

been nothing more than a reasonable amount of traffic from Waimate. Submits that the conditions show that there is not a large amount of traffic on these roads. We shall show that the outside traffic from Waimate does not exceed 1,300 tons. St. Andrew's Station takes the whole or great part of traffic from Lower Pareora Riding. The traffic by Otupua Road all comes from Upper Pareora Riding and from land in Levels, all produce from which is carted.

Another reason why Waimate should not contribute is that it is not equitable, because in 1882 the Timaru Harbour Rating District was constituted, and that includes Mackenzie, Waimate, Geraldine, and Levels Counties, and the Borough of Timaru; and Levels County did not object, as it was for the mutual benefit of these counties, and it must be taken that these bodies then agreed that each should maintain its own roads, as each pays the same rates. The value of land near Timaru has been increased on account of the increase in prosperity of Timaru, and this has been caused by the Harbour of Timaru. They must have contemplated that traffic would come over these roads. It is not therefore equitable that a practical toll should be set up against Waimate.

Nothing would have been heard of this claim had Levels remained part of Geraldine, as there would have been a large county. Produce is now shipped from Timaru instead of going to Lyttelton. Harbour Board report does not indicate a large increase of trade, as it formerly went to Lyttelton. Levels ratepayers have found that their expenses are increasing, and they want Waimate and other counties to pay. It was never contemplated that these counties should pay.

The Bill has apparently been dropped. It was promoted by Levels County with the intent to obtain a part of Waimate. If it had passed they would have got these two ridings, and spent their rates on their roads, and no part of their rates would have been spent on these two roads. If this is so, why should they seek to incorporate these two ridings? When they found this impossible then they asked for a Commission. If the apportionment is made the whole of Waimate County must bear the cost, and not the two ridings in question. The Counties Act provides how the expenditure in ridings is to be applied. If it can be done, then it would take the whole rates from these two ridings. The Act was never intended to apply to such a case as this. It applies only to a case where the district in which the traffic comes gets no advantage.

Submits that Cannington Road is not within the scope of the Commission.

The Main South Road is not largely used within the scope of section 8 of Act of 1900. The traffic on that road is principally light traffic, and it is of no importance as compared with the traffic of Levels farmers on this road. As a set-off there is considerable traffic by Levels farmers to St. Andrew's on show days. The sheep traffic is to the freezing-works in Levels County and for Levels County. The works belong to Christchurch Meat Company. The dealers are Levels ratepayers. There is no large user of the Main South Road within the meaning of the section.

Re Otupua Road: This is the only road on which there is any substantial traffic. There is a certain amount of heavy traffic. The figures given by Mr. Raymond are excessive. He takes 30 bushels grain, as per Year-book, and assumes it is all carted. He makes no allowance for grain retained for seed, or pig or cattle feed. He assumes that the wool of every sheep is shorn, but thousands of sheep are sold in their wool. We can prove the actual quantity carted. The total amount is 1,300 tons at the outside, including wool and grain, instead of 4,610 tons, as suggested by the other side. There is a difficulty in showing what the Levels traffic is, but we can show that the mills and stores in Timaru get 2,642 tons and perhaps more. They say the proportion against us is as 7 to 1. We say the proportion is as 1 to Waimate so is 2 or 3 to Levels.

Then Mr. Raymond says that the quantity carted should be reduced by three-fifths. This is contrary to the rating system. If that were done we should have to get the Rating Act amended so that the farmer twenty miles away should pay twenty times as much as the farmer one mile away. The question is whether the road is used at all, and the tonnage over it. If the produce is compared, then it will be found that the greater part is railed, and the amount carted in Levels is considerably greater.

EVIDENCE FOR WAIMATE COUNTY COUNCIL.

George Beech Cochrane sworn.—Is Clerk to Waimate County Council. Produces rate-book and valuation roll. Verified certain correspondence (see Exhibits 18 to 21). The total capital value of the county in March, 1902, was £2,685,876; the unimproved value was £2,281,145—viz., Upper Pareora, £258,857; Lower Pareora, £208,598; Otaio, £315,107; Makakihi, £235,451; Deep Creek, £287,381; Waiao, £777,266; Hakataramea, £198,485: total, £2,281,145. The net credit revenue was £10,431—Government grant, £408. It includes Government subsidy of 5s. in the pound on the rates. The total expenditure for the year was £10,987. The total revenue of the Upper Pareora Riding was £1,261 18s. 5d., and £739 of that was available for roads and £522 for other expenses. The total expenditure of Lower Riding was £929 3s. 2d., and £490 3s. 2d. was available for roads and £431 for other expenses. Estimate of rates, Upper Pareora Riding £1,294 15s. 6d. Was made up—Rates, £943 16s. 5d.; subsidy, £235 19s. 1d.; other revenue, £115: total, £1,294 15s. 6d. Estimates, Lower Pareora Riding: Rates, £760 16s. 6d.; subsidy, £190 3s.; other revenue, £94: total, £1,044 19s. 6d. Letter of the 24th February, from Chief Engineer of Roads, was the first intimation that Commission would be applied to this claim. No plans and other particulars were furnished either before or afterwards, and no notice was given that a Commissioner would be appointed.

Cross-examined by Mr. Raymond.—Had never seen a copy of Levels Overseer's report. This is all the correspondence I have received. Particulars of the claim are in letter of the 15th June, 1901. Council had a special meeting, and a reply was sent to Levels claim (see letter of the 25th July). The Waimate County Council has not passed any resolution suggesting any sum they are prepared to pay. It has never admitted any liability. The two letters from the District