

24. Similar to the Kaitangata?—It is not so pretty to look at as the Kaitangata coal, it is not so quickly lighted; but when it is alight it keeps up better: there is more body in it.

25. There is no danger of subsidence, is there, through water?—No; where it is required we timber up, using totara black pine, and carmine.

26. Then you think the supply is practically unlimited?—Yes; it will supply the whole of the district for a very long time; we did not know its value at the time we started. It was a speculation at that time; we had not proved the ground thoroughly; but it has turned out satisfactorily both as regards quantity and quality.

27. You have explained that about 50,000 acres of agricultural land would contribute to the utility of the line?—Yes; I said so.

28. Have you any idea of the traffic which comes down your line to the Government line?—I cannot exactly say; you can get the returns in Wellington.

29. Is it an increasing quantity that comes to the terminus?—Undoubtedly it is; it is so particularly on the part of the public. Owing to depressed trade there is not much grain sent down for about the last year or two; also this year the crops were shorter than usual.

30. And the out-put?—I do not know that it is decreased although it may not have increased much owing to the depressed time; people at present cannot afford to buy coal as they could before. This is only temporary, the out-put will increase when times improve, which they have now begun to do.

31. The out-put to the Government, is that an increasing quantity?—Yes; that will always increase as the railway increases. I think the average is about 7000 tons a year on that section, more or less.

32. Is it your opinion that the line could be worked cheaper by the Government?—If the Government purchase the line, I do not know that we could afford to give them coals cheaper than at present; for even at present we are cutting it very fine indeed; but it would put us in the position that we could do so if we were pushed; and by judicious management in the future we might be able to give coal for less than 9s; but you will see by our profit and loss account that we cannot reduce the price at present; but if the line is purchased by Government, we might reduce the price to the public, and thereby increase the out-put, and the revenue of the railway.

33. As a commercial speculation you would require to compete with others?—Yes; but I think the line would be safe to yield at the rate of about £300 a year to the Government.

34. Did you have a promise when you built the line that the Government would take it over?—When we built the line they said they would take coal from us; help us all they could, and foster us in every way.

35. Is it built with the same weight of rails as the Government lines?—Yes; 40lb steel rails.

36. Is it the same in every respect?—It is all fenced with barbed wire on both sides which cost us three hundred or four hundred pounds.

37. *Mr. Peacock.*] I think you said you were quite assured of the permanence of the field; is it worked at a low level, by shaft or by an incline?—In the mean-time it is an incline; if we could have afforded it we would have sunk a shaft before now. It is our intention to sink a shaft at the terminus eventually.

38. My object in asking these questions is because when you go to a depth you will be liable to accidents which might affect the out-put?—Yes; but we would still have the other opening.

39. You are now working to the dip?—Yes; we are working to the dip just now.

40. Then you would have to get rid of water?—We have a powerful waterwheel for that purpose.

41. But as you go on, the difficulty from water will increase?—All coal mines have water more or less; as a rule it does not increase much; for it was so thoroughly drained at the time you get into the dip that that there is not much water. Besides if you sunk a shaft at the terminus you could pull up the water by having a tank under the coal cage.

42. Then you have not experienced any serious indications of water in the working?—No; nothing more than anyone else; nothing more than ordinary.

43. What is the average thickness of the seam?—We have two seams; one is 3 feet 6 inches the other about 9 feet; averaging from 8 to 11. It is quite thick enough for ordinary purposes, for where you have 20 or 30 feet of thickness there is a danger of accident in taking coal out from the roof falling.

44. You said that the amount of traffic—agricultural and otherwise—was likely to increase?—Yes; as far as I have the means of knowing; I know the district very well.

45. Is the position of the line such that a prolongation would be likely to take place in future?—No; it is entirely a terminus line.

46. *Dr. Newman.*] If it were continued, would it be continued straight on or would it branch off on this side?—It might be easier to branch off at this side.

47. Have any surveys been made beyond the "Nightcaps"?—I am not aware; but I believe that Mr. Blair had some scheme of the kind at one time.

48. What is the amount you ask?—£7224.

49. What interest is charged?—8% on the cost during construction.

50. When was it finished?—March, 1882.

51. During construction how long was it?—Two years.

52. Then £1000 would be the interest?—No; not so much as that; it might be £500 or thereabout, but I cannot state now exactly.

53. Is there any other interest chargeable?—No; business is not falling off. Owing to depression there is not so much grain; but that is merely temporary.

54. Is the out-put increasing?—I cannot say it is decreasing; it is increasing this winter. We used to sell to the coal merchants in Invercargill, but they used to sell other coal, and we found that we could do better by employing our own canvasser. We took it out of their hands; we gave up that system; we have now our own canvasser and do the trade ourselves.

55. Do you think it is legitimate to charge the cost of interest during construction?—Yes