Mr. Henderson. 4th Sept., 1877.

1377. If the Government of New Zealand were to determine to lease their railways to private individuals or companies, do you think that they could have any security at all for their lines being kept in thorough order, and the rolling-stock besides, and both handed back in an efficient condition?—It would be for the Government to have that good security, and for the officers whom they might appoint to look after it.

1378. Have you any knowledge of the way in which the ticket system is conducted in America?

Not specially.

1379. Mr. Macandrew.] From your knowledge of the working of New Zealand railways, are you of opinion that any alteration could be affected, consistent with efficiency, whereby the cost of working might be reduced?—I have not gone sufficiently into it to give an answer, and could not now say. I have not given that study to it. It is outside my business at present.

1380. You could not say whether the railways could be worked more economically than now?—

I dare say private individuals might work them more cheaply.

1381. Hon. Mr. Richardson.] About leasing the railways, I understood you to say you would provide for the rolling-stock being kept up by its being taken at a valuation. Do I understand you to mean that if the Government lease the railways, they should make a stipulation that the private individual should pay them the amount of valuation when they take the railways over, and that the value should be refunded at the end of the lease?—That is a matter of arrangement. It might be valued and still remain at their debit.

1382. That would do away with the necessity of an irksome supervision during the lease?—At the same time I think it advisable the Government should have an officer to see that the lines and rolling-stock were kept in an efficient state for the safety of the public.

1383. You said you would provide for the supervision of permanent way?—Yes.

1384. On the subject of depreciation, can you give us any idea as to the length of time the rails in New Zealand would be likely to last?—About thirteen years; I am taking the average. If they are first-class rails they may last twenty years, but that will depend a great deal on the traffic. On the metropolitan line the rail does not last six months, although steel-tops. Trains run every two and a half minutes. They are always laying fresh rails down.

1385. Are you aware that, with the exception of the Auckland lines and pieces of Otago lines, on all lines where there are heavy gradients and curves a 52-lb. rail has been used instead of a 40-lb. rail?

1386. If that is the case, what about the lasting with the same class of engine?—Much longer, of course.

1387. Then it depends greatly upon the class of rolling-stock you use?—Yes; the lighter the

rolling-stock the longer the rails will last.

1388. Hon. Mr. Ormond.] You spoke, Mr. Henderson, in reference to the general management of railways at Home, and I understood you to say generally that they were managed by persons not civil engineers?—Yes.

1389. That referred to large finished railways?-Quite so.

1390. Would you kindly say to the Committee whether you think it would be an advantage or not in New Zealand to have our managers civil engineers or not?--I think it would be much better if you could get a practical engineer, combined with a knowledge of railway management.

1391. In the case of the Southern railways you are aware that they are under the charge of Mr.

Conyers, a civil engineer?—Yes.

1392. Is it an advantage or disadvantage to have him in that position?—If he is a practical man, and knows the working of the line, so much the better.

1393. If he were not a civil engineer, would it not be necessary to have an engineer to look after the permanent way and the locomotives?—Certainly it would be necessary.

1394. You are aware the railways in the North are also in course of construction. Would that at all make it additionally necessary or not to have an engineer directing the railway? Is it additionally advantageous to have an engineer as manager?—I should think it would, as I said before, if he were a competent manager. If not, I think it would be better to have both separate.

1395. With regard to the leasing of railways, you spoke just now of a valuation of the rolling-stock, and another valuation at the end of the lease, as a means of securing the efficiency of the lines

and the rolling-stock?—Yes.

1396. Would not that involve a very large amount of expenditure?—It would. You would require to have sufficient security; because if depreciation was going on, you would have to have it covered by something or other.

1397. And that would require a considerable amount to secure it?—Certainly.

1398. In reference to the importation of rolling-stock, would you kindly say to the Committee whether you think that in New Zealand at present we could construct the locomotives required for our railways with advantage or not, as against imported ones?—I think it would be advisable to give manufacturers the opportunity, if they could make them at the same price, or even more, on the condition that they constructed them as efficiently as at Home.

1399. Could you say to the Committee whether it would be absolutely necessary to import some

portions of the machinery?—Some of the finer parts—tires of wheels, springs, &c.

1400. Going to the ordinary rolling-stock, how far could these with advantage be obtained in the colony?—They ought to be made as cheaply as in England. For the safety of the public, your axles and tires ought to be imported until you are certain you can make them as well.

1401. What proportion would that be?—I could not tell at present.

1402. How would that apply to the carriages? Could they be constructed at present with advantage here?—I think they could; I do not see why not. The rails I find in Australia and other parts of the world are constructed of steel on top. The life of a steel-top rail is about six to one of

1403. Hon. Mr. Richardson.] The sleepers in England perish from two causes?—Yes, from rotting and wear.