

148. Do you think it is fair to charge the whole of the cost of these rails to this section of the line?—Yes, undoubtedly. It is part of the cost of constructing and equipping the railway, and the railway could not have been completed without it.

149. Are not those rails used for supplying ballast for the rest of the railway between here and Wakefield, say?—I am not positive myself where these particular rails were laid. Mr. Roberts can answer the question; he was in charge of the works.

150. Then, the next item, "River-bank protection at Wai-iti, near road to ballast-pit, £50": do you consider that a reasonable expenditure to put on the Belgrove-Norris's Gully Section?—Yes.

151. Is this ballast-pit of any use to the Railway Department for the railway not connected with the Belgrove-Norris's Gully Section?—Personally, I am not aware.

152. Then, as to the item "Freight, &c., on wagons used for ballasting, £80": where was this freight from?—I think it was from Wellington.

153. Then, the item "Shifting station-buildings at Belgrove, £419 7s. 6d.": that was the old station-building, of course?—Yes, including the engine-shed, coal-shed, goods-shed, and Stationmaster's house.

154. Can you give us any idea of the value of that station-building—I see there are several buildings?—I suppose, roughly, between £2,000 and £3,000.

155. Then, as to the item "Clearing water-tables, 21/30 to 25/50, £24": do you know anything about that?—No.

156. Is it 21 miles 30 chains where the Midland Railway commences?—21 miles 30 chains is this side of where the Norris's Gully Section commences.

157. How much?—6 chains.

158. Is the clearing of that 6 chains included in this £24?—I know nothing about that, but I should presume it is, from this statement.

159. Do you think it ought to be included?—If it ought not to be included it would not be here. I would point out that this £24 extends over more than four miles, so that the question of 6 chains would be only a matter of a few shillings under any circumstances.

160. Perhaps the debenture-holders think it should not be charged against them?—It would be a very small amount in any case.

161. Then, as to the item "Retarring flume at tunnel, £52 2s. 11d.": can you tell us the date of that?—No.

162. Then, we have got to take it at what the office has put down?—No doubt the details of the cost could be given by Mr. Roberts. It is probably so-many men, so-many hours, and so-many gallons of tar.

163. Then, as to the item "Protective works in connection with fluming at tunnel, £91": do you know where this work is?—No, I do not.

164. You cannot give us any evidence as to whether this is a reasonable charge for the work?—I certainly could not do so.

165. Then, as to the item "Constructing relief sidings at ends of tunnel, £268 14s. 3d.": do you know anything about that?—I know they were constructed.

166. Then, as to the item "Supply of rails and fastenings, £4,198 9s.": can you tell us what these rails cost per ton, and the cost of the fastenings?—No, not here. I can give you the information in Wellington.

167. You can supply this information?—Yes, that can be supplied.

168. And that applies to the next item also, I presume—namely, "Supply of sleepers, £1,231 7s."?—Yes.

169. Then, as to the item "Freight on rails, &c., and sleepers, £632 7s. 8d.": does that mean freight from here to Belgrove, or to Motupiko, or where?—As regards the sleepers, it would mean principally from Nelson to Belgrove and Greymouth to Nelson. Of course, the rails would have to come from Wellington. It would include the freight on those.

170. You did not credit the earnings of the line with any portion of that?—The line did not earn any of it.

171. You do not charge for carrying during the cost of construction?—No, not on lines that are in course of construction. I submit that nothing would be gained by such a process.

172. Do you know whether the company are in the habit of crediting their accounts with freight for carrying rails on sections under construction?—Personally, I am not aware of the fact.

173. Then, as to the item "Maintenance of section, £316 19s. 10d.": what does that mean?—I do not know. I can only conjecture.

174. *Mr. Graham.*] You do not know anything about the details of this work at all?—No, very little. Mr. Roberts was engineer in charge of the construction of this railway.

175. *The Chairman.*] You say you spent this amount of money on the line?—I do not say so.

176. You were Under-Secretary for Public Works at the time?—Yes, and I produced the Book-keeper who prepared the return to give evidence as to its correctness.

177. Have you any one in the Public Works Department who can certify to the accuracy of the details of this return—for instance, any one who can tell the Commission the number of tons of rails and fastenings and the value and number of sleepers? We want to know whether you paid too much for those rails?—I can prove that tenders were invited for the rails, and that the lowest tender was accepted.

178. Did this money go through an imprest account?—All the amounts in the schedule?

179. Yes?—A very large proportion of it went through imprest accounts. For instance, the cost of the rails went through the Agent-General's Imprest Account.

180. There is the item "Salaries to officers, £726 2s. 2d.": who has the imprest for that?—Salaries are for the most part paid from the Head Office direct. No officer is allowed to pay his own salary out of imprest.