

On Mr. Mills returning into the room,

17. *The Chairman* said: I would ask you on what terms your company would be prepared to run an eleven-hours service daily between Wellington and Lyttelton?—That also is information which, if published, would affect us in case of negotiations afterwards.

18. *The Chairman.*] However, you can give the figures approximately, and you can keep a reserve?—On my way down from Auckland I went into the matter and prepared some figures; a twelve-hours service requires an average speed of $14\frac{1}{2}$ knots. A vessel specially built for this work and capable of guaranteeing that rate in all ordinary bad weather would require to have a reserve speed of a knot and a half, and be capable of 16 knots. This would mean $17\frac{1}{2}$ on trial. She would have 4,000-horse power, and would use about 2,800-horse power to do $14\frac{1}{2}$ knots. Such a vessel would, I estimate, cost at least £65,000 delivered in the colony with all equipment.

19. *Mr. M. J. S. Mackenzie.*] And the tonnage?—She would be 300 ft. long by about 40 ft. broad. It depends on the construction of her deck-work and other things. I should say she would be from 2,000 to 2,500 tons.

20. That is for twelve hours?—Yes. An eleven-hours service would mean an average speed of 16 knots an hour, and would require to be capable of $17\frac{1}{2}$ knots in order to insure the passage in all weathers, except, of course, extremely bad weather. Such a vessel would require 5,000-horse power, and would use 4,000 in ordinary work. I estimate she would cost about £75,000. A ten-hours service would require a speed of $17\frac{1}{2}$ knots. This vessel would require to be capable of 19 knots, for which she would have 6,000-horse power, and she would use 5,000-horse power in ordinary work. I estimate she would cost £90,000 delivered. I may say the cost would depend largely on the specification. According to the completeness of the specification or otherwise the cost would vary.

21. *Mr. Lewis.*] Fittings, and so on?—Yes.

22. *Mr. M. J. S. Mackenzie.*] So that the faster you have got to go the bigger the margin would have to be?—Yes. I may add that I have made an estimate of the cost of running these boats respectively. The working-expenses of the boat required to do the service in twelve hours—allowing insurance at 4 per cent., interest at 4 per cent., and depreciation at 5 per cent.—would be £3,000 a month. A boat to do the trip in eleven hours would require to earn £3,345 per month; whereas a boat to do it in ten hours would require to earn £3,846 per month. You may say roughly £3,000 in one case, £3,500 in the next, and £4,000 in the third. Estimates are generally exceeded.

23. *The Chairman.*] What are you allowing for depreciation?—Five per cent. I may say, in running the “Rotomahana” last year we hardly expected her to pay, but we knew the general feeling was that some improvement ought to be made in the service, and we decided to give it a trial. During the six summer months she paid her way, but during the winter months she has incurred a very heavy loss. Her average earnings for the year have been about £2,000 per month. Her average earnings in the winter months have only been £1,750. So there is a very heavy loss, and it means we cannot keep her running during the winter. You asked me about the number of passengers between Lyttelton and Wellington, and I demurred to answer. On consideration, I will give you that information, as without it my evidence would be incomplete. During the last twelve months the number of single tickets issued between Lyttelton and Wellington, and *vice versa*, was—saloon, 4,610; second class, 5,246; return tickets (including Christmas holidays, Easter excursions, &c.), 7,072 saloon, 2,535 steerage. The total of single and return tickets issued for local travel only was thus: 11,682 saloon, 7,781 steerage. In addition to these there were booked at Lyttelton and Wellington for more distant ports, and making their initial journey over this line—single tickets, 1,492 saloon, 1,604 steerage; return, 1,593 saloon, and 426 steerage; the grand total being 14,767 saloon, 9,811 steerage. We have also to allow a second journey for the return tickets, and also for passengers from Australia and elsewhere, who necessarily make this stage in their round. Counting the return tickets a second time, we have 8,665 saloon and 2,961 steerage. The through passengers who have travelled between Lyttelton and Wellington holding Australian tickets and tickets from more distant New Zealand ports are given as 10,954 saloon, 6,026 steerage. These all added together make the total number of people who have travelled between Lyttelton and Wellington, including what we call “through passengers,” 34,386 saloon, and 18,798 steerage: altogether, 53,184. Now, as to the numbers carried by what we call “ferry steamers”—that is, the “Rotomahana,” the “Te Anau,” and occasionally the “Penguin”—which keep up the tri-weekly service throughout the year: The ferry steamers have made 160 trips during the year, and have carried 7,302 saloon and 5,194 steerage; and, in addition, 8,860 through passengers and return tickets—altogether, 21,356 people. This leaves a balance carried by other steamers of 31,828. I may explain our records show we have had equal to a steamer a day all the year round—that is, we have had other steamers running to and from Lyttelton and Wellington besides the ferry steamers, and have made something like 360 trips each way.

24. *The Chairman.*] That would mean the colliers, I suppose?—No, the intercolonial steamers, and the “Penguin,” and other steamers of that class. To give you an analysis of the work of this ferry-steamer, I may say they carried during the six summer months—that is, from November to April inclusive—saloon and steerage local bookings, 7,781; while in the winter six months—from May to October inclusive—they carried 4,715 passengers. During the summer months the average number of passengers on the round trip was fifty-five saloon passengers and thirty-seven steerage, altogether ninety-two. That is forty-six each way. This, of course, includes the traffic in the holiday season, which adds largely to the average. In the winter season the local bookings to and fro were thirty-five and twenty-seven respectively—altogether sixty-two, or thirty-one each way. The average per trip throughout the year of local bookings was forty-six saloon and thirty-two steerage, equal to thirty-nine each way. Including through tickets, and second-half returns, the average per trip for the year was 133, or $66\frac{1}{2}$ each way. The average earnings of the ferry-steamers throughout the year have been £160 a trip.