

400. What do you estimate the capital cost is?—That has been mixed up with the repairs and re-poling. I said to the Government that upon every timber line you will have to renew the poles every ten years. That is an expense in all the colonies which is much the same, I dare say; and as this line will be a main line, and timber is really scarce in the interior, I advised that we should re-pole the line with iron poles. And being a distance of 2,000 miles, and wishing to avail myself of the best seasons—that is the wet seasons, when there is plenty of water upon the ground for carters—I advised the Government to extend the re-poling over several years. It is absurd to add that to the original cost of erecting the line.

401. What would you estimate as being the actual fair capital cost of the line?—The capital cost of that line possibly is a little over £300,000; but two-thirds of that line did not cost more than £110,000. I am speaking now approximately.

402. Do you know what income you have derived from the international work over that line?—A year?

403. Yes?—About £11,000 to £13,000; last year I think was £13,000; some years less, I think it went down to £9,000 one year.

404. And for colonial work over the line?—The present receipt for colonial line is about £3,000.

405. That is upon the line that is used purely for trans-continental purposes?—Yes. The total revenue of the line is from £16,000 to £17,000 a year.

406. What do you spend in salaries?—Salaries and maintenance cost us about £22,000 a year; we keep nearly ten men at every station.

407. By maintenance you do not include the poles and material?—No; we have to ration all our people, and it costs us a great deal for cartage to the interior; we pay £50 to £55 a ton, for instance, to the Macdonnell Ranges; and if you add to that the interest on the cost of the line, which was nearly £500,000, it leaves a loss of about £25,000 a year to South Australia.

408. *By Mr. Burns.*—That includes interest upon the capital first invested?—Yes.

409. If you had the line to construct now, it would not cost near so much as it cost originally?—No.

410. *By Mr. Mein.*—Your original estimate was £120,000?—About that; we obtained a loan for about £120,000. I may say my idea was that the line would cost about £140,000, availing ourselves of what timber we could get in the first instance.

411. So that the overland line has been more costly than the cable?—No.

412. Five hundred thousand pounds?—No, that includes the maintenance of the line for the past eight years and the entire re-poling, and the prospective expenditure for the next four or five years. I have still £50,000 or £60,000 for re-poling in hand.

413. Practically, there is very little difference between the original cost; the line has cost you £500,000; you hardly spend more than that in the construction of 2,000 miles of cable?—In addition to that you must keep up the repairing ship.

414. We are talking about capital expended, and your cost of maintenance is how much?—£22,000; the cable would cost quite as much.

415. What is the estimate they put down for maintenance of cables?—£10,000 a year for a repairing ship.

416. *By Mr. Burns.*—What would the cable cost?—A cable of 2,000 miles would cost between £500,000 and £600,000. Our land line will be good for fifty years when we have finished the iron poles.

417. That is the same length as the line from Port Darwin to Adelaide?—It depends very much upon the sea you lay it in; taking Colonel Glover, it would be about £550,000 or £560,000.

418. For what sum do you estimate you could now construct a duplicate line from Port Augusta to Port Darwin?—It depends upon whether I used wooden poles or iron poles.

419. Suppose iron poles?—If I used iron poles, I should begin now under different circumstances—I know the road.

420. Taking all that into account?—I can only give it roughly—with iron poles I suppose it would cost about £220,000 or £230,000.

421. Suppose you connected it at Beltana and utilize the line from Beltana to Port Augusta?—You mean to put up an entirely fresh line, not using the same poles?

422. A new line from Beltana to Port Darwin?—That would cost—I should not like to put it down under £180,000 or £200,000, with iron poles, because of the cost of cartage.

423. What is the necessity for keeping so many as ten men at each station?—We do so to put the station in a position to send out men on either side.

424. *By Mr. Boucaut.*—In fact, international objects?—International objects.

425. *By Mr. Burns.*—What is the average distance between the stations?—I have not put them together to average them, but I mentioned that the shortest section was 29 miles, and the longest section 232 miles; and with regard to that section—which is a long one—I always feel it right in speaking of it to say that it is the best protected section upon the line, it is from Charlotte Waters to Macdonnell Ranges.

426. For the greater part of the distance you have only a single wire?—Single wire all the way. The wire very seldom breaks. If you look at the cause of interruptions, there have not been half a dozen times when the wire broke.

427. *By Mr. Mein.*—If you broke one, you would certainly break the other; the same cause that injures one wire would injure two?—Quite so.

428. Have your anticipations with regard to the benefits accruing to the colony itself from the construction of this line been secured; you thought it would facilitate the colony?—Yes, I think it has done a great deal to open up the interior of Australia.

429. Have you recouped yourselves to the extent you anticipated by the sale of land in the Northern Territory?—That is a question more for the Treasurer to answer than myself. I do not know.

430. *By Mr. Burns.*—What is the value of the local traffic upon the line?—About £3,000 a year.

431. *By Mr. Boucaut.*—Do I understand you that Captain Osborn had fixed upon Port Darwin as the most convenient landing point upon the continent, even when it was contemplated that the line should go through Queensland?—Yes; that showed that they preferred a cable to Port Darwin to carrying it into the Gulf of Carpentaria.

*The witness withdrew.*

*Adjourned to Wednesday next at half-past ten o'clock.*