

passenger-trains should be run to the racecourse and show-grounds, and at other times should work any goods-traffic there might be for the gasworks and other places on the line. That agreement is in operation now. On race-days, when our goods-yard is clear, we take passengers to the races and shows. The company pay us for the use of our rolling-stock, and we hand them over the takings.

20. The company state that the smallness of the amount of their receipts is caused by the want of a terminal site in the city, the heavy Government charges, and the fact that the line is used only on public holidays. They say it is impossible to work the line to advantage without a city terminus: can you give the Committee any information on that point?—The present terminus is in Crawford Street. That is where I understand their trams would start from if they were running. I do not know why they are not running—on that point I have no information; but I believe they have suspended running for some time. They are only charged a fair rental for Government rolling-stock.

21. Do you know how far they are affected by the want of a terminal site?—I do not think they could be prevented from running from Crawford Street if they chose to do so: they have the line down in Crawford Street.

22. *Mr. Montgomery.*] Is the tramway running from Dunedin very much used?—Yes; it is very largely patronized. The Ocean Beach is a great resort for the Dunedin people on Sundays and holidays. The other line of tram is also considerably patronized.

23. This line of railway is not running at all except upon special days?—No.

24. And then they get the Government rolling-stock at a rental?—Yes.

25. In your opinion, why is it not running at other times?—I do not know; but I conclude the reason is that they find it does not pay.

26. *Mr. Cowan.*] Can you give the Committee any idea of the traffic on race- and show-days?—I think there are several thousand people carried on show-days. In the year 1886 the gross revenue was £749—nearly all for race-traffic. Out of that they were charged, for rent of stock and for wages, £454, leaving a balance of £294, which we paid over to them.

27. We have it in evidence that it would take a large sum to put this line in working order?—Yes; it is in very bad order. It has not been kept up for some three or four years past. I suppose it would take at least £3,000: that was the estimate a year ago to put it in order.

28. From your evidence I take it that the tramway system competes with this railway?—Yes, it does undoubtedly.

29. Can you give any information as to the value of the railway?—It is in a very bad state of repair now, and could not be made properly fit for running under £3,000; and, as it made no profit during the last year, it cannot be worth much. If we worked it, it would be at a loss.

30. Even if it were repaired?—Yes. I do not see any prospect of its paying. It is not at all desirable that the line should be worked from the Dunedin passenger-station. The construction of the goods-station is such that it would be very inconvenient, unsafe, and expensive to take the line into the Dunedin passenger-station. There would be some further heavy expenditure to connect the Dunedin passenger-station—how much I have never estimated.

31. What is your opinion of it, then, as a suitable branch to connect with the Government railways?—I do not think it at all suitable: it would merely involve so much loss per annum. Its only chance of success is to work it as a tram from Crawford Street. To work it as a railway from the passenger-station I am certain would involve a heavy loss.

32. *The Chairman.*] Will you give the Committee any information you can about the Fernhill Coal Company's line, which has been offered to the Government for £6,000?—It comes under the same category as the Shag Point, Springfield, Whauwhau, and the Orepuki sidings: it is purely a coal-siding, and not worked for anything else. We run the Government engines and trucks up to the mine, and take them away again full of coal; and the company maintain the siding in good order.

33. Can you tell us how far it would be useful to the public if connected with the other lines and owned by the Government?—It would be of no more use to the public than now. There could be no advantage to the Government to pay £6,000 for it: it would be spending £6,000 to get no return for it. It is like many other sidings—the Government would gain nothing by buying them. There is no justification, so far as I see, for buying these sidings—I mean, from a traffic point of view.

34. Do you not think it would be possible to extend the traffic if the Government bought the line?—No, I do not think so.

35. You say "from a traffic point of view:" do you mean a railway point of view?—Yes; and also a public point of view. I do not see that the public would derive any advantage either.

36. *Mr. Cowan.*] I should like to ask one general question about these lines. Looking at all these railways on this list, I take it from your evidence that the Nightcaps is the only one that has any claim to be considered as an addition to the general system of railways?—That is the only one, I think, that is at all a public railway; the others are exclusively of the nature of accessories to the mines—except the Ocean Beach—which I should call a public railway. Of the coal-lines, the Nightcaps is the only one in the nature of a public line.

37. Have you formed any decided opinion as to the advisability or otherwise of the Government purchasing the Nightcaps line?—I have formed no other opinion than that which I gave the other day. I think it is entirely a matter of equity. I do not think it is for me to say whether the Government ought to take it or not. I think I said in my evidence that the Government undoubtedly had the best of the present position.

38. And from an equitable point of view you think the Government might take over the Nightcaps line at a fair price?—Yes. I think there is some public advantage in having Nightcaps as the Government terminus.