They are the persons to be considered even though the Public Works Department have to do the constructional work ?—If they determine what they require.

You have said that the principal business places follow the railway ?—Yes.

Are you aware that in Palmerston North all the principal places of business I am speaking of that usually follow the railway have been gradually making for Rangitikei Street and are located there now?—Perhaps in view of the probable moving of the station.

That will not do me, Mr. Holmes. This movement has been going on for years. Can you account for the fact that the business of this town is going in the direction of Rangitikei Street and not towards the present railway-station—can you account for that?—It will take a little thought to answer that.

I think it would. You are not questioning the accuracy of what I am putting to you—it is a fact, is it not ?—Yes.

Mr. Holmes, you admit that it is a fact that in Palmerston North, notwithstanding your experience elsewhere, the principal business places for years have been going towards Rangitikei Street and not towards the Railway-station?—I will accept your statement.

No, you will not. I am not giving evidence. Do you not know what I have said is a fact ?—I know that a good many places of business are situated in Rangitikei Street.

Are you aware of the fact that in Dunedin the location of the station was altered some years ago?—Very slightly, within my knowledge.

About half a mile?—Not as far as that.

Are you aware that later the condition of things in Dunedin was different?—The places of business are growing up round the new station.

In Christchurch the situation of the business places in the city has not altered?—They are growing up along the railway.

It is a fact, is it not, that the railway-station is some distance away from the business centre?— The railway is in the same place as it has always been.

Even so, it is quite a distance from the heart of the city?—Yes.

Take the case of Marton. The situation of the station there was altered, was it not ?—Yes, as regards the distance from Marton.

The station was removed a very considerable distance away from its first location ?—Yes.

That has not brought the business places down to the station?—Of course it has. They are extending up to the old station.

Of course they are—I quite understand that ?—It is hardly a parallel case.

Take the case of Frankton Junction and Hamilton: Hamilton is one of the most prosperous places in the North Island?—Yes.

Do you know that the leading business people in Palmerston North and the Borough Council and the Chamber of Commerce are all supporting this proposal of the Railway Department?—I have heard so this afternoon, but I am surprised at it.

I suppose you give those men credit for some commercial knowledge and common-sense ?—Yes.

I am told the railway-station used to be in the Square: are you aware of that ?—Yes.

And the station was moved, I think, quite half a mile ?—Yes.

That does not seem to have affected the prosperity of Palmerston North?—That is just a minor

shift along the existing line.

Mr. Oram.] If you were still in the position of Engineer-in-Chief and the experts of the Railway Department stated that a certain course of action was in their opinion necessary, and that course of action was backed up by the Borough Council and the Chamber of Commerce and other local bodies in the town, you surely would not say that that action should not go on because it would injure the trade of certain individual persons, would you?—I might hold your opinion, but I think I would report my views to my Minister. He would be left the final action in the matter.

Have you had much experience of Palmerston North?—A fair experience. I was first here in

the year 1876.

You have been in fairly close touch with Palmerston North ever since ?—Yes, in fairly close touch.

You are aware that on the south Palmerston North is bounded by the river ?—On the east.

The point I wish to make is this: from your knowledge of Palmerston North are you in a position to say the direction in which Palmerston North is likely to extend?—Palmerston North must extend in the direction in which the Railway Department put the railway.

The wholesale business places will certainly creep along near the railway ?—The retail trade of

the town does not necessarily follow the railway-station very closely.

The retail trade does not necessarily follow the station. I am talking of the town generally. If the town extends at all it must extend in the direction of the proposed station?—Yes, providing the ground is suitable for a township, but there is some doubt.

According to your experience the town is actually extending in that direction?—I believe so, but to a limited extent.

According to the plan which was originally prepared by the Railway Department some time ago for the extension of the yard it involved the closing of Cook Street ?—I believe so.

According to the plan of the Department it involved the closing of Cook Street of necessity ?—I believe it did. If the system of construction adopted in London were adopted here there would be no necessity for closing the streets. It would simply mean raising the lines.

Would that be practicable in Palmerston North?—There is nothing to prevent it.

At what cost?—That would be a question I would have to go into. You would have to compromise between viaduct and subway work,