

143. Supposing a third boat, and you have an overhaul once in six months, how long do you think that overhaul would take so as to do justice to the boats?—The overhaul would have to be made for the survey, which would cause most detention. The Government surveyor at Home says, "I will come down on such a day and look at your bearings," and you say, "I will have them ready, say, on Tuesday," and then he comes and looks at them, and then you have to close up again; and it is the same with the cylinders and so all through.

144. What time would that take with one of these steamers?—Perhaps three or four days.

145. Once in six months?—Yes; including a survey of the boilers.

146. In the Irish and English channels, where these fast steamers mostly run, is it not a beam sea generally?—Yes, when they are crossing.

147. Between Wellington and Lyttelton it would be a head sea?—Yes.

148. Would not that make the time more uncertain between Wellington and Lyttelton than in those fast English services?—Yes, no doubt it would make a little difference; but when you have the extra power you can cut off at half instead of two-thirds stroke. You would have something to spare, and you could drive the boat through.

149. *Mr. Joyce.*] Do you think three days would be sufficient for the half-yearly or yearly overhaul; you must remember that the ship requires attention as well as the machinery—would it not require a week or ten days?—Oh, no.

150. How many years would boats of this class run before they would require more than three days' laying-up, barring any great accident?—You would not require any more for some years, nothing more than a general overhaul.

151. Three days would be sufficient for that?—Yes; you would of course have to have plenty of men on.

152. *Mr. Buchanan.*] Is it not true that the "Adriatic," one of the White Star ships, is still running across the Atlantic, although she has been at it for twenty-five years?—Yes; she gets a week at the end of each voyage. She runs across in seven or eight days and then has a week of each end.

THURSDAY, 11TH AUGUST, 1898.

Mr. JAMES MILLS sworn and examined.

1. *The Chairman.*] You are managing director of the Union Steamship Company?—Yes.

2. Will you tell the Committee whether there are any steamers in course of construction, either by your company or any other, of greater speed for this local mail-service than those which run at present?—We have none.

3. Will you say when the "Rotomahana" was built?—Speaking from memory, about eighteen years ago.

4. In 1879, according to Lloyd's Register?—Yes, that is so.

5. Has she been running her best speed lately?—No, not her maximum speed.

6. What could she do as a maximum in ordinary weather?—From $14\frac{1}{2}$ to 15 knots. She can steam as a maximum 16 knots, but $14\frac{1}{2}$ to 15 is about the highest she can maintain.

7. *The Chairman.*] She came up yesterday at the rate of about 14 knots; she was $12\frac{1}{2}$ hours coming up. Can you tell the Committee the cost of running that boat per month?—She requires to earn between £2,400 and £2,500 per month to pay cost of running and depreciation.

8. Do you say £2,500?—Close on £2,500 per month.

9. That is what she requires to earn. Can you say what she is earning?—She has averaged £2,000 per month; she has barely paid the cost of running without providing for general overhaul or depreciation. I am speaking of the average throughout the year. She is earning rather less than that in winter.

10. Having been running for nineteen years, is not her cost about written off?—A vessel ought to be written off in twenty years.

11. Is not the cost of her running largely due to her old type of equipment?—No; there is not much in that. She burns a little more coal than a modern vessel of the same power would do, but that is more than counterbalanced by the low charges for insurance and interest now that her value is down to small sum.

12. Could not a boat of better type and equipment and of the same tonnage be run at 16 knots an hour quite as cheaply as the "Rotomahana" at her 14 knots?—No. A boat to run 16 knots would require a very much larger power, consequently a larger coal-consumption, and a larger staff of men.

13. Would not the improved engines and boilers contribute to economy in the coal?—Yes; but we are dealing with larger power, and larger consumption in consequence. Then, you have to deal with interest, insurance, and depreciation on a larger capital.

14. But otherwise the expense would be no greater?—Well, the expense of a more powerful vessel would be greater in various directions. She would burn more coal, would require a larger staff of hands, her wear-and-tear would be greater, and all the expenses of the vessel would be increased in proportion.

15. Can you tell us the number of passengers carried during the year between Wellington and Lyttelton by all your boats, including the intercolonial?—I can, and am glad to give the Committee all the information I am able to do, but I prefer it should not be published.

16. Of course, we do not want to publish, as it were, trade secrets. We do not want to show your hands to possible competitors, but we want to know for our own guidance?—I shall be pleased to give the Committee all information, but do not care for its being all published.

[Mr. Mills was at this stage requested to retire while the Committee discussed the matter. The Committee agreed not to press questions of this nature, which concerned the private affairs of the company.]