

19. Have you any knowledge as to the price of coal per ton in Invercargill?—We were selling it on the trucks at Wairio at 14s. 6d., and we were paying 5s. 9d. to haul it by traction-engine last summer. We were selling it at the tip-head to settlers at 8s. cash and 9s. booked.

20. Do you know the price of coal per ton at Invercargill from those mines?—What are the Southland Company charging per ton?—I do not know.

21. *Hon. Mr. Fisher.*] What have you done with your mine: are you working it?—Yes, when the weather permits. We closed down at the end of April. We were hauling it by traction, under a bond that we would not damage the roads.

22. Has the refusal of the More Syndicate impeded your coal-development?—Certainly. If they had been in a position to take our coal at the time we offered it—

23. You would have been able to put coal out in winter and summer?—Yes; and the winter-time is the very time we want to put it out.

24. Do you think that if you agreed to their terms, to let them have all the coal at the price that they offered, they would be able to carry the coal then?—I do not know whether they would or not. We have a considerable outlet if we can supply it.

25. Are you in a position to say that they will not carry your coal because you will not come to their terms, or because they have not the carrying-capacity on the line?—They would carry it, but they fixed a limit of 25 tons a day at 5s. 6d. I think they would be able to haul all our output.

26. *Mr. Robertson.*] Did they give any reason for limiting the quantity that they would take over the line to 25 tons a day? Was it owing to their lack of capacity to haul, or did they give any other reason?—I cannot say just now what was the reason for it. They ridiculed the idea of my offering 100 tons. He said, "Where are you going to sell it?" I said, "I can produce evidence that I can sell it if you can haul it." He cut it down to 25 tons a day.

27. After three months they were prepared to take up to 50 tons?—They thought they might be able to take 50.

28. What was your own opinion as to the reason: did you think that they had not got the line into sufficiently good running-order, that they could not guarantee to take more than that?—I do not know. I thought they wanted me to sign for twelve months at that rate. I mentioned the arbitration clause under the Order in Council. He told us that we had power under the Order in Council to dispute the rates; but on that condition he wanted me to sign for twelve months, so that we would be in a position to dispute the rates at that time. He reckoned it would take twelve months before we could prove that the railway was charging too much.

29. You do all your haulage now by traction-engine—that is, when you are working?—Yes, traction-engine and wagons.

30. How many miles would you have had to take it by road to reach the rail-head under their offer?—It is practically through a swamp and over a very steep hill. We could not cart it by horse to their terminus at the present time.

31. So their terms were impossible?—Impossible.

32. *Mr. Armstead.*] Would it cost very much to lay down some sort of road or line to the head of the line?—We have considered that. It was estimated that it might cost about £2,000 or £3,000. I had a surveyor looking out a route for a tramway, and it was estimated that it would cost that amount.

33. Do you know how many coal leases there are in that district?—I understand there are eight or nine.

34. You were suggesting 100 tons a day—that Mores should contract to take that. Is not this the position: that they refused to take any definite output of yours to start with until they had given a fair opportunity to all the other coalowners to put out a fair quantity of coal?—Yes; but if they were confining us to 25 tons a day they were not encouraging the coalfield.

35. Does not that show clearly that Mores' people were not a monopoly, but were a carrying company, and were endeavouring to the best of their ability to give every coalowner in the district a show?—I did not consider it in that way.

36. No; because you wanted your particular mine developed?—Yes.

*Hon. Mr. Fisher:* Is there anybody else restricted to 25 tons a day?

*Mr. Armstead:* I do not know. I did not know that these people were. I am accepting what Mr. Crawford says. This is the first time I have heard of it.

37. *Mr. Armstead* (to witness).] Would that be so—that Mr. More or the secretary was endeavouring as far as possible to preserve all the coalowners' rights?—I do not know. He was endeavouring to confine our output.

38. Do you know that Mores' people are obliged to take a considerable quantity per day from McKenzie?—Yes.

39. And a considerable quantity per day from the Wairio Company?—That may be.

*Hon. Mr. Fisher:* How much?

*Mr. Armstead:* I think at least 50 tons a day from each. I am not sure whether they are not bound to take McKenzie's output altogether. When they made the agreement with McKenzie he wanted a certain price, and it was agreed that Mores' people should give him a certain price for his coal, and should take the output estimated at 50 tons a day.

40. *Mr. Armstead* (to witness).] In the first instance, when the line was projected, practically the only pits putting out coal were McKenzie's and the Wairio: those were the principal ones, were they not?—I was not acquainted with the district.

41. If that was then the immediate source of supply for the Wairio coal, and the Mores were calculating on that, would it not be a fair thing for Mores to go fairly easy with eight or nine projected pits round them?—Yes; but are you aware that the secretary of the Wairio Railway Company