

1212. Can you tell me the condition of the sleepers on the line, say, from Jackson's to Brunnerton and from Stillwater to Reefton in July, 1900?—A very large proportion of them are in bad order and require early renewal.

1213. What percentage would you say?—I consider we shall have to renew the whole of the birch sleepers within five years.

1214. Can you tell me the number of sleepers to the mile on that line?—Roughly speaking, two thousand.

1215. Can you tell me the length of the line, adding the length of all sidings?—Not from memory.

1216. What condition was the ballast in in July last?—A large quantity of ballast was required.

1217. And the rails?—Beyond the ordinary depreciation by time, the rails were in good order. Nothing beyond the ordinary fair wear-and-tear of traffic and depreciation by age had taken place.

1218. Coming to the question of maintenance, and putting the Midland Railway question out of your mind altogether, and taking the question of repairs or additions to open lines, if you replace a bridge which was originally built of birch with an ironbark bridge, would the difference of cost between birch timber and ironbark timber, or such portion of it over the cost of birch, be charged as an addition to open lines?—We do not consider it so. There are instances where we charge part of improvements to additions to open lines, but in a case where we replace birch with ironbark it would all go to working-expenses.

1219. Suppose you replace birch sleepers with silver-pine sleepers, which would cost you something more, would you charge the difference in such a case as additions to open lines?—We do not.

1220. Suppose you replace 40 lb. rails with 56 lb. rails, do you charge the difference in the cost as an addition to open lines?—In that case we do—a proportion of the difference in the cost. If we consider any structures too weak for the heavier classes of engine, and the structures would be quite good enough for the ordinary classes, we then charge the additional cost of strengthening the structures to additions to open lines.

1221. In laying sleepers on the Midland Company's line, I understand you replace the original nine sleepers with eleven sleepers: do you consider the additional two sleepers as additions to open lines?—Yes, we do in that case.

1222. *Mr. Bell.*] I have here a return of the additions to rolling-stock since the seizure by the Government of the Midland Railway Company [Exhibit No. 14]: is that a correct return?—Yes.

1223. *The Chairman.*] As to the probable increase of traffic, you said, I think, in reply to Dr. Findlay, that there would be an increase in the timber traffic on the Lake Brunner line?—Every probability of it.

1224. What percentage of increase do you imagine it will be on the present traffic, say, within the next ten years?—I only base my calculations on the fact that men who build sawmills satisfy themselves that there is suitable country behind them.

1225. Do you anticipate any material increase of the traffic on the Midland Railway section from Stillwater to Reefton within the next ten years, always understanding that there is no further extension of the line and no branch extensions?—Nothing beyond the ordinary increase which has shown itself to exist up to the present.

1226. You do not think there will be any abnormal increase, but just the ordinary increase due to the ordinary increase of population?—With the restrictions you have placed upon it, I do not see how it can very well. The country cannot carry a very much greater population, and the only coal-mine working is limited to 500 tons a day; and with the exception of the dredging industry, which is an unknown quantity, I do not see anything else.

1227. *Mr. Hudson.*] Can you tell us what the practice has been since the date of the seizure to the date of vesting with regard to the carriage of materials for repairs and renewals on the Midland Railway?—They have all gone free of cost absolutely on their own line. Where the Midland Railway goods have gone over the Government line before the Midland line was vested they paid Government rates.

1228. Were you in Nelson when the section beyond Belgrove was handed over to the Railway Department to work?—It was not altogether handed over. We ran a train over it occasionally, but the Public Works Department still kept on working over it. I did not manage it.

1229. Then, it was not handed over?—No; but we had limited running-powers over it.

1230. Then, it is a fact that you were never in charge of the railway beyond Belgrove?—No.

WALTER IRVING examined on oath.

1231. *The Chairman.*] What is your occupation, Mr. Irving?—I am a sharebroker and commission agent, residing in Reefton.

1232. *Dr. Findlay.*] How long have you been in the Reefton district?—Since 1866, with the exception of about two years.

1233. During that time have you been gold-mining?—Yes, both alluvial and quartz.

1234. Have you been a mine-manager?—Yes.

1235. Have you been an auctioneer?—Yes.

1236. And I think at the same time you carried on the business of a coal merchant for two years?—Yes.

1237. You were Chairman of the County Council for, I think, seven years?—Yes.

1238. And you are a Justice of the Peace?—Yes.

1239. We want your help as to the future prospects of the Midland Railway-line running to Reefton: I understand you have made application for certain coal licenses?—No, I had a coal lease.