use

on the main lines?—No; some parts must be imported in any case for a considerable time at least.

562. Do you think we could with advantage manufacture larger engines in the colony?—I think not.

^{*} Note.—The answer referred to by the Hon. Minister for Public Works was based upon information obtained from the Head Office in Christchurch. It has since transpired that the comparative statements for the two corresponding months of 1876-1877 were worked out on a different basis, and that in reality there is an increase in the passenger traffic, though probably not in proportion to the increased mileage.—W. C.