If the proposals meet with your approval, I suggest that the question be discussed confidentially with the Mayor of Palmerston North, and that the necessary surveys be put in hand to enable the scheme to be prepared more in detail.

I forward the following plans showing the proposals: Plan No. 26453, map of locality, showing suggested deviation; Plan No. 27646, showing railway from Longburn to proposed termination of deviation, with private sidings, and proposed deviation and site of proposed station; Plan No. 26630, draft scheme of rearrangement of existing station, showing suggested widening of street, building, and platform.

F. W. MACLEAN, Chief Engineer.

## [Railway Report D-.2B, 1914, put in.]

Mr. Myers.] We have heard already that the traffic at Palmerston North has gone on increasing year by year, and there is a certain amount of information contained in the documents already put in. Have you any records in concise form which show the increase?—I mentioned in that letter to His Worship the Mayor an outline of the increases, but I may say that the bulk of the traffic on the North Island Main Trunk lines passes through Palmerston, and it is a fact that the railway business has expanded very materially throughout the North Island. That in itself indicates that Palmerston North has had an increased business to deal with apart from the local traffic. An increase in through traffic anywhere affects Palmerston North.

I now want you to look at the red scheme on Plan No. 26630, but I do not want you to concern yourself with anything that Mr. MacLean has already given detailed evidence upon; but he said that some one else, either you or some one from the Traffic Branch, would be able to give better evidence than he could give of the cost of operating the red scheme by reason of the engine accommodation being placed at some distance south of Palmerston North, and the two sorting-depots being placed north, one on the Main Trunk line and the other on the Napier line ?--Mr. MacLean's figures with respect to the cost of operating—that is, 70,000 train-miles at 10s., £35,000 per annum—are by no means an overstatement. The cost of running train-mileage is more than 10s. per mile. Mr. MacLean ought to have mentioned 12s. That is about what it is now, so that the estimate would be at least Mr. MacLean's estimate for shunting of £50,000 I quite agree with, but of course £35,000 a year. that presupposes that you are going to deal with your train business with one engine. Every traffic man knows that you cannot do that; you require more shunting-engines than you do train-engines to do the shunting of a given business. As to Mr. MacLean's figures, I am prepared to let them go with this reservation, that they are on a conservative basis, and the position has been minimized.

Would such a scheme be anything like as convenient from a railway point of view as having the whole of your accommodation in the one vicinity, as is proposed in the diversion scheme shown on Plan 26453?—No, it is cheaper always to concentrate the business so that you concentrate the control. If you have to split up the business and create large depots a distance from your centre, then you have to have extra controlling officers and additional staff, and our experience is that under conditions of that kind it requires at least one-third additional staff.

With regard to the suggested Main Trunk deviation from Levin to Marton, you gave evidence before the 1916 Commission?—Yes.

Except that the cost of construction would now be greater than it was then, has anything happened to modify or alter the opinions you expressed to that Commission?—Not in the slightest degree. In fact, what has happened has strengthened the opinion I then expressed, and which I would express more strongly to-day.

I have taken you over all the details on which Mr. MacLean gave evidence, but is there anything you would desire to add to what you have already said in answer to my questions?—I should just like to add this: that on page 200 of D.-4, the proceedings of the Foxton Commission in 1916, will be found the details of the traffic, and on analysing that the only traffic that would be affected and pass over the deviation is included in items 1 and 2.

Are you speaking now of the Main Trunk deviation?—Yes. That business represents 17 per cent. of the passenger traffic and from 13 to 25 per cent. of the other traffic. It would average out about 20 per cent. of the business, and only 20 per cent. would pass over that deviation. The other 80 per cent. has to be dealt with at Palmerston North irrespective of whether that deviation is made or not. I have taken the traffic for to-day and the traffic for 1920, and I find the position is about the same. About 85 per cent. of the traffic that originates on the North Island Main Trunk line has to be dealt with at Palmerston North—that is, business that goes to and from Wellington, Napier, and Wairarapa.

The Chairman.] So that if the Levin to Marton Railway was there now you would only be relieved of 15 per cent. of the traffic you now get from the north?—Yes, that is so.

Mr. Myers.] And you would still want the alterations at Palmerston North?—Yes, still want the alterations at Palmerston North. I have here a statement in exactly the same form showing the traffic carried on the Main Trunk line between Levin and Marton. [Statement produced and put in: Appendix A.]

Supposing you had the deviation from Levin to Marton, would either of the other schemes, the red or the green, be feasible in those circumstances?—No. The green scheme is quite out of the question on account of the cost. There would be the business disturbance and compensation for that kind of thing. Then, the red scheme would be quite out of the question, because it does not provide the accommodation necessary.

And not only that, but you have to carry on somehow during the time that the Levin-Marton line would be under construction?—Yes, and in the meantime the business would be constantly expanding with the natural growth.

The reason I am putting these questions is that I want to find out for the benefit of the Commission whether or not it is absolutely essential that this Palmerston North question should be faced