

yet they are the people who have pioneered the district and opened up the coal. Now that the coal is available for the market another proposition comes along. I want to know why in all these years what is now proposed could not have been done. Mr. Rodger, Mr. McGregor—all these people knew of this coal being there. Why could not this same proposition have been advanced three or four years ago? I will tell you why. Because, as these gentlemen say, they consider that as the Government would reap a great benefit they should take half the risk. Who has taken all the risk? Who has opened up the whole concern? Not these gentlemen here. Those who are asking you to put in a Government railway have very little actual capital sunk in the place. They have just taken up their leases in the last two or three years—since the railway was initiated—and have practically sat on them: they have done possibly a certain amount of development-work in the meantime, waiting for the Government line. So much so that Smith, the original holder of the land which now belongs to the Mount Linton Company—Mr. McGregor's company—Smith at a meeting said that the original idea was to link up with Mores' line, and that if they were going to have any of this business with the Government and were not going to do what they originally proposed he was going to get out of it, and out of it he got.

11. *The Chairman.*] Is not this an extension of an existing Government line? They are not asking the Government to build a new line, are they?—They are asking for an extension of a Government line; but the Governor in Council has given these people the right to build a line, and if it had been a line to serve these pits alone it would have been a line which would have carried their own trucks, possibly—the original idea was to carry their own trucks—and been made at a cost of about £6,000 or £7,000 for the line. That would have gone to these pits alone; but to serve the whole district, and because of products which Mr. Rodger and Mr. McGregor represented would likely come out of there, the line was made a Government line, fit to carry Government trucks.

12. *Mr. Webb.*] Is this McKenzie connected in any way with the Nightcaps Coal Company?—Not that I know of.

13. *Hon. Mr. Fisher.*] Is he a member of the Southland Coal Company?—No. He is a miner, and has been taking coal out of there for the last ten years. He paid 5s. and 6s. a ton to have it carted over the roads. He was blocked altogether by the County Council taking action against him and having him fined £100 for damaging the roads. This nearly ruined him. At the finish of that he got this line in, and has been working his coal with that line.

14. Are not these other people in the same position now if they begin to cart?—No.

15. How can they get to your railway?—They can lay down a line to it.

16. *Mr. Robertson.*] That extension that is marked on the map as an extension of Mores' line was it originally intended that that should be the line, right up there?—Of course.

17. *Hon. Mr. Fisher.*] Then why was it not inserted in the Order in Council?—Because they had not the money at that time to go on with it.

18. But it would not have cost them anything to get the power?—No.

19. Your office prepared the Order in Council?—The Order in Council was prepared partly by my office, but principally by the Government office and by Mr. McAlister, solicitor for the Borough Council. Though my firm's name appears there the Borough Council solicitors were the solicitors who really had charge of the concern, because it was a county matter. The Order in Council was prepared by the Government people, and prepared, I think, on the lines of the Taupo private line's Order: I fancy you will find that the clauses are somewhat similar. It has been suggested—very unfairly suggested—that there is some reason why some particular clause should have been left out or put in. I want to give that an emphatic denial. It is not a fair suggestion to make, after three or four years: it is not fair now, with an entirely different set of circumstances, to view that Order in Council at the present time in the light of the present circumstances and suggest that there was some ulterior motive in putting in or leaving out any particular clause.

20. If you were arguing the case for the other side would you not regard it as an absence of intention to extend the line any further when you find that no provision is made in the Order in Council?—No, certainly not. There are many things I can explain to you, but the first is this: the terminus of this line does not go within half a mile of the Wairio pit and McKenzie's.

21. *Mr. Robertson.*] What do you mean by that: that instead of the railway being taken up to the Wairio and McKenzie's mines, it was purposely taken to a point away from there, so that it could be extended?—Of course. There is the extension straight on, as shown in the sketch-plan.

22. If it had been the intention of the promoters of the line merely to serve, say, McKenzie's mine and the Wairio Mine, could they have carried the terminus right to the mines?—Certainly.

23. How far have they to go now from the Wairio Mine to meet the railway?—About half a mile.

24. The Wairio coal has got to be carted that distance now?—Yes. They have put down a line to connect up, and so has McKenzie.

25. You mean a tram-line?—Yes.

26. A wooden line?—No, an iron one.

27. *Hon. Mr. Fisher.*] If it had been intended only to serve McKenzie's mine would this tramway of yours have followed a different route?—Oh, no. What I said was that it would go to a certain point. It has gone to a certain point. Had it been intended to serve these mines alone it would have gone to them.

28. Can you show it on the plan?—Yes. [Position explained on plan.]

29. Did you get your Order in Council on the understanding that you were to get it extended?

—No, I do not think so.

30. *Mr. Robertson.*] How long ago is it since the Order in Council was granted?—Three or four years.

*Mr. Rodger:* It is dated 18th October, 1911.