

106. Are there not many saw-mill sidings in the Colony 3 or 4 miles long?—Yes many saw-mills have laid down some miles of siding—in the Wairarapa for instance there is 3 or 4 miles of siding connected with the Government railway, and in the Southland bush there is also some miles of siding connected with the Government line.

107. Then there would be no more advantage in buying this siding than any of the other sidings in the Colony?—I cannot see any advantage at all to the Colony.

108. *Mr. Gore.*] Is there any practical difference in the working of this from any of the other private sidings?—There is this difference; it is usual on most private sidings only to place the trucks at the entrance of the siding, and to make the owners of the siding take them to and from the mine, but in this case the Government does that. That is the only difference.

109. *Mr. Peacock.*] You have spoken of this line as a “siding” can you give a definite idea of what you consider a siding?—No; I think it would be rather difficult to draw a distinction between a siding and a branch line—you might call this a branch line if you like.

110. You admit that the number of sidings in the colony of any considerable length is very few?—Yes; there are only a few.

111. In considering the benefit to be derived by the Government in taking up such a line as this there would no doubt be the question of assisting to develop the resources of the country in giving facilities for the Company to work the line?—I am not prepared to say whether the Government could afford to enter into a question of that kind in connection with this siding purchase.

112. In speaking of the Nightcaps line I understood you to say that it was an advantage to the Government as representing the country at large to have the coal industry developed by taking over the line?—I suppose any development in that way might be considered an advantage if it was remunerative—if the people who put their money into it did not lose—I do not know whether this Company is losing or not.

113. Supposing this particular mine were at a distance of 3 miles from this particular branch railway; that would certainly remove it out of the category of a siding?—I do not know; it is not a question of fact but merely on assumption.

114. But assuming it to have been the case that this line were longer than at present, and cost more money and that application was made to the Government to purchase—under these circumstances your objection as to its being a siding would not apply?—I think it would be open to consider the whole conditions; I could not say what should be done under different conditions.

115. *Mr. Barron.*] You say that the coal mine to which this siding has been constructed does not improve in out-put?—Yes; so far as I learned when I last enquired.

116. Do you think that the present out-put will probably be kept up?—I cannot say that I have heard any authoritative statement on that point.

117. Supposing it did fall away you could not hope to get any other traffic to make this siding pay?—No; I do not think so.

118. *The Chairman.*] The chief market for this coal is Auckland, is it not?—So I understand.

119. It is stated that the mine is capable of very great extension?—That I am not aware of.

120. *Mr. Dargaville.*] This is the first time I have heard the term “siding” applied to this line; is not a siding properly so called, a line close by and parallel to the existing line of railway where trucks or carriages may be left for the convenience of certain persons?—Not necessarily; but if you call this a branch line, I think it is a reasonable term to apply.

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FRIDAY, JULY 9TH, 1886.

Mr. MACANDREW, examined.

1. *The Chairman.*] Will you state what you know of the value of the Shag Point Railway line?—It cost more money than is asked for it by a good deal. It was constructed by the Government at the expense of the Company; I was in office at the time, and it was put by me on the Schedule; I think the contract price was £8000 or £9000. It has been worked by the Government ever since, and it has been the subject of consideration and petitions before Committees of the House for several years. The Waste Lands Committee on three different occasions recommended that the Government should either purchase the line or allow interest on the cost of construction for the use of it. It is a line which has been very profitable to the Government until the closing of the coal mine 2 years ago. I may say that the Company who made the line had every reason to hope and expect that the Government would take it over in due time.

2. *Mr. Ballance.*] Was any promise of that kind made?—No absolute promise; but there was an inducement of that kind. I was exceedingly anxious to get the line made to develop the coalfield in the interest of the general railway system and of the district.

3. Was it a profitable transaction?—I think so; undoubtedly.

4. Does not the success of the line depend on the coal traffic?—Yes; but not to the same extent as it will when the proprietors of the mine are more in funds than at present. It is a question of money now. The mine was submerged by order of the Government at an enormous loss to the proprietors and the district—most unwarrantably as I thought.

5. Is there any other traffic on the line besides coal?—There used to be a little vessel trading to Shag Point, which used to take down stores and things from Dunedin and take back produce; but I fancy everything now goes by rail.

6. *Mr. Dargaville.*] The operations of the Company are to some extent cramped at present through want of funds?—I have reason to think that is the case. I do not know how much coal is going on the line now but it could be easily ascertained.