

278. The amount that you would have to spend in labour in connection with wharfages and services for which you charge would show a net profit?—Not at all.

279. Why was Mr. Maxwell complaining?—He said we would show a loss of £600 a year. Supposing we were showing a total revenue of £1,000: it might not be a profit.

280. In 1901 I find that your revenue was £1,163 13s. 1d. and the expenditure £594 1s. 4d., leaving a profit of £569 11s. 9d. For the previous year it was £1,244. Until you get back to 1893 the revenue was never less than £829 19s. 9d.?—Yes, that is so.

281. May I take it that back to 1893 you were making a profit of from £300 to £400 a year?—No, I am not prepared to admit that at all. I made it perfectly clear when I put that statement in that the information beyond 1901 was incomplete. Therefore I am not prepared to make any admission in respect to information I have not got.

282. Would it not be a reasonable inference that when the income is the same and you show a profit, the previous profit would be almost similar, unless you had any extra expenditure? Is there any reason why the expenditure would be greater?—There is just as much reason for your supposition that a profit was being made.

283. Would you say that the expenditure was more? Was there any work done to the wharf?—I could not say.

284. Can you tell us whether, between the period 1890–1900, there was anything spent on the wharf or dredging?—No, I could not tell you that.

285. Have you any reason to think there was?—The dredging and repairs to the wharf are under the control of the Engineer. If you had wanted to know that you should have asked him.

286. Now, with regard to the Nelson wharves, they were reconstructed a short time ago, were they not?—The Nelson Wharf was built probably a little more than four or five years ago, but I am not sure of the date.

287. Do you know what endowments the Nelson Harbour Board have from the Government?—No, I cannot tell you.

288. They have some very valuable endowments have they not?—Yes, I believe they have.

289. Have you control of the whole of the wharves there?—Yes, as far as I can make out.

290. And the railway from Nelson to Tadmor is only producing 12s. per cent. on the capital cost?—That is the net revenue.

291. You are putting a railway through barren country in order that it may go down to Westport?—That is a matter upon which the Minister of Public Works could give you information.

292. It is going through unpayable railway country now?—Yes.

293. So that the shipping public at Nelson have to make up the loss, in order to get the railway into the Tadmor country?—No. The shipping companies that send boats to Nelson have to pay for services rendered and facilities provided. The wharfages at Nelson pay about £1 0s. 3d. per cent.

294. But the wharfages on the capital cost of the wharf give you a return of about 10 per cent.?—Yes, about that. There is no reason why they should not.

295. With regard to Onehunga, what was the original cost of the wharf there—have you any idea?—No, I have not.

296. I take it that you sold the wharves fairly cheaply?—They were disposed of at what we considered a fair bargain.

297. But you did not fix the bargain as on a goodwill?—That is one of the instances that we could quote to prove that we would not sell on our net results alone, and we did not.

298. You fell back on the actual cost?—Oh, no. We got about £8,000.

299. Did the wharves cost more than that?—I do not know what they cost. They were not worth much when we handed them over.

300. You were pleased, from the Department's point of view, to get rid of them?—Exactly.

301. And you gave the Board time to pay that amount, with interest?—I do not know. I do not think we did.

302. Mr. Hennessy says that the amount was £3,000, and you gave them three years to pay it in?—Oh, no; I do not think so. But I will look it up and see.

303. I have run through last year's exports and imports at Foxton, and I find that about 30,000 to 40,000 tons of cargo were exported and imported. You seem to be frightened of competition with the Wellington–Palmerston Section?—I am not frightened of that competition.

304. You think you can hold your own?—Pretty well.

305. So that is not colouring your attitude throughout these proceedings?—No, not at all.

306. Could you tell me the tonnage hauled, say, over the Paekakariki–Wellington Section in a year?—Yes, roughly; but you do not suggest that the traffic that originates at Auckland and Rotorua goes in there?

307. No. What is the amount of stuff that goes into Wellington and goes out of Wellington?—Well, as a matter of fact that return of which you have a copy will give you pretty nearly what you want.

308. May I take it that 30,000 or 40,000 tons to handle is a mere bagatelle?—I am assuming £1 per ton, and that is not a small amount.

309. What are the total gross earnings of the Main Trunk and branch lines of the North Island? Is not this traffic to Foxton a twopenny-halfpenny thing?—No. It is not what the present traffic is—it is what the traffic is going to develop into.

310. But it will be some years before they can get the scheme under way?—You will have to get a special Act to borrow.

*Mr. Myers:* We say it will not happen.