

15. *Mr. Buick.*] Do you think the company's line is sufficient for immediate requirements?—I have no knowledge of the district. The function of the Railway Department is not to prospect country for railways; we simply have to work railways as we receive them, whether they are good, bad, or indifferent; whether required or not required. In my opinion many should never have been built, because they have no possible chance of paying. Again, they might be wanted to develop the country, but the necessary good country is frequently not there.

16. *Hon. Mr. Fraser.*] The question of the guarantee by the company, I presume, would work out in this way: that you would show how much you had received, supposing you were working that line, and the difference between that amount and the £11,600 would have to be made up by the vendors?—Yes, you would render an account. The ordinary methods of dealing with it would be by keeping an account of the revenue received, and at the end of each year render an account to the company representing the difference between what you had received and the £11,600. It might be done in that way, in which case the company could arrange to give the individual settlers the benefit of the Government rates.

*Mr. Dalziel.* What we guarantee is this: that we would provide £11,600 for the timber freight alone. That is reckoned out in this way: last year our output was 7,000,000-odd feet. We can guarantee 10,000,000. The £11,600 is the present freight on Government lines of our timber. That is in addition to whatever may be obtained from other goods.

*Hon. Mr. Fraser.* Is your £11,600 guarantee based upon freight that would be paid for on the short line, or the amount the Government would receive if it worked the railway as a long line?

*Mr. Dalziel.* We guarantee the freight on the basis of the short line.

17. *Hon. Mr. Fraser* (to witness).] I take it that the difference you have shown as to what you have received and what the company was receiving was because the company was crediting themselves with the amount for the short line, whereas you would only get the proportion on the long-line carriage—that is, from Mokai to Auckland?—Say the present rate charged is 1s. for that mileage: the through rate would probably come to about 4d., as against 1s. added to the rate from Putaruru to Auckland. This is only figurative.

*Hon. Mr. Fraser* (to *Mr. Dalziel*): This £11,600 is not really a guarantee of the 10,000,000 ft. of timber, because you would not be allowed to deduct what you actually received from the £11,600.

*Mr. Dalziel.* We would guarantee an output of 10,000,000 ft., and undertake to pay at that rate.

18. *Hon. Mr. Fraser* (to witness).] Supposing you were running the line for freight and timber from Mokai to Auckland, the proportion of what you received and you would credit to the company would be the ratio between the mileage on their line as compared with the whole line?—Yes.

19. In regard to light lines and standard lines: can you tell me what is the ratio of the cost of the rails to the whole cost of the line? Give it first in regard to a standard line?—55 lb. rails would cost about £700 per mile—that is, for the rails only—and 30 lb. rails would cost about £400 per mile.

20. You would save about £300 per mile on a light line?—Yes. It is a saving I would not advocate. I am an advocate for a heavy rail, even if you call it a light line.

21. What would you say is the difference between a light railway and a standard railway?—It is largely controlled by what we call the axle-load.

22. What is the difference between a standard light line and a standard heavy line of railway: is it chiefly in the weight of the rails apart from the rolling-stock?—On the 70-lb.-rail track the ballasting is generally heavier, because it carries a heavier load; and the cuttings on a light line may be narrower and the bridges cheaper in construction. It depends upon the load you want to put on the bridges—it depends upon the axle-load. There is no difficulty in designing a locomotive to work on a 30 lb. track; there are plenty of locomotives nowadays that will do that.

23. *Mr. Buchanan.*] You save 40 per cent. on the rails: would that apply to other items of construction?—I would not go so far as to say that. In Australia they have so-called light railways across the prairies.

24. They have them in Queensland?—Yes, 3 ft. 6 in. gauge.

25. I have travelled along a line which cost only £1,200 a mile?—Yes; that is in the sugar plantations.

26. You said that the line from Stratford was originally laid as a light railway?—Yes, it was called so.

27. How long was it kept in use?—Seven or eight years. By that time the bridges had to be renewed.

28. That is on the Stratford-Ongarue line?—Yes.

29. There were no fast trains on that line?—No. There was a fairly heavy timber traffic on it for a time.

30. *Hon. Mr. Ngata.*] Assuming that it is proved that this pumice country is capable of being profitably cultivated, would not the other element enter in of public pressure being brought to bear to convert the light line into a standard line?—I quite agree with you there. They would not only agitate to have it converted into a standard railway, but advocate express trains going to Taupo. My experience is that it only requires a certain amount of squeezing or agitation for people to get what they want.

31. The whole question depends upon whether there is the country there to warrant it?—Yes. If there were likely to be dairy factories established there the prospects would be very much better.