

but I would like to remark that as between the Greymouth and Green Island there is this very great distinction: that at Greymouth there is a large quantity to handle, while of the Green Island coal there is comparatively a small quantity. That enters very largely into the question of charges.

3650. *Mr. Brown.*] You have also the Kaitangata coming in?—Yes, but it is taken and delivered to the railway at Stirling, and hauled in and delivered over to the company's men in Dunedin; so that in that case there is no terminal handling to be paid for except just the haulage. But the terminal charges enters into the rates for all goods. I may remark, for the information of the Commission, that in Great Britain the railway clearing-house has a uniform charge of 9d. on all minerals as a terminal charge as between two companies. For instance, if the traffic originates with one company and terminates with the other the company that takes delivery receives not only its proportional haulage, but a fixed terminal charge of 9d. on every ton of coal in respect of the expenditure on stations and so forth.

3651. *The Chairman.*] And in the case of Greymouth, that terminal charge would be met by the 1s. 3d.?—Yes; that is about the proportion in a rough way, because it is really impossible to go minutely into it, as one charge merges into the other.

3652. We have ascertained that any profits arising from the charges made by the Railway Department do not really go to the Railway Department funds?—No.

3653. They really are collected only on behalf of the Greymouth Harbour Board?—They are collected, of course, in the usual way and handed over to the Treasury, and the ultimate destination is the Harbour Board.

3654. In the return made from time to time taken from the railway returns it appears that the net revenue yielded a rate of interest on the Greymouth line in 1888–89 of £6 12s. 6d.?—Yes, it was so that year, but last year it was down to £4 and some odd shillings. It fluctuates.

3655. Is that really rate of interest, or does it depend on the amount of the capital on which it is computed?—It is computed on the £199,121. I do not know how that sum is quite arrived at, but it is the initial cost of the railway, the rolling-stock, and, I believe, some portion of the terminus expenses at Greymouth—that is, the station-yard and so forth. [Table No. 4, I.-6, 1889.] But I would like to say this: that the whole expenditure at Greymouth is really in connection with the railway. It is simply to enable the railway to deliver goods into the ships that are to take away those goods; so that you must take the whole thing, looking at it from a colonial point of view. The whole amount of capital sunk as against the railway and the harbour is really something over half a million.

3656. We have ascertained that it is £550,000. Do you think that should be substituted for the £200,000 in this computation, reducing the rate of earning in the case of 1888 from £6 12s. 6d. to somewhere about 2 per cent.?—Not only that, but all the expenditure up to that date should be set against it. I do not think that as printed is the correct way of stating it.

3657. Although this officially comes from you, you follow the procedure of previous years, and do not, yourself, consider it a correct way of putting it?—No; it is misleading, when taken as the return on the capital invested by the colony.

3658. In the Greymouth Harbour Board Act there was provision made for a special rate?—Yes, 3d. a ton.

3659. Evidently with the view of paying off some moneys that had been expended in Greymouth before the passing of this Act?—Yes.

3660. Are you aware that has never been collected?—I am aware that it has never been collected.

3661. Can you explain the reason?—I cannot. It is purely a matter for the Government to bring into force, but they have not done so, and I do not know why.

3662. In whose department would it be? Would it not be part of the Greymouth Harbour Board's duty, as they are empowered under this Act?—It is really [referring to the Act] for the Government to put it into force.

3663. *Mr. Brown.*] The responsibility rests with the Governor?—With the Government really.

3664. *The Chairman.*] So far as you can say from this, there has really been a remission of 3d. a ton all this time on the coal?—Yes.

3665. And that would have been paid by the shippers?—Yes. That would really be by the coal-mine proprietors.

3666. We have had it evidence that arrangements are being made for opening up other mines than those at present being worked?—Yes.

3667. I may state—I do not know if you are aware of it—that the present mines are all held by one company?—Practically so.

3668. They are really; there is only one company?—Yes; the Greymouth Valley Coal Company.

3669. And that company is under contract with the Union Steamship Company to supply coal to no other shippers to New Zealand ports?—Yes.

3670. Then it might therefore be a matter of public importance that no undue obstacle should be thrown in the way of opening up other coal-mines?—Quite so.

3671. So as to give the public the benefit of competition?—Yes.

3672. Now, there was a *Gazette* notice published some time ago, I think issued from your office, defining the terms on which what is known as the Cobden and Coal Creek Coal Company could construct a railway and collect rates of any other coal company wishing to run over its lines?—Yes.

3673. I think the rate in that was 1s. 3d.?—That was the terminal charge. The company was to bring the coal over the Cobden Bridge, and deliver it on sidings on our line, and we were to take it forward to the wharf and ship it, for which we were to charge 1s. 3d. a ton. Of course, the