

so far as farm-produce and requirements are concerned. It is far cheaper for these people to cart their requirements to and from Wairio than to send them over this railway. It is quite evident from these facts that the settlers in our district and the coal in that district were looked upon as a future prospect, and that there was no idea of serving us until it suited the promoters of that railway to do so. All the overtures that have been made by the coal lessees with the idea of getting their coal hauled over the line have met with the same answer—that is to say, these people did not want to haul the coal; they preferred to buy it, and that only in limited quantities of 25 tons a day for the first three months, and possibly, but not assuredly, 50 tons a day later. Now, a lot has been said about the rate—the scale sliding down to 2s. Mr. Armstead has been comparing the rate with 1s. 9d. on the Government railway added to 10s., the authorized price of the coal at Ohai, delivered at Nightcaps at 11s. 9d., and he says he can deliver it down there at 11s. a ton. Well, there is no possibility of Wairio being able to dispose of 90,000 tons of coal, and it is only then that the 2s. rate will come into force. There is one big point that I want to make in regard to this 2s. rate—that it is only as and when 90,000 tons have been hauled over that railway that it operates, and then the rebate is only given at the end of twelve months. Who is going to benefit by the rebate? It certainly is not the consumer. These people are not going to put a low rate on coal in anticipation of 90,000 tons being hauled over in one year; they are charging the consumers on the 5s. 6d. basis, and they pocket the difference when it is handed over at the end of the twelve months. I do not think that is in the interests of the public. With regard to clause 18, making the Wairio Coal Company the governing power in regard to the running of the railway, according to the witnesses, until to-day it grew there: they did not know anything about it.

*Mr. Armstead:* We do not know yet.

*Mr. Rodger:* They do not know yet. Well, I think it can be safely said that the Public Works Department did not put it there; the Wallace County Council certainly did not put it there. Messrs. Armstead, Hunter, and Tate were the solicitors for the company, and I can only conclude that it was at their instigation that it was put there. There are two gentlemen whom I had every reason to expect would be here. Mr. Armstead had promised that he would ask Mr. David McKenzie to come, and I had given notice in writing to Mr. Hunter, the secretary of the Wairio Railway and Coal Company (Limited), to be here; but they are not here. Now, I wish to state that I know for a fact that Mr. Smith, of Timpany and Smith, was entertained on Thursday evening of last week by Mr. Hunter, the secretary of the Wairio Coal Company (Limited), and was asked to come here and give evidence. He would not do so, because he could not give the evidence that was required of him.

*Mr. Armstead:* I do not like to interrupt, but has Mr. Rodger any right to make any such statement? He has not led it in any way in evidence, and I am not given any opportunity of contradicting this. I let McKenzie go. A lot might be said about McKenzie, but it is only raising contentious matter again. It is not fair.

*Mr. Escott:* This matter Mr. Rodger mentioned in his evidence, and in that case it is not new matter.

*Mr. Robertson:* I am not aware of Mr. Rodger having made statements to the effect that certain men were entertained by other men, and I do not think that should be allowed to pass. I do not think it is fair, seeing there is no chance of bringing rebutting evidence.

*Mr. Rodger:* Well, I will leave it alone. I do not want to press the point. But these things were mentioned yesterday and I simply recapitulate them. However, it is the case that I had given notice to Mr. Hunter to come here, and he is not here. We had expected Mr. McKenzie to be here, and he is not here. If those two gentlemen had been here for cross-examination we should have been able to get evidence that would have had very great bearing upon this case. Mr. More's evidence goes to show that he owns 181½ acres of freehold, being Section 206, and that he acquired it with the idea of securing the coal there. The Government blocked that scheme; but Mr. More supported the famous Brighton case, and gave monetary assistance towards the expense of bringing that case, with the idea of securing these coal-rights. They failed, but he has still got the freehold surface rights. He also has a surface lease of 616½ acres, being Section 37 of the Wairio Survey District, and it is evident, from the fact that every one of the leases that have been granted within that area since Mr. More acquired the rights there has had to be sanctioned by him, that his consent is necessary in regard to the leases taken up within that area. I have seen in the Land Office two applications which were referred to yesterday—one by Mr. Arthur, a traveller, and one by Mr. Guise, an engine-driver—and both of these leases, as was stated yesterday, were deposited there by the secretary of the Wairio Railway and Coal Company (Limited). Now, it does not strike you, I think, that either of these two men is acquainted with coal-mining, from their professions, one being a traveller and the other an engine-driver; and I am forced to the conclusion that these men are simply the nominees of the Wairio Railway and Coal Company (Limited). The fact that Mr. Hunter is not here to be cross-examined puts me at a disadvantage in that respect, though at the same time it lends colour to my supposition. A very large proportion—something over 500 out of 800 acres—of the area over which Mr. More holds sway has been taken up for coal-mining purposes; and these gentlemen are all bound, I submit, to either the Wairio Railway and Coal Company (Limited), or to Mr. S. M. McMillan, who is a shareholder and the manager of the Southland Coal Company (Limited). Mr. More and Mr. Armstead dropped into the Southland Coal Company by accident. It was never their intention to take any interest in coal at all. They simply wanted to go into that coal country there and carry the coal for the poor miners who were not able to make ends meet. Well, they have got into this coal company, as I say. The Wairio Railway and Coal Company (Limited) was registered in September, 1911. It has 10,000 shares, and the Mores and the Armsteads between them hold 7,143 of the 10,000. The Southland Coal Company was registered in May, 1912—eight months later, while the railway was