

3631. Is it usual for railways in the colonies to undertake anything of this process of delivery, or do they bring it into the station and leave the consignees to accept delivery?—Of coal, do you mean?

3632. Yes, of coal?—Well, I had better not attempt to give you any information on that, as I have no personal knowledge on the subject. My impression is that whenever coal has to be shipped they put it on board the vessel, but I would not like to say so positively.

3633. You have mentioned, I think, that the railway was vested in the Harbour Board for the purpose of security; and you mean by that, I presume, that the railway revenue, and not the railway itself, was vested?—I find by reference to the Act that it is the revenue only which is vested.

3634. I presume that the broad way to look at it would be that the expenditure on railway and harbour-works as a total being £550,000, and £150,000 having been borrowed by the Board as a special loan, the remaining £400,000 is expenditure out of public funds not bearing interest; and the surplus profit actually received is devoted to further expenditure on the completion of the harbour-works?—Yes; there has been practically an expenditure of about £340,000 out of the Public Works Fund, which has become an asset of the Board in the shape of railway and harbour-works; and the Board have added to this out of proceeds of endowment, chiefly railway revenue, to the extent of about £50,000 more, making, say, £390,000, or nearly £400,000, which has been obtained entirely out of colonial funds.

3635. *The Chairman.*] I would like to recall your attention to an estimate you made in 1871 [showing witness D.-6B., 1871] of the cost at the time when it was being discussed whether the railway to connect with the mines from the port should be made on the north or south side of the Grey River. You and Mr. Dobson jointly made an estimate of the cost?—That is no doubt rather a difficult thing to explain. I may say that that was the first time I had had anything to say to the construction of railways in New Zealand, although I had had a great deal of experience in railway-construction at Home. I do not know if you [to the Chairman] remember when you were with Mr. Blackett at Greymouth. On one occasion I expressed complete scepticism as to the possibility of building a railway at this place by either of the routes at less than, probably, from £8,000 to £10,000 a mile, which would have been from £60,000 to £80,000 for the railway alone, irrespective, of course, of wharves and all the rest of it. And the railway now has, I believe, cost the Government somewhere about £80,000; but that also includes sidings and various things that were not originally contemplated. There are three or four miles of steep siding and some exceptionally bad slipping ground. However, Mr. Blackett, who was then the Engineer-in-Chief, and at Greymouth, said that a railway such as I contemplated was quite out of the question, and that they could make railways now for infinitely less than they used to be made, and that this railway could be constructed at less than £4,000 a mile. As a matter of fact, I did not know any way of arriving at the cost of a railway of that description in the absence of proper plans, sections, and drawings of bridges and retaining walls, and quantities, and so on, except by a rough estimate of so much per mile; and my way of estimating it would have been to put it down at so much per mile, and I thought (judging by other railways which I had been engaged upon) that it would cost from £8,000 to £10,000 a mile. My avocation at that particular time was to represent the Westland side of the question as compared with the Nelson side, and I was deputed by the Westland Government to wait on the Commissioners who were to decide the route and give them every information possible, and, in fact, to do whatever they told me to do. But, seeing that Mr. Dobson, who was making the estimate on the other side, was going to estimate the work at what I regarded as ridiculously cheap rates, I requested Mr. Blackett (seeing that otherwise there was not the smallest prospect of our estimates being anywhere within reasonable comparison of one another) to be good enough to fix some scale for us to go upon. I said it was obvious the Westland side was the cheaper of the two, but if I were called upon to make an estimate according to my views, while Mr. Dobson went upon his views, they would be immensely dissimilar, because I had an idea of the cost which was entirely different to the idea he had. Well, Mr. Blackett did fix rates, largely on Mr. Dobson's representations, and I thought them altogether too low, and that there was no possibility of getting at a correct result that way; but I simply adopted those rates, and so we got at the £24,000. Shortly afterwards I made an estimate on my own account of the Hokitika to Greymouth Railway, which I estimated would probably cost £200,000 odd, and it is being made within that amount; but I adopted a very different method of getting at it to that adopted for the Brunner Railway. It will also be noticed that Mr. Blackett, in submitting these Brunner Railway estimates to the Government, is so convinced of the method adopted giving ample results, that he says he believes both the estimates are excessive. I do not know if you remember it, Sir James, but at the time I said most emphatically that I did not believe the thing could be done for anything near the money, and I remember saying that the cheapest railway I had ever known at Home—and I had been connected with several railways in Ireland—cost £6,000 a mile. I did not believe, therefore, that in country anything like so rough as the Brunner line a railway could be made under £8,000 to £10,000 a mile, and I think that, in the absence of proper details, taking so much a mile, by previous experience, is the only way of making an estimate of that description.

3636. Then the work, as completed, was not that contemplated in the estimate which you made in 1871?—The railway, as carried out, is doubtless of an entirely different character to that contemplated by Mr. Blackett, and I may say that nearly all the railways first projected under the Public Works Acts have been evidently carried out on an entirely different basis to that contemplated when the estimates for them were framed.

3637. *Mr. Moody.*] So that the estimate of £24,000 expenditure at Greymouth placed before the public at that time has, in consequence of the changes, extended into an expenditure of £550,000?—No; not through that, because there was no provision made for harbour-works in that estimate.