

estimate of the probable cost of getting their coals to market, have applied to the Railway Commissioners for a quotation of the terminal charges which would be involved on their coal if sent on by a branch railway constructed at their own cost to connect with the Greymouth-Brunner line by way of the Cobden Bridge.

120. That such connection would involve the use of the Greymouth-Brunner line over about half a mile, and delivery to vessels in the usual course by hydraulic cranes, and probably to some extent the use of any storage bins or staiths which might be available.

121. That the rate quoted by the Railway Commissioners for this service was 1s. 3d. per ton, which the Point Elizabeth Company considered as prohibitive.

122. That negotiations for the construction of the branch line have taken various shapes between the Government on the one hand, and on the other the Point Elizabeth Company, the Cobden Railway and Coal Company, and the Paparoa Railway Company, to all of which this branch was an important feature.

123. That the present position of the matter appears, from the *Gazette* of the 14th August, 1890, to be that the Cobden Railway and Coal Company have acquired rights under the District Railways Act to construct a branch of 4 miles and 78 chains from the northern approach of the Cobden Bridge to a point near the Seven-Mile Creek, with the right to charge (*inter alia*) 1s. 6d. per ton for coal; and that, in the event of the company extending this line over the Cobden Bridge into Greymouth, and connecting it with the Brunner Railway, such rate should cover haulage and delivery at the Greymouth station or wharf, subject to such additional rate as the Railway Commissioners shall charge the company for the use of the Government lines, station, wharves, and appliances.

124. That this line would make available the coal-area held by that company at Coal Creek, and also that of the Point Elizabeth Company, with an extension of 1 mile and 40 chains, which they would have to construct.

125. That, thus, the Point Elizabeth Company estimate their total cost to the port as follows:—

	£	s.	d.
Haulage by the Cobden Railway and Coal Company	0	1	6
Terminal charges at Greymouth		0	1 3
Haulage on their own branch		0	0 6
Royalty		0	0 6
Per ton		£0	3 9

126. That the terminal charge is an arbitrary charge added to all railway haulage to cover cost of railway-stations and other works in use at the terminal points, and has in the present instance been assessed at 1s. 3d. per ton.

127. That, whilst a terminal charge is a usual and necessary impost, the rate in this case has been partly arrived at from the consideration that any coal shipped at Greymouth from mines other than those at Brunnerton would reduce the traffic on the Government line and the profit derived from it, and that coals from any other source should therefore be charged such rate as would leave a profit equivalent to that now derived from the output at Brunner.

128. That, whilst it is not to be expected that a uniform scale can be applied to coal or any other commodity carried irrespective of distance, and whilst the Commissioners cannot gauge what the true value of this service may be, they are of opinion that on colonial railways the rates should be commensurate with the service rendered, irrespective of the private interests involved.

TERMS OF LEASES.

129. The Commissioners beg to call attention to the disparity of conditions existing in the various leases quoted, and are of opinion that, whilst leases have been issued in the past at different dates, by different controlling departments or officers, and possibly to meet the views of different lessees, in future issues more uniform conditions might be arranged, and that a model lease to insure uniformity would tend to simplify the control of the lessors' interests, would prevent jealousy amongst lessees and applications for concessions during the currency of the leases.