

4. Does not that make the Native owner liable?—No; Natives in any case are not liable. The lessees are liable for local rates; but the Kauri Timber Company contend that they are not lessees or occupiers.

5. *The Chairman* read an extract from the evidence previously given, and asked, Is there any ground for this complaint of unfair taxation?

Witness: I think it is made under a misapprehension. There are two errors in it: one is that they assert they are assessed for land-tax on the value of the land occupied; the other is that they have to pay income-tax on the profits derived from kauri timber. They have not to pay income-tax on the profits they make from kauri timber—that is, kauri timber cut from lands owned or leased by the company. When a deputation waited on the Premier in Auckland last December I was present, and I heard the Premier, at the end of the interview, inform the deputation that the company was not liable to income-tax on the profits made from their kauri timber.

6. *Hon. Mr. Mitchelson*.] This is the first I have heard of that concession. Up to the present I was under the impression that they were liable to the double taxation?—There is no concession at all.

7. The total value of this block is £32,000, or thereabout. You think the company should only be assessed at the value of the kauri leases?—On their interest in it.

[*Vide* also evidence of Mr. T. Thompson, p. 12.]

RAILWAY CHARGES ON COAL AND OTHER PRODUCE.

FRIDAY, 5TH AUGUST, 1892.

Mr. JAMES MCKERROW, Chairman of the Railway Commissioners, examined.

1. *The Chairman*.] We have asked you to attend to give us some information in regard to railway charges, and the provision made for the conveyance of New Zealand produce of different kinds from the place of production to the port of shipment. We want that information particularly as some producers allege that they are not fairly treated in the carriage of their produce to market. We also wish to ascertain how our charges stand when compared with the charges that are made in Australia. There is considerable competition between industrial producers on one side or the other, and we want to know exactly our position, the more especially as New Zealand producers complain that producers are more favourably treated in Australia than is the case on the Government railways in this colony. Will you kindly give us what information you can as to the conveyance by railway of the various products, beginning first with dairy produce?—With regard to dairy produce the highest charge in the North Island is for the long haulage between New Plymouth and Wellington, 250 miles. The rate is £2 8s. a ton in 4-ton lots. This is, as near as may be, $\frac{1}{4}$ d. in the pound. In the Middle Island the maximum charge for cheese in 4-ton lots is £1 3s. a ton for any distance whatever to the nearest named port, which is, as near as may be, a little under $\frac{1}{4}$ d. per pound. For smaller lots of dairy produce, from $\frac{1}{2}$ ton, the charge is a little greater than just stated. From 28lb. to 1cwt. the charge is also very moderate.

2. *Mr. Duncan*.] What is the charge for carrying 28lb.?—I cannot tax my memory with the exact charge, but you can send up to 28lb. for about 9d.

3. You can send 28lb. of butter to market for 9d.?—Yes.

4. *The Chairman*.] Irrespective of distance?—No; twenty-three miles for 9d., fifty miles for 1s. 2d., 100 miles for 1s. 6d., and so on. Speaking relatively to the other colonies, the rates for agricultural produce are quite as moderate in New Zealand as they are in the other colonies; they are decidedly so for long distances. In the matter of milk and cream the rates in New Zealand are slightly less than what they are for Victoria—a colony which is devoting a great deal of attention to the dairy industry.

5. *Hon. Sir J. Hall*.] For both long and short distances?—Well, to begin with, for twelve or fifteen miles we carry milk and cream for considerably less than is charged in Victoria; when the distance comes up to thirty or forty miles we are nearly equal.

6. *The Chairman*.] Have you any tables you could place at the disposal of the Committee showing the different charges in Australia?—We can make out an abstract from the Australian tariffs of 1891. We have not got the most recent tariffs from Victoria because I understand that within the last month or two the Ministry have taken the matter in hand, and they have modified the charges in some respects; not, I think, in respect of agricultural produce, but they have raised the rates on merchandise and various other lines.

7. I suppose they will send you the information soon?—Yes, they do as a matter of courtesy; it is well understood between the Railway Departments that such information should be sent at once. Whenever we change our tariff we send copies to the Australian Colonies, and, as a rule, we get the same courtesy shown to us in return. But the Victorian Railway Department has apparently overlooked us latterly in this matter. We have their tariff for 1891; but not from the department direct.

8. Will you furnish the Committee with it?—Yes; we shall either write or wire for it, but some time may elapse before we get it. I may mention that these tariffs as a rule are not materially altered; they are kept pretty well on the same lines with but little variation.

9. *Hon. Sir J. Hall*.] The tariff for 1891 will be sufficient?—Yes.

10. As to the cars or vans in which dairy produce is transported, have you any special provision for cooling by the refrigerating-process?—No; we have no refrigerating-arrangements, but we have what we call ventilated cars, with double walls and air-passages between; so long as the car is in motion the interior is cool.