

(Limited) told me that the Mossbank coal is worth 2s. a ton more than the Wairio Coal Company's? For that reason Mores were inclined to confine us, to get the cheaper quality of coal sold. I understand that that had a lot to do with the 25-ton limit.

42. Anyhow, had you got in with 100 tons a day to Mores' line, what were the rest—the remaining eight—going to do? Where were they going to get their market?—I was not worrying about them.

43. You got a schedule of rates?—Our secretary did.

44. Do you know what that schedule was?—It ranged from 5s. 6d. down to 2s. I think the limit was 90,000 tons.

45. Did it not come down to 1s. 9d.?—I do not know.

46. *Mr. Payne.*] What do you suggest would be the reason for limiting the coal hauled over the line: would it be the lack of trucks, or the lack of capacity, or what?—At that time they had not arranged with the Government as regards the railway-trucks. They said they were handicapped in that way, and had had no reply to their application for use of the Government rolling-stock. But the quality of the coal had something to do with it.

47. You admit now that there was trouble about being able to get trucks?—The secretary mentioned it to me.

48. If there were trouble about being able to get trucks, would it be a fair thing to allocate the trucks as evenly as possible over the contracts the company had entered into with other suppliers? It would be a fair proposition, would it not?—Yes, I think so.

49. They would have to serve everybody as well as they could?—Yes.

50. As far as the line itself is concerned, provided they could get the rolling-stock it could take any quantity of coal in reason, could it?—I could not say.

51. Then we can boil it down practically to the lack of rolling-stock on that point?—I do not know that we could do that altogether.

52. You have admitted that there was trouble about getting rolling-stock from the Government?—Yes.

53. That was one of the reasons for limiting you to 25 tons a day?—Yes, that was one suggestion.

54. Is there plenty of rolling-stock available now?—I do not know.

55. *Mr. T. W. Rhodes.*] How many mines were working when you made this offer, in addition to McKenzie's and the Wairio?—There was Moss's and McKenzie's and the Mount Linton—three that I know of.

56. If you were each limited to 50 tons a day, that would be 150 tons a day over the line?—Yes.

57. *Mr. Rodger.*] In regard to Mr. Payne's question, were these offers that were made to you not subject to Government railway-trucks being available?—I believe, when you put it in that way, there was something of the sort. I could not say for certain.

JAMES ARMSTEAD further examined. (No. 15.)

1. *Mr. Rodger.*] You are a shareholder in the Wairio Railway and Coal Company (Limited)?—Yes.

2. You are also a shareholder in the Southland Coal Company?—I am.

3. Can you say from your own knowledge that Mr. Tom More is a shareholder in the Wairio Railway and Coal Company (Limited)?—I can.

4. And that he is also a shareholder in the Southland Coal Company?—Yes.

5. Can you tell me whether Mrs. Jean Ann Armstead is any relation of yours?—She is my wife.

6. And is Mabel More any relation to Mr. Thomas More?—I believe she is his wife.

7. Would you be good enough to tell me what the object of the Southland Coal Company is?—The object of the company is to sell coal in a retail way, exactly the same as any other coal-merchant in any other town.

8. If I were to suggest that the Southland Coal Company was formed with the object of taking at Wairio any coal that might be brought down over the Wairio Railway and Coal Company's line and marketing that coal in Invercargill or elsewhere, would you say that I was wrong?—Yes, quite wrong.

9. They would not take that coal?—They would not have the opportunity. The Southland Coal Company have to put in their application exactly the same as any other coal-merchant. I believe that if you could get the evidence you would find that the Southland Coal Company are not treated perhaps quite so well as the other coal-merchants in Invercargill.

10. If I were to suggest to you that the coal that is at present being brought down over that length of railway belonging to the Wairio Railway and Coal Company is being purchased—or a portion of it—by the Southland Coal Company, would you say I was wrong?—No; a portion of it is. In the ordinary course of their business they purchase Wairio coal, the same as they purchase Nightcaps, Kaitangata, or other coal.

Mr. Rodger. I should like to intimate to the Committee that in answer to a wire which I sent to my solicitor in Invercargill yesterday I got the reply that the Wairio Railway and Coal Company (Limited) was registered on the 14th September, 1911, and that the shareholders are James More, sen., James More, jun., Thomas More, Albert More, James Armstead, Anthony Ronalds, James Hunter; and that the Southland Coal Company was registered on the 22nd May, 1912—about eight months subsequent to the formation of the Wairio Railway and Coal Company (Limited)—and the shareholders are Thomas More, Jean Ann Armstead, James Armstead, James Moye McMeekin, Samuel McNatty McMillan—who, by the by, Mr. Armstead intimated yesterday was the lessee of the ground that is at present being mined and was formerly called the Wairio Coal-mine. It has not been made known to