

*Witness:* In view of what you say, that Mores' rate would be 2s. a ton, I do not think that any of the coal that now goes over Mores' line would go up the hill. I do not think that the making of the line would make any difference to Mores' line.

27. *Mr. Armstead.*] That would be the rate if you could get 90,000 tons over the line. If the coal at the back is better, and if the coal people at the back get the advantage of the through rate to Dunedin or Christchurch, is it not perfectly feasible that the other mine-owners will not be able to compete—that is, McKenzie and these people?—I could not say anything about the value of the coal. I have not gone into that.

28. I am speaking as far as the rate and the drawing-power are concerned. McKenzie's must start from Wairio—that is, on the Government line?—Yes.

29. And whatever the rate is to get the coal to Wairio, that is a tax over and above what the charge would be if it were a Government railway: is not that so?—Yes.

30. You recognize that Mores' people have gone in there, and the chances are that there would be no talk of a Government railway had Mores not pushed their railway in to start?—I cannot say anything about that.

31. Have you gone over the route extending from the proposed terminus at Ohai?—I have been down as far as Birchwood.

32. If the railway were extended, is that the way it would go—down that road that carries right on to Birchwood?—It could not follow the road.

33. It would run down into one of those valleys?—It must.

34. But if there were an extension there it would have to go right down past Mount Linton and Birchwood anyhow?—Yes.

35. How far is Mount Linton from the present proposed terminus of the Government railway—I mean, the Mount Linton and Birchwood homesteads?—Five miles, probably: six by the way the railway would go.

36. The line was put in by Mores' people to carry Government trucks, but it was not put in to carry a Government engine. Is that the difference between it and a Government line when you say it is not up to Government standard?—I understood that it was not considered satisfactory for passenger traffic.

37. We never applied for passenger traffic on it—it would have been too much altogether for us. If it had been laid down for passenger traffic, and there had been very few passengers travelling over it, would it not have meant that the freight on produce would have had to be increased to make up the difference in cost occasioned by making it up to passenger-traffic standard?—If there were no passengers, naturally you would not make it for passengers.

38. Very few passengers, I said?—If there were not enough passengers to pay interest, it would not be good business to make it to carry passengers.

39. If the principal idea was to put it in for haulage from the district as cheaply as possible, it was perhaps a good business idea to leave the passengers out of it altogether?—It is primarily a coal railway, and you perhaps do not want a passenger railway.

40. If you were putting in a railway to serve all the coal people in the district would you not think that up the Wairio Valley would perhaps be the better route—the way Mores have gone?—I never went into it from that point of view. I am doubtful about that, now you come to mention it, because there is a lot of jumbled-up country just beyond Mores' line which is not favourable to making railways.

41. Is there not any quantity of such country the other way?—Not so much.

42. I suppose that in your estimate of the cost of the line you have taken into consideration all ordinary contingencies?—Yes, I think I have.

43. Of course, when the line leaves the control of the Public Works Department it goes to the Railway Department, and it is their picnic to see how it works from then on?—Yes.

44. *Mr. Rodger.*] A very serious disability in regard to Mores' railway is that just at Wairio there is a back shunt to begin, and a grade from Wairio down to the valley?—Yes, I have heard that said by the Railway Engineer—in fact, there is a joint report by him and our Engineer to the effect that if it were made a Government line that part would have to be altered.

45. If Mores' line were acquired by the Government and extended, it would be a branch line, would it not?—Yes.

46. In your view a branch line is to be avoided if possible?—I do not know. That is rather too general a statement.

47. It is more costly to work—a branch line would be more costly to work?—That does not follow either. As a general rule short branch lines are to be avoided if you can tap the country by an extension of a main line. But that does not necessarily follow.

48. As a general rule branch lines are not looked upon with favour?—No, not short branches.

49. The extension of the line that is proposed by the petitioners is really an extension of the Government railway?—Yes.

50. And there are no engineering difficulties whatever in its further extension, if that should be found necessary?—No; it is an ordinary kind of line.

51. So far as you know the coal-bearing land is all on the line of that extension?—I saw a lot of coal-bearing land on the line, but there may be lots of other that I do not know of. So far as I understand, and so far as the land has been taken up for coal leases, it runs pretty well through the middle.

52. There are serious objections from an engineering point of view to the extension of the railway from Nightcaps, are there not?—Yes; it is not a good place at all to extend from.

53. There is, of course, the fact that it is a privately owned line for two miles from Wairio to Nightcaps?—Yes.