

Mr. Ormond.
18th Sept., 1877.

1721. *Mr. Stevens.*] I do not know whether you will feel yourself at liberty to answer some of the questions I am going to put to you. I understood you to say that you thought that before long the constructed railways, as far as management was concerned, would have to be separated?—I said I thought it would be desirable.

1722. And, as I understood, that a Commissioner should be appointed, if a suitable person could be found to take it?—I think myself that is what will be necessary.

1723. I also understood that he was not to be an engineer as a matter of necessity?—I do not see the necessity of his being an engineer.

1724. Assuming that to be done, he would have the charge of the maintenance of the permanent way and the construction of station buildings from time to time as may be required, and similar undertakings?—Of course, the engineering department would necessarily, if the Traffic Manager's business was only traffic, have to look after the other part.

1725. What I want to get at is, what you consider should be the scope of the duties of the Commissioner?—Traffic.

1726. In fact, a general traffic manager for the whole colony?—Yes.

1727. Then the construction, I apprehend, would remain pretty much as at present?—Yes; the construction would remain as it is now. I cannot see any necessity for improvement.

1728. I do not know whether you are at liberty to answer this question. Do you think, in view of the great extent of the railways in this colony in the course of a few years, that the superior duties can be performed by one Minister; or whether it would be better to have two departments, one for the management of the constructed lines, and the other for the management of the public works of the colony generally?—If the system were maintained as at present, it would be absolutely necessary to have a ministerial division.

1729. Two portfolios in fact?—Yes; I do not hesitate in answering this question. In my opinion there is a great deal more work thrown on the Minister than it is desirable should be thrown on him. I will explain now with reference to the tariff and things of this kind. I just take the present position of things. I shall not refer to the Commission at any length, but there was a Commission appointed on which there were the railway experts, and these experts adopted a certain tariff which they advised should come into force all over the colony. Every one of the Committee knows what has been the outcome of that tariff. It was recommended by the only experts the Government had to depend upon. No end of things were found which had to be remedied. There were grave mistakes, and numbers had to be remedied. To a certain extent the work of doing that has been thrown upon the Minister, and I hold it is not a proper thing for work of that character to devolve on the Minister.

1730. Have you ever considered the question of placing the management of constructed railways into a Commission in each Island (I mean in view of their probable extent), in preference to placing them in the hands of one central Commissioner?—Yes, I have thought of it; but I do not see how it is possible, with the Government we have in this colony, to give the power which would have to be given to what would then be a comparatively irresponsible Commission. I should think it preferable to have an efficient Commissioner of Railways responsible and under the Minister. I do not see myself how things could work in the other case. It would lead to collision between the Minister and the Commission.

1731. With reference to the position of Mr. Conyers in the Middle Island, are any except locomotive engineers responsible to him?—No. Of course, the officers in charge of the permanent way would act through him.

1732. Would the Engineer-in-Chief supervise through him the whole of that?—Yes; the Engineer-in-Chief would exercise a control.

1733. Would officers like Mr. Williams, for instance, or any other District Engineer, take their orders from Mr. Conyers?—No. Mr. Williams is for construction works. Ordinary work would be done directly by Mr. Conyers. If it were any very important work, they would send up their recommendation upon it to the Engineer-in-Chief.

1734. Would you be able to give us the main reductions that have been made?—The first question upon which any great error in the tariff was discovered was with reference to flour, which was put into one of the higher classes, the effect of which would have been to shut up all the country mills in the colony, as they could not have competed with the town mills. Flour was immediately reduced; and put nearly on the same par as grain. The charge on minerals generally was reduced, and there was a general reduction on coal. There was a reduction on timber generally through the colony. All these things do not apply to Canterbury only; I am talking now of the colony as a whole.

1735. Stock?—Stock were maintained. The rates that came into force on the 1st July were, I think, generally in excess of rates formerly ruling, except in the case of Otago, where they were exceptionally high.

1736. Have they been modified?—Yes, all over the colony. They are now a trifle over the old Canterbury rates.

1737. You intend to modify the tariff as soon as the House rises?—In the last *Gazette* a good many things that have been most complained of were dealt with. Tallow and preserved meats were put lower; stock attended to; agricultural produce was put in a lower class; hay, straw, and chaff, and those things, reduced, and other things which I cannot recollect at this moment.

1738. Sugar, and beer in bulk?—Beer has been reduced; sugar has not been altered.

1739. And I think you said that you intended to review the tariff as soon as you have an opportunity?—Yes. The Committee would, perhaps, like me to say what I find on inquiry has been the outcome of the tariff. I have not had time to go into the subject, but on the Canterbury railways, as far as I have been able to work it out, I think that for a certain amount of tonnage carried on these lines we are losing money as compared with the old rates—in other words, that under the present tariff the charges are lower, taking them all over, than under the old tariff. Say we carry 30,000 tons, we do not get now the same return as we should under the old Canterbury rates, and it is a very serious matter. I have not gone into it sufficiently to explain it, but the loss on the Lyttelton and Christchurch portion of the line is from £12,000 to £15,000 a year.