

3593. Or could it be arranged in the way of their paying a certain tonnage rate for their use?—I suggested that also—either way would do. The Harbour Board might find the money, because the revenue goes to them, and I take it it would be immaterial to the Harbour Board or the Government whether they find the money or not, so long as they make sure of getting full interest on it. The undertaking would not, I take it, cost the colony anything if they get recouped for the full interest on the money expended, and the additional expense, if any, of working.

3594. If the owners were only paying for the temporary or periodical use of these trucks you would not know altogether if you would get interest or not. You would have to take it out as a matter of storage?—Yes; that would be so if the charge were a storage or demurrage charge, but not if it were a charge per ton on all coal carried.

3595. The use they would make of these trucks for storage purposes would be only during broken weather or stoppage through the bar?—We might put it in this way: If we established a demurrage charge, and let it rest with them whether they would fill the trucks or not, they would be brought face to face with the advantages of the thing in that way as strongly as they could in any way—that is to say, you might let it be optional with them when there is a stoppage in the navigation of the port as to whether they will fill the trucks or not. If they do fill the trucks they would, of course, do it subject to the demurrage charge; but I feel convinced they would rather face that than throw the mine out of work, and cause delay to the vessels coming for coal. As a matter of fact, the same thing already obtains at other ports of New Zealand.

3596. Is not a demurrage charge common in all other ports of the colony?—I presume it is. I happened to hear of a case which occurred at Timaru a short time back. A ship was expected there on the Saturday, and a merchant asked for trucks on the Friday to load grain for her. He loaded the grain, but the ship did not appear until the Tuesday or Wednesday following, and he had to pay a large sum—from £20 to £30, I think—for demurrage for the time the grain was in the trucks. So that it is manifestly a custom already to charge demurrage.

3597. There would be many applications for reduction of demurrage under those circumstances?—It should, of course, be made perfectly clear that demurrage on storage would be charged. So far I have been considering only the various alternatives proposed for storage at the port. I think myself, however, that a much better plan would be to have the storage at the mines. It would be much the cheapest plan in first cost, and also cheaper to work.

3598. *The Chairman.*] Are you aware of the arrangement offered or made for the purpose of developing the new coal-mines at Coal Creek? Has that come before you officially?—There is a company proposing to open up the mines at Coal Creek, and they have applied to the Government to know on what terms they may have the benefit of the harbour and wharfage and partial use of the railway?—Yes; I know about that case.

3599. And there has been a *Gazette* notice, gazetting the terms upon which they are to have the use of the Government railway?—Gazetting the terms?

3600. Yes. The Commissioners wish to know how the terms were arrived at?—Was it not the company's own tariff of charges which was gazetted? If there has been anything more than that gazetted, any arrangement as regards the terms on which their coal should be shipped, the Railway Commissioners could give you evidence of that. The circumstances of the arrangement between the Coal Creek and Point Elizabeth Coal Companies and the Government, which you wish to know about, are these: Two coal companies, the Point Elizabeth Coal Company and the Coal Creek Coal Company, practically simultaneously applied to the Government for the right to construct the railway from Point Elizabeth to Greymouth. It seemed doubtful as to which had priority of claim, and they were therefore advised to try and settle the matter amongst themselves. After a long interval, and several intermediate propositions, it was determined that the Coal Creek Company should be permitted to make the line, with power to charge to the Point Elizabeth Company certain rates for the haulage of their coal. At an early stage of the proceedings, negotiations were opened by the companies with the Railway Commissioners as to the terms upon which they would discharge the coal into ships from trucks delivered by either of these coal companies on the quay at Greymouth, and the reply to this by the Railway Commissioners was that the charge would be 1s. 3d. This was considered by the coal companies to be practically prohibitive. They reckoned that the actual cost to the Commissioners would not exceed 3d., but they were willing to pay 6d., and, ultimately, as much as 9d. The Railway Commissioners, however, I understand, declined to make any reduction. Their view of the matter was, I believe, that, as custodians of a colonial property, they were called upon to see that they suffered no loss of revenue. The rate from Brunnerton to Greymouth is 2s., which, I believe, yields a profit of about 6d., and the Commissioners were of opinion, so I understood, that by just so much coal as the Point Elizabeth and Coal Creek Coal Companies exported by just so much would the Brunnerton output decrease. They therefore reckoned, so it was understood, that, quite irrespective of what the relative extent of the work done for the respective companies was, they should make 6d. profit in any case—that is to say, they reckoned that they ought to make 6d. profit off the half-mile haulage which the Point Elizabeth and Cobden Companies required them to do, the same as they were making off the eight-mile haulage which they were doing for the coal companies at Brunnerton.

3601. Are you aware how they were to deal with the Blackball Mine when it was opened?—No, I do not know anything about that.

3602. Has there been any correspondence about the Blackball at all?—I cannot say.

3603. You are not aware that there will be a question arising immediately?—I suppose there is bound to be, but it is not in my department now. I have no longer anything to say to the authorising of these railways.

3604. Will you now resume as regards the Point Elizabeth and Coal Creek Companies?—The companies, or one of them, having failed to arrange with the Railway Commissioners, then made a proposition to the Government to be allowed to construct a wharf at Cobden—that is to say,