

100. Have you seen copies of them?—I have not.

101. You were told they were bound up?—Yes.

102. And that was the reason they could not be picked out for your inspection?—Yes.

103. Do you mean to say you were refused permission to see the copies?—I have not said so.

104. Were you refused inspection of copies or duplicates?—I never asked for duplicates. I was acting as auditor, and would not be satisfied with duplicates. I asked for the original vouchers, and was told they were bound up with the general vouchers of the colony, and it would not be right to show them to me, but if I wished to see any particular vouchers I could see them in the book, and that I reported to my directors.

105. Were you not told you could have a copy of any voucher you wished to see?—I do not know; if I was, I do not remember. I am sorry there has been a misunderstanding about the matter. I only wish to state what is in my mind. I thought it was not a proper thing to withhold these vouchers, seeing that at the time the Government were simply trustees. Originally the accounts were sent in in a somewhat bald manner, and Mr. Blow, when I asked for these vouchers, said he would give more detailed accounts.

*Mr. Bell*: I am sure the Committee will allow me to call Mr. Blow. This is quite new matter, and must be explained.

*The Chairman*: Certainly.

106. *Mr. Bell* (to witness).] I was upon the question of floods. You say you do not know that floods have necessitated the restoring of the line?—I have not been on the Coast since 1896, and cannot say.

107. But you read the papers?—Yes.

108. I mean the newspapers?—Quite so.

109. You point to the fact, or inferentially draw the conclusion, that the Government delayed the construction of the line since they took it over, when you say the Government constructed this twenty-six miles of railway while it was in their hands. What do you say about this? Supposing the Government had pressed on the expenditure, as they might have done, do you not see that you and Dr. Findlay would have been here complaining that the position had been made impossible?—The debenture-holders might say it. I am not going to admit that. I leave it to Dr. Findlay to deal with.

110. Is it not a fact that you have been unable or unwilling to raise money sufficient to pay the six months' demands?—The later demands have not been paid.

111. Do you say it would not have been more impossible if the calls were for hundreds of thousands of pounds?—I am not prepared to admit that.

112. I understand the complaint was made that the Government had proceeded with only twenty-six miles of railway, on which they had expended only £200,000?—

*Dr. Findlay*: No complaint whatever. It is only an illustration of the rate of progress under the company and under the Government.

113. *Mr. Bell* (to witness).]—Then you have no complaint against the Government?—I shall leave that to the debenture-holders.

114. Then, the company has no answer to the question as to whether the company has any complaint against the Government in regard to the manner in which the Government has gone on with the construction of the line at an expenditure of not more than £50,000 a year?—It is hardly fair to say it is a question of complaint. I think the position is this: The Government has seized the railway from us because we were not going on fast enough. They say to us, "In ten years you have only constructed a third of the railway"; they seize the line from us, and because of our delay, say they will go on with it themselves. We spent about £90,000 a year on construction.

115. *Dr. Findlay*.] With regard to the piece of railway constructed by the company, could the company have constructed any piece out of the whole line which would be of more service to the colony than this piece?—What do you mean?

116. Take the total line, and it is said you chose a cheap piece of the total line to construct. I ask you whether you could have constructed another eighty-one miles out of the whole line which would have been of more service to the colony than this piece?—No; certainly not.

117. Then, as a matter of fact, so far as the West Coast of the colony is concerned, the company constructed the piece of line which is most valuable to the Coast?—Yes.

118. *Right Hon. R. J. Seddon*.] Of the total amount of money expended on the construction of the line on the Coast, how much was spent between Reefton and Brunnerton?—I shall have to ask for time to answer that question. I should have to calculate the cost of bridge-work, rails, &c.

119. Would that section cost a quarter of a million?—I could not say.

120. How many miles is it between Brunnerton and Reefton?—About forty miles.

121. What is the average cost per mile?—About £9,000 per mile.

122. And it is forty miles from Brunnerton to Reefton. Then, half the money spent has been spent between Reefton and Stillwater?—Yes.

123. Was not that a most profitable piece for the company to construct, seeing there is a large population in that part of the district?—Yes; at Reefton and at Greymouth.

124. Comparing the advantage to the colony, it was also a source of profit to the company?—Yes; but I do not admit it was the most profitable part of the line to construct.

125. Where was there any other more profitable?—We always anticipated more profit when the line was through from Springfield to Greymouth.

126. But when it was made to Reefton the railway connected a population of about two thousand?—Yes; and when we connected with Springfield we should have had a much greater population.