

311. *Mr. Weston.* What do you expect the traffic from Paekakariki to Wellington to grow to, say, in the next ten years?—At the rate of 8 per cent. to 10 per cent. per annum.

312. So I may take it that the traffic over the section Palmerston North—Wellington will double in the next ten years?—It might.

313. And do you consider that it will be a difficult matter to handle that amount of traffic on the Paekakariki-Wellington Section, which is like a bar to a harbour?—Long before that happens we shall have our duplicated line from Wellington to Paekakariki. We shall have to, if what you say is correct.

314. If more traffic goes to Foxton by sea than by the Wellington—Palmerston North Section, you will be able to put off that big capital expenditure?—No, we will not. You said that £40,000 was not worth taking into consideration.

315. But you told me it was a big thing?—No, I did not.

316. Is it a small proportion of your traffic, or something to take into consideration?—It is certainly not a large proportion of the traffic, but it has to be taken into consideration all the same.

317. I may take it that the loss of traffic like that would be made up in the next two or three years with natural growth?—I am not prepared to admit that it will or will not.

318. You are the Manager of Railways, and I suppose you know. Would it be made up by half?—I am no more capable of seeing into the future than you are.

319. If things go on as they have gone in the last five years, will it be made up?—We certainly expect that there will be a development and that we shall have an increase of traffic, but I cannot say how much. It depends on other influences.

320. I desire to draw your attention to two things in Mr. Hiley's report. In the difficult section between Wanganui and Marton what bad grades have you?—The ruling grade is 1 in 35.

321. And the grade when the deviation is made at Kakariki will be—what?—It will be a good grade: 1 in 70.

322. So that the running-facilities from Foxton to Marton by your line will be better than from Wanganui to Marton or from Wellington to Palmerston?—The grade will be better when that is finished, yes.

323. Do you disagree with what Mr. Hiley states in his report about Paekakariki—namely, “Between Palmerston North and Paekakariki (sixty-one miles) the existing gradients are easy, the ruling grade being 1 in 100. Between Paekakariki and Wellington (twenty-seven miles) the load of south-bound trains is governed by a grade of 1 in 53, and north-bound trains by a grade of 1 in 35 out of Wellington. The capacity of this portion of the line is already very heavily taxed, and a means must be found at an early date to relieve the position. No surveys have been made, but an examination of the country and information available indicate that it would be feasible to obtain an outlet for the Wellington traffic with a ruling gradient of 1 in 100 between Wellington and Paekakariki by partial deviation of the line, duplication also being necessary. To duplicate the existing line, retaining the heavy gradients, would be a mistake if a grade of 1 in 100 can be obtained by deviation at reasonable additional cost, in view of the large saving in operating-expenses which would be effected thereby. Although I have not included this work in the scheme of improvement to be undertaken immediately, because more urgent matters must have precedence, I bring it under notice in order that the project may receive consideration and the country may be surveyed and reliable estimates prepared in readiness for the time when the work must necessarily be put in hand. There is no gain-saying the fact that the existing means of getting traffic into and out of Wellington leaves much to be desired. . . . Statistics have been compiled to arrive at the extent of the present accommodation, the amount of traffic now being handled, and the growth of business, and it is evident from these records that if the rate of increase of recent years be maintained at Auckland and Wellington the railway traffic offering in eight years' time will be double what it is now, whilst the rate of progress beyond that period may be expected to be at least at the same ratio.” Do you agree with that?—Yes.

324. Is it not rather a bogey of yours that this competition of Foxton is likely to have an effect on the railway?—No, it is not a particular bogey of mine; it is one of the things well known to every railway man.

325. We have figures here showing the gradual growth since you took over the Manawatu line?—Yes.

326. Then you say you dealt fairly with the seaport?—I did not say anything about the seaport. I said we cancelled all the Manawatu special and competitive rates that had been used by the company against the sea-route via Foxton.

327. You see the rate of growth there has been—outside of hemp and flax it has barely doubled?—Yes.

328. What is your trade on the railway between Palmerston North and Wellington in eight years: has it trebled itself?—I should not say so.

329. Has it doubled itself?—I have not looked at the particular traffic between those two stations.

330. I may take it there has been a very large increase?—I am not prepared to admit that. There has been some increase; but you have got to remember that there is a considerable inland and sea traffic now which was not there before, and that is not traffic originating from Palmerston.

331. But that section is working to its utmost capacity at the present time?—No, it is not.

332. Mr. Hiley in his report says it is very heavily taxed?—He does not say anything of the kind. He says between Paekakariki and Wellington; and I have already emphasized twice to-day that one of the first things we should spend money on is duplicating the line between Wellington and Paekakariki, or find some other way out.

333. How long is that going to take? You have first to find a way of getting out?—That does not follow.