

THURSDAY, 20TH SEPTEMBER, 1900.

Mr. NORMAN HOWARD MAXWELL DALSTON in attendance, and examined on oath.

1. *Dr. Findlay.*] You are general manager of a company known as the New Zealand Midland Railway Company?—I am.

2. How long have you been general manager of that company?—Since January, 1896.

3. And before that time what office did you hold in the company's service?—I was sent out by the directors in 1889 as accountant.

4. And continued in that capacity until 1896?—Yes.

5. You have been continuously in the service of the company since 1889?—I have.

6. Can you tell me the length of line constructed by the company at the date of the seizure by the Government in 1895?—82 miles 43 chains.

7. Can you give the mileage at each end and in the middle?—The mileage from Jackson's to Reefton is 71 miles 34 chains; the mileage of the Springfield section is 5 miles 54½ chains; and the mileage on the Belgrove section is 5 miles 34½ chains.

8. In addition to the mileage constructed, was there any survey made of the remaining portion of the line?—Yes; there has been a complete detailed survey made of the unconstructed line from Jackson's to Springfield. That survey cost the company some thousands of pounds. The plans are all complete, and in the hands of the Receiver.

9. I understand those plans are of no use to the company now that the line has been seized?—None whatever to the company, but they are of considerable value to any one completing the line.

10. They would be of some use to the Government as being the original plans?—Certainly they would.

11. Can you tell me the actual cost of doing this work, including the surveys?—The actual cost of constructing this 82 miles 43 chains amounts to £751,232.

12. It has been said that the company paid a sum of £12,500 to get rid of certain contractors: is that included in the £751,000?—I exclude that.

13. Does the amount include anything for interest on the money in the concern during the construction?—No, it does not. It simply means payments to the contractors, compensation paid for land taken for railway purposes, engineering fees, &c.

14. What was the rolling-stock seized by the Crown?—The rolling-stock seized by the Crown was: Six locomotives, seven passenger-cars, three brake-vans, fifteen high-side wagons, forty-five low-side wagons, six goods-vans, twenty-four bolster timber-wagons, three cattle-wagons, three sheep-trucks, two horse-boxes, six bogie timber-trucks, thirty-six tarpaulins, one portable station-yard jib-crane, one air-compressing engine with air-lock, one 6-horse power vertical boiler, one 7½ in. screw-cutting gap-lathe, and one weighbridge.

15. What was the total paid by the company for these chattels?—About £30,000.

16. In addition to that there were numerous buildings along the line, including stationmasters' houses, and so on?—Yes; on the section from Jackson's to Reefton, which the Crown asserts is the easiest piece of the whole undertaking, there are two tunnels, some fifty bridges, one of which is 968 ft. long, one 748 ft. long, one 706 ft. long, one 673 ft., two of 396 ft., one 264 ft., one 206 ft. one 176 ft., and the rest of lesser lengths. These do not include the very heavy bridge-work erected by the company at the Springfield end, nor does it include the tunnel at the Belgrove end, about a mile long, constructed by the company.

17. Is it correct to say the company deliberately selected the easiest part of the line to construct, and that which would pay best?—Well, we could not deliberately select any easy part of the line. Naturally the engineers would have to start from a base of operations. The base of operations would be at Springfield, at Belgrove (where we were bound by the contract to expend £120,000), and at Greymouth, where the junction of these two lines takes place.

18. You proceeded to construct this work in the way any proper engineer would proceed if he intended to complete the whole line?—Quite so.

19. Now I pass to the question of traffic on this line up to the time it left your hands. Have you prepared any statement with regard to that?—Yes; I have here a statement showing the number of passengers, &c., carried on the company's railway from August, 1889—the day of opening—until May, 1895, when the Crown seized the line. In practically every instance the returns show an annual increase. The passengers increased from 22,000 to 34,000. The figures for 1895 should be increased by one-twelfth, because the line was in our possession only eleven months in that year. The parcels increased from 1,287 to 4,757; horses and dogs, from 272 to 446; cattle, sheep, &c., from 397 to 3,443; bales of wool, from 44 to 273; timber, superficial feet, from 539,800 to 5,413,400; grain, from 415 tons to 1,728 tons; minerals, from 1,351 tons to 31,593 tons.

20. Now, dealing generally with the constructed portion of the line, we have been told it is a useless piece of the line. Will you give me some figures which, in your opinion, show the value to the West Coast of the portion constructed?—It has certainly benefited the whole of the West Coast. It has made the whole of the West Coast easier of access with the East Coast.

21. In what way?—By constructing forty miles of railway towards Greymouth, prior to which the passenger traffic was conducted by coach.

22. Has it in point of time shortened the distance between Christchurch and Greymouth?—The difference is this: that now the train arrives at Greymouth to time, whereas in the old days the coaches might come in at any time. Sometimes they used to be stuck up altogether if the rivers were flooded.

23. As a matter of fact, the train comes in at 3 p.m., and the coaches might come in at any time?—Quite so; and possibly the coach might not come in at all. On the same basis the merchants on the West Coast have received benefits from the great improvement in the postal service. In the old days when the coach ran they got their mails very irregularly. Time is