

the Railway Department to the Consolidated Fund. But that is not the only contribution to the Consolidated Fund: there are the Customs and income-tax, and, as Mr. Hennessy said, if you are going to thwart the district you do not know what you are going to rob the Government and the Consolidated Fund of in the way of Customs revenue and land and income tax. If you are going to put a hindrance in the way of every port of the Dominion, I think that probably the Dominion would lose more in the long-run from that policy than the small portions of revenue such as the Railway Department is frightened of in this case. Finally, there is another bogey. They said in effect, "If you do get your wharves, look out, we will impose a special rate." How business men of the eminence of these men—and they are good business men—can come into Court and put forward an argument of that kind astonishes me and I will tell you why. I asked a question of Mr. McVilly which he did not see the drift of. I asked him how many tons of goods were brought from Wellington to Palmerston and districts in between; but he could not tell me. He said there was a great deal more than £30,000 worth. What would a special rate mean? It would mean that in order to get a smaller rate of profit on some of the goods we now carry they are going to reduce their present profits on the larger quantity of goods that they now carry; and I submit that, looking to the immense amount of stuff now being taken from Wellington on the Manawatu line, it would be folly for the Railway Department to start a special rate on that line to cut against a little port like Foxton. They say they did it in the case of Oamaru, and the Hon. Mr. Millar, when Minister of Railways, said he would "Oamaru us." We have adopted Government railways in our Dominion to get rid of great abuses which have been created by private railways in other countries. We have given to the officials of the Railway Department big powers, and if the officials are going to use those powers simply from the narrow point of view of their own revenue to crush the districts, to prevent their natural development and to prevent the colonists in those districts getting the full benefit of the country in which they have settled, then I say it is a bad state of things. Take the case of Oamaru: Parliament gave the Oamaru Harbour Board authority to borrow money, and when they had spent that money with the approval of the Government, the Railway Department, with the whole power and finance of the Dominion behind it, ruined that unfortunate harbour. Now we have the Railway officials coming in here and saying, "We will Oamaru you." I ask, what kind of men are they? Is that the kind of thing to boast about and be proud of? At the last moment they come in with the suggested haulage charge. What does it amount to? We got it from Mr. Hiley clearly and definitely that if the Harbour Board brought to the railway goods-shed the goods that were to be carried there was no haulage charge to pay.

Mr. Myers: That is hardly correct.

The Chairman: If they sort the goods out.

Mr. Weston: Very well, that is very simple for the merchant to do. The Harbour Board will have control of the discharging, and I am sure they will run it as cheaply as the Railway Department. It is quite clear that whether the Harbour Board or the Railway Department comes in there must be a larger goods-shed, and as far as haulage is concerned, bringing an engine down and taking the empty trucks away, the only haulage will be for coal and perhaps some such heavy goods as sugar and grain. At present there is not much included in those items.

Mr. Myers: Do you say you can handle the goods and sort them?

Mr. Weston: Yes, they can be put into big lots on the wharf when discharging. If the Department is going to apply a different system to us from what is applied to other ports, then they will have to be met by similar tactics. The difficulty arises at present through their not having a proper shed, and if they had a proper shed instead of putting the goods into the trucks they would go straight into the shed.

Mr. Myers: My friend does not seem to understand the practical aspect of the question, or what sorting or handling means.

Mr. Weston: I think I know, and I think Mr. Williams and Mr. Hannay will know that so long as the goods are sorted on the wharf no charge can be made. So long as they are brought on trollies and put in the railway-shed there will be no charge for haulage. The only way they will be able to get at us for haulage will be on coal, which is a very diminishing quantity now. As to sugar and grain, we cannot get ships to bring them to Foxton at the present time. Another thing they will not get any haulage or sorting charges out of is hemp and tow, because four-fifths of that is not carried by the railway, and Levin and Co. have all the trouble of putting it on board. That is the case, and I submit with every confidence that we are entitled to that wharf for nothing. If my friend says he has not allowed for haulage, the item can only be a very small one, and I have allowed him £8,000 in my estimates of the profits of the Department in the last sixteen years for the cost of that wharf and land, and that is a great deal more than it ever cost.

Statement by Mr. SKERRETT. (No. 56.)

Mr. Skerrett: May it please the Commission,—It appears to me that the Railway Department has throughout this discussion treated the claim to extend the tramway to Marton with some form of connection with the Government railway-line as in the same position as a claim by a private company or private individual, and it has been prone to treat the claim as a claim not for the extension and connection of an existing tramway, but as a claim connected with an entirely new tramway. Now, those are not the considerations with which the Commission are to approach the question submitted to them. This is not a claim to extend by a private company or by private undertaking: it is not even a claim by one local authority: it is a claim by two counties to extend their tramway for the purposes of the progress and development of the district. Now, it is not the case either of the construction of a new tramway. The considerations which have been suggested by the Department might have applied with some force had it been proposed to establish and construct for the first time a connection between Marton and Himatangi or Marton and Foxton, but that is not the case. It