the Palmerston North Station on the present site the same facilities that we propose to provide on the new site, and you cannot give them to us where they will be under the one control.

That is based on the assumption that there has got to be dual control, and a considerable

increase in the overhead expenses?—Yes, I have to consider that.

I wanted to know what was your reason for preparing this statement ?- The particular reason for the preparation of that statement was to give the Commission some concrete information as to the effect of putting a goods-yard away from Palmerston North on a site that I understood you had in your mind, or that the people you represent had in their minds, at Palmerston North. certain operating-charges which the members of the Commission, at all events, will understand are inevitable as soon as you cut your terminal into two parts, and particularly is this so at Palmerston North, which is a subterminal station, where you have to deal with the local trains and the through

Mr. Miles.] I gather that the various temporary expedients you have referred to from time to time have been found entirely inadequate by the way the traffic has grown?—That is exactly the

position.

Mr. Marchbanks.] In connection with the construction of the Greatford Railway, I think you gave evidence to the effect that there was 22 or 24 per cent. of the traffic which now passes through Palmerston North would be diverted ?—No; what I said was that the percentage of traffic that would be diverted to the Greatford Railway would not exceed 20 per cent. It was about 18 per cent. in 1916, and it is a little less now, but I put it down at 19 per cent. as an outside figure.

If the deviation of the Rimutaka Incline were made how much of the traffic would be saved from going through Palmerston-I mean, all the east coast traffic from Eketahuna and Pahiatua which now passes through Palmerston ?-If the deviation of the Rimutaka line is made, and it increases

the mileage, as I understand it will do-

I do not think it will; I think it cuts out eight or ten miles ?-If it does, the only difference it will make will be that the traffic from eight or ten miles north of the present limit, which is Eketahuna, would go via the Rimutaka; but when you get to the point where the distance is equal, we find it best, or as cheap, to send it round the other way. For that reason all the traffic that now originates at stations north of Eketahuna is sent round via the west coast line through the Gorge and via Manawatu line.

That is with the summit grade; but assuming that is cut out, how does that effect it ?-It would

then be a matter of convenience and a matter of distance.

There would be a fair amount of traffic from the east coast which would be diverted ?—According to the distance. We would not do any longer hauling than necessary. Immediately the route via the Rimutaka line was longer, then the traffic would go round the shorter route, having regard, of course, to holiday times when the lines were crowded.

And also having regard to the amount of traffic that would ease the west coast line ?-Yes; if the line is crowded then we would certainly use the other route; but we would not divert the traffic

over a longer route to any extent.

Some reference was made during the sitting of the Commission to Mr. Hiley's scheme. There was really no Hiley scheme, was there ?-The 1914 scheme that was included in Mr. Hiley's report of 1914 was really a proposal that was made by our own Engineers in 1910, 1911, and 1912 onwards.

It was simply to improve the station and close Cook Street ?—Yes, close Cook Street and make

some improvements to meet the pressing emergencies of that time.

The Commission adjourned till 10 a.m. next day.

Wellington, Wednesday, 23rd March, 1921.

JOSEPH PRIME MAXWELL sworn and examined.

Mr. Luckie.] You were for many years General Manager and subsequently Commissioner of Railways for New Zealand ?—Well, briefly, I am a member of the Institute of Civil Engineers. In New Zealand I was for six years District Engineer in the Public Works Department; after that I was nine years General Manager of Railways, and after that five years Commissioner of Railways. I have also had some experience in England, having had five years' railway experience there before I came out here.

I think you have travelled in Europe and America since your retirement from the Government Service ?—As far as railways are concerned, I have seen railways all over the world, and have studied them in various countries—namely, in Italy, France, Belgium, Great Britain, Egypt, India, Ceylon, Cape Town, and Natal. Whether I have been travelling officially or unofficially I have always made it my business to look at the things that impressed me.

You are well acquainted with the Palmerston North Railway system and the congestion in the traffic which exists there at the present time, and it has been under your notice before, has it not ?-I visited Palmerston in addition to the other places that have been mentioned. I have known Palmerston since it was in bush, when they had a wooden tramway to Foxton, and I have seen Palmerston North a great many times throughout a great number of years—forty years or more.

And watched its growth?—Yes. I have also seen the outline of the proposed deviation, and

I visited the proposed station-site, which it was stated to me was liable to extensive floods.

Mr. Myers.] Stated by whom ?-Stated merely by the man in the street. It was mentioned, that is all. Perhaps I might say as a preliminary that my time in Palmerston North on this