

MINUTES OF EVIDENCE:

THURSDAY, 8TH JULY, 1886 (Mr. Moss, Chairman).

Mr MAXWELL, examined.

1. *The Chairman.*] You are General Manager of the N.Z. Railways?—Yes.
2. The Committee wish to have information respecting certain district railways which have been offered to the Government—the first is the Nightcaps Coal Company's line? This line was built by the Nightcaps Coal Company in connection with the Company's mine. It was built at first without authority, but was subsequently authorised under section 9 of "The Railways Authorisation Act. The line since it was completed has been worked by the Government on the basis—that the Government shall maintain the line, pay all charges and take all revenue which they may derive therefrom. It was originally an adjunct of the mine, but it has become something more than that by reason of the Government taking it over, and is now really the terminus of the Nightcaps branch—it has a certain amount of value to the Government no doubt, and in this way is a good deal more than an ordinary siding.
3. Do you know what the cost was?—Not of my own knowledge.
4. Can you give any information as to the condition of the line?—It is in very good condition; it was faithfully constructed, and has been kept in good order since. It is a misnomer to call this line a "District Railway." The Coal Company constructed it without authority at all, but the Government agreed in 1884 to put a clause in the "Railways Authorisation Act" to authorise it. There was no power to charge rates and fares on the line before.
5. *Mr. Ballance.*] Can you give figures showing the income and expenditure on the line for say, twelve months?—It would not be easy to give the revenue and expenditure with respect to a small peice of line like that—it is a mile or two long, and is the terminus of the branch; our engines run from one end of the line to the other, and the trucks run from the branch on to the main line? I could only give a vague estimate of the amount that might be due to that particular part.
6. I understand you run the line for the Company?—We run trains up to their coal pit and take the coal away, but really it is worked as a Government line, and we charge rates and fares to the public.
7. What do you pay the Company?—We do not pay anything.
8. Do they get nothing for their capital?—No; we maintain the line and take the receipts—of course the amount of rates that we take over the company's part of the line would be very small—perhaps a penny or two a mile for two or three miles—it is a very small charge.
9. You have complete control over the working?—Yes.
10. When was this arrangement made between the Government and the Company?—In 1881.
11. What was the consideration given to the Company for the capital invested in the line?—There is no consideration given—the advantage to the Company seems to be this; they want their coal taken from the mine, and it would not pay them to put on a special engine to work such a small peice of line to bring coal down to the Government line; so the Government has made the mine the terminus of their line.
12. Have you given any special advantage in the way of carrying coal; is the price fixed in the agreement?—No; the public pay the rates we charge, just as if it was a Government line.
13. You have made no special concession to the Company of freight on the coal?—None whatever; the Company puts the coal into the trucks at the mine, it is taken to Invercargill or anywhere else, and the customer pays the freight. The advantage to the Company is to get their coal away.
14. Does that piece of line pay the Government?—It is hardly possible to come to any definite conclusion with respect to such a small bit of line.
15. What quantity of coal do you carry?—Last year we carried about 8000 tons. During this year we shall get more, because the Company has contracted to supply the Government for their locomotive supply.
16. And can you form no estimate of the advantage to the railways generally in consequence of that traffic?—I do not think it is of very great advantage to the railways generally; there are plenty of other coal mines, and if we did not get coal from here we could go elsewhere.
17. You say the agreement was made in 1881; how many years was it made for?—It can only be made from year to year according to the terms of the "Public Works Act"; as a matter of fact we go on renewing the agreement every year.