

25. So this 5s. 6d. a ton has met with the approval of the Railway Department?—Yes.

26. This is dated the 18th October, 1911. Can you tell us when this power was delegated by the local authority?—We know nothing of the delegation. We did not hear of it until this other line was promoted.

27. Those are the only two cases of delegation that you know of—Auckland and Wairio?—All that I can call to mind at the moment. Most of the tramways constructed under the Tramways Act are in cities and are controlled by the civic authorities.

28. You do not know of any other case where a Borough Council or County Council or other local body has got these tramway rights and then delegated them to a private syndicate?—Yes. The Taupo Totara Timber Company is another case in point. We cannot grant the rights to the company—we grant them to the local authority.

29. Does the local authority get anything out of it: does it sell them?—No; as a rule the local authority is merely made use of. The company or syndicate is the real promoter, and it merely utilizes the local authority because the law requires it.

*Mr. Rodger:* That is so in this case exactly. They entered into an agreement with the County Council before ever the county approached the Governor for the Order. I have a copy of the agreement under which the county undertook to delegate their power.

30. *Hon. Mr. Fisher* (to witness).] This is a policy question, and you may not care to answer it: do you think it is desirable for the Public Works Department to give away these rights without retaining any power of resumption at all?—That is entirely, as you say, a matter of policy. If you want such right reserved it would be necessary to amend the Tramways Act, giving us power to insert such a clause in the Order in Council.

31. On that point you do not say anything?—I think that in the case of tramways in cities there would be considerable opposition to it. I do not think the City Council in Wellington, for example, would be at all in favour of the Government having power to resume their tramways.

32. I was rather thinking of the Government taking power to prevent a local body which gets these rights from parting with them for ever?—It is not for ever.

33. How long is it?—The time is mentioned in the Order, I think.

34. Do you know whether, under the Act, the local body in handing over these powers divests itself of any control at all as to rates of freight, and so on?—It is certainly not usual. The Auckland City Council reserved considerable control over the tramways there in the delegation to the Tramway Company.

35. Have you any idea how that 5s. 6d. for four miles compares with any other tramway charge with respect to coal-mines?—Nearly all the Orders in Council issued under the Tramways Act have been issued for city tramways. They provide for the carriage of goods, but the rates are usually high.

36. You have not many cases of coal tram-lines?—This is the only one that I know of. They could have constructed this railway under the District Railways Act or under the Railways Construction and Land Act.

37. In which case the Government would have had power of resumption?—Yes; but for their own reasons they chose to come under the Tramways Act.

38. *Mr. Payne.*] Do you not think it would be a very much sounder thing for the State if these small lines were constructed on the plan that these gentlemen are proposing now—that is to say, not put them into the hands of private people at all?—My own opinion is that it would be quite desirable if all the railways in New Zealand belong to the State.

39. *Hon. Mr. Fisher.*] I think that what Mr. Payne asked was whether it was not desirable to construct railways on these lines—let them construct, and the Government take over: would not that have the result of speeding up railway-construction in the country? Supposing the right were given by the Government to communities to find half the money and to take control of the work subject to the Public Works Department's approval, and then hand it over, would not that speed up railway-construction?—We have done that practically under the Railways Construction and Land Act. An amendment of that Act was passed last session. The Act originally applied to railways costing not more than £5,000 a mile, but we have now enlarged the provisions of the Act so that railways costing up to £10,000 a mile can be constructed under it. They get powers of rating and sundry advantages under the Railways Construction and Land Act.

40. Does that facilitate the building of railways?—Yes. There may be a proposal made to the Government to construct the Opunake Railway, or an extension of it, under that Act. Previously the power was limited to companies, but now the local authority of the district has power to promote and construct a railway.

41. *Mr. Payne.*] When that power is given does the Department see that the line is constructed in such a manner as to be of value to the State?—We do not exercise any supervision over colliery branch lines unless they are used for passenger traffic, but in that case the line has to be passed by the Department's Engineer.

42. If a line were constructed for colliery purposes and was ultimately used for passenger traffic it would have to be passed?—Yes, that is so. That is the position of the Taupo Totara Timber Company's branch line.

43. You say that before it can be used it must be brought up to the Government's requirements?—Yes, before it is used for passenger traffic.

44. Would it not be better to take the whole thing in hand if the settlers are willing to find the money?—The difficulty would be to know where to draw the line. This is a colliery branch line six miles long, but there are plenty of colliery branch lines in New Zealand not more than half a mile or a mile long. Would you have us construct them also?