

20. Then the lease to Hutchinson was included in the grant to you?—Yes, it was on this consideration I got the long lease, because no one would find capital to go into and open up a submarine coalfield unless it was a long lease.

21. Will you explain the situation of this railway in regard to other coal mines?—The nearest coal mine south is Kaitangata 100 miles, excepting the small Green Island mine, to the north 200 miles, is the Springfield coalfield.

22. Does it supply a large district?—Yes, it supplies a very large district; the reason of its going from 30,000 to 19,000 in one year was that our coal landward ran out, but we had again gone up to 24,000 during a portion of the year. We had the submarine field open, and if we had continued we could have easily have put out 200 tons a day.

23. Then do I understand you there is no possibility of this coalfield *not* being utilized?—No, there is no danger of that; it is only a question of money in opening it up; it will be a public coalfield.

24. And permanent?—And permanent.

25. *Dr. Newman.*] Is this your own property?—It was originally a small Company; but I have bought them all out.

26. You say the out-put has been increasing?—Yes, steadily; but not to any great extent since the re-opening.

27. Have you added interest to the cost of construction of the Railway?—Not to the cost of construction.

28. No other charges?—No; there is £1290 due to the Government; they furnished rails to that amount.

29. Have you paid interest on that debt?—No; I wanted them to pay me interest on the cost of the line.

30. Before you began this line did you read the "District Railways Act"?—Yes; a copy was sent to me by Mr. Ormond.

31. Then why in the face of that did you go on?—I had the line surveyed, which cost me £600; upon the faith it was to be done under the District Railways Act.

32. Is any other property but yours served by this line?—The whole of the district is served by it.

33. Any other property?—Messrs Allen Bros. would be served by it.

34. If they unnecessarily closed your mine why did you not go in for damages?—I wanted to do so, but Messrs Chapman and Stroud, my solicitors, advised me that it was a difficult thing to go to law with the Government.

35. Was this before it was before the House, was it put in the loan Schedule?—It was made under the supervision of Mr. Blair, and placed upon the Schedule of the lines authorised to be constructed.

36. Why did you not get the money?—They said the Government had not got it. The railway was a feeder to the main line to a very great extent; I do not think there was any doubt about that, or the advisability of having it made.

37. If the Government bought the line what benefit or what gain would the Colony have by that?—I do not know what they would gain by it; it is, in my opinion, a matter of equity. I made the line upon the faith of an understanding with the Public Works Department. It induced me to spend £20,000 (independent altogether of the line), in opening up the coalfield.

38. What authority have you in writing from the Public Works Department?—Nothing more than I have already stated to you in my memo; they said they recognised the utility of the line. Mr. Ormond sent me a copy of the District Railways Act, I took the necessary steps to construct the line under that, but I was stopped by Mr. Stout saying that it was not a line which came within the meaning of the Act. Then came the alternative with the Government and my arrangement with Mr. Macandrew, the then Minister of Public Works.

39. You began the line without any assurance?—No, I did not; I commenced the survey and had to pay forfeiture and all survey expenses. After the contract was absolutely let, Mr. Stout advised that he could not give the assent of the Government.

40. But if you had the contract, why did you not go for damages?—It was on the faith of the Government that I went to such great expense; the Government paying 2% and the landowners 5%. I did not think that it committed the Government.

41. Have you consulted your lawyer to see whether you had a legal claim against the Government?—No, I have not; I went before the Committee on three separate occasions with the result as stated in my memorandum.

MONDAY, 2ND AUGUST, 1886.

Mr. H. HIRST, examined.

1. *The Chairman.*] The Committee will be glad to get any information you can give them with regard to the Nightcaps Coal Company's line, which has been offered to the Government?—The line has been open for some years and has been worked by the Government, and so far as I know it is paying them very well. It is about 2½ miles long. A large quantity of wool came over it last year, which will be very much increased this year owing to the runs being able to carry more sheep. There were about a thousand bales of wool carried last year, besides a large quantity of grain. The line serves a district of something like 20,000 acres of deferred payment land, and perhaps 30,000 or 40,000 acres of freehold land in different runs; and of course as the land is broken up and brought into cultivation a very much larger quantity of produce will be carried over the line.

2. The question is whether this line if bought by the Government would be useful for the general public in connection with the other railways or whether it is merely useful for the Coal Company by whom it was built?—Of course it was specially built by the Government for the Coal Company, but I think, from the quantity of stuff which was sent over it last year, and as there is every likelihood of that