

68. Mr. Holmes does?—Probably he does.

69. The question of amount is one that would have to be determined before the license is issued?—The Government is not concerned in the cost. It would insist on the line being up to a certain standard, and would leave the cost to the company.

70. It would insist on that before the license was issued?—Certainly.

71. So your Department would safeguard the public interest?—That is what the Department exists for in that respect. The Public Works Department in New Zealand discharges similar duties to the British Board of Trade, and it is our duty to see to the safety of passengers.

72. We are asking for permission to extend our railway to Taupo, knowing, of course, that we shall have to satisfy the Department's requirements in regard to the line before we could carry passengers: you know that?—Yes, I understand that to be the case.

73. And you think, in the circumstances, it is desirable that the line should be extended?—Yes, I think it is. It would be a great help to the district to have a railway there, and to the district lying to the south of Taupo.

74. Would you advise the construction of another light line from Taupo to Rotorua?—No, not a light line. If the Government railway were extended from Rotorua to Taupo I should advocate it being up to the ordinary standard.

75. Looking at the circumstances as you know them, do you think a standard passenger line is justified at the present time?—You have asked me that question already, and I said I thought not.

76. I intended to ask you whether you thought that district would support a passenger line at the present time?—I am afraid not.

77. *Mr. Raw.*] You are conversant, I understand, with the line of the Taupo Totara Timber Company?—I have been over it once.

78. You are also conversant generally with the proposed Rotorua to Taupo line by the coach-line?—I have been over the route only once.

79. In your opinion, where do you think the Government could best invest its money, on the line already opened or in a continuance of its line from Rotorua to Taupo?—If the Government has to do either one or the other, I should prefer the Rotorua-Taupo line. But I understand the company is offering to do this work itself.

80. The company has already opened up this country for a distance of fifty miles?—Yes.

81. From your knowledge of the district, and setting aside the various interests, do you think if the whole of that country were opened up to Tauranga it would make Tauranga the natural port, and would effect a considerable saving in the carriage of produce as compared with Auckland or the Thames?—You mean for a railway to be constructed to Tauranga—would it be preferable?

82. Yes?—Undoubtedly.

83. And the sea-coast is within twenty-two miles of Rotorua, while the line from Taupo to deep water shows a difference of a hundred miles?—If a railway is ever constructed from Taupo to Tauranga, Tauranga will be the seaport for that district. It will enable them to get cheaper land carriage.

84. Do you think it is advisable to have the line from Auckland rather than a line to Tauranga, looking at the interests of the whole community?—From a railway-working point of view it would no doubt suit the Railway Department to have the longer haul, but the matter cannot be looked at in that light. You must allow the people of the country to utilize all the facilities that exist, and if there is a shorter line to a port at Tauranga it must be considered.

85. Is it not as good a port as Auckland?—Tauranga is in some respects nearly as good a port as Auckland. We have had boats entering there of 4,000 or 5,000 tons.

86. Do you suggest that with the conditions existing at Tauranga at the present day, or which will exist in the near future, the traffic from this district could go through there instead of to Auckland?—Certainly it could.

87. *Mr. Laurenson.*] You said the line was railed with 30 lb. steel rails?—Yes, that is so.

88. What is the weight on the New Zealand railways?—On the lighter lines 55 lb., and on the main lines 70 lb.

89. The company's line is the same gauge as the Government's?—Yes.

90. *Mr. Wilson.*] Do you think it would be better for the Government to take over that railway or to enter into the construction of a line from Rotorua to Taupo?—The Engineer-in-Chief will tell you that in his opinion it would cost more to complete the Taupo Totara Timber Company's line and extend it to Taupo than to construct a standard line from Rotorua to Taupo.

91. Are you expressing an opinion on it?—I share Mr. Holmes's opinion. If the line is to be constructed on the Government standard I think Mr. Holmes's estimate is a fair one.

92. You can make an estimate of a line that has been surveyed as against one that has not been surveyed: the Rotorua-Taupo line has never been actually surveyed?—Never actually surveyed, but the engineers have gone over it, and can tell pretty closely what it will cost.

93. *The Chairman.*] It all comes to this: that in your opinion the company's line will serve that district through which it runs, and also the country south of Taupo, providing it is made fit for passenger traffic by special vehicles?—Yes; and if the company is disposed to extend its line to Taupo I think it is wise to encourage it—it would be of great use to the Taupo district—provided no financial responsibility is cast on the Government.

94. *Mr. Dalziel.*] It is proposed that the land in the district should bear the burden—that is, if the Government ultimately decides to take it over the purchase-money is to be paid out of the proceeds of land-sales?—That is clearly putting financial responsibility on the Government. You propose to tie these lands up: that is the nature of the financial responsibility I am referring to.