

20. Is that for the period of twelve months?—Yes—the whole amount is taken for the year, and divided by the number of weeks that have elapsed, which is taken as an average of what it would be for the whole year.

21. If the three last months were taken by themselves and the annual rate made up according to this return, could you give us an idea what the percentage would then be?—Not very well without reference to the figures; but I should say about 60 per cent. Taking the last three months by themselves, the expenditure on receipts would be about 60 per cent.; that is to say, we should have spent £60 on every £100 we have earned.

22. Well, do you consider the last three months as forming a fair average of the year, as regards the traffic?—I should hope not. I should hope that there has been a depression in business from which we are recovering. Business has been very much depressed during the last three months, as compared with former years. I am earning £400 less than I was during the corresponding months of last year, thus showing that trade must be very slack.

23. My object was, rather, instead of bringing in the element of depression, to take the particular season of the year into consideration; for instance, the carrying of wool or anything that is affected by the season of the year. What is your opinion on that matter?—If you take the question of percentage, the important element is the amount earned; and that depends entirely on the state of trade. We look upon economy in the expenditure, and upon how much of the receipts were spent; so that the receipts are an important factor. We must come to a calculation in some way if we want to know what we are saving in reduced mileage and so forth. I can give you the figures carefully worked out. The returns as made up from the railways are defective—for this reason: that we have no valuation whatever of the state of the works and the rolling-stock. We presume that we keep the rolling-stock to a certain point, but the accounts by no means show that. In my own case I found everything in very bad order here. We have been spending last year what ought to have been spent during the preceding five years, and still we have a good deal to expend yet. That shows a good cutting into the earnings that really we ought not to show. Then there is the very important element as to the state of the line. Nothing would be easier than to show good accounts by stopping repairs altogether. I could bring the percentage down to 50 per cent.

24. What proportion of the wool that you carry in a year do you think you have carried during the last three months—from the time the accounts were last made up?—My estimate for the whole year was 10,000 bales. That was for the twelve months ending June. I have not yet quite reached 8,000 bales—on the 6th of March. I doubt if we get another 1,000 bales altogether.

25. What portion of this 8,000 bales would you carry between the 6th December and the 6th March?—I could not tell without reference to the figures. Roughly speaking, I should say the larger proportion.

26. *Mr. Wright.*] Is the working on the Fell incline as safe as on the rest of the railway?—I think safer.

27. Is the wear and tear of the road greater or less?—Rather greater. There are three rails to wear, and extra brake-rubbing.

28. But, apart from the centre rail, is the wear and tear on the running rails greater or less?—Less, on account of the low speed, I should say.

29. *Colonel Pearce.*] Are you aware what percentage the net receipts yield on the capital spent in construction?—I think there was about  $1\frac{3}{4}$  per cent. paid last year on the total capital, but I have not the figures in my head. I have no special means of knowing that aspect of the accounts. The information will be got much better from the Public Works Department.

30. *Mr. Clark.*] What is the general speed and the maximum speed at which the trains are run at present?—The maximum speed on any part of the line is twenty-three miles an hour.

31. Is that the general or the maximum speed?—The maximum speed; but the time-tables are made for fifteen miles an hour.

32. If the trains were worked at a lower speed, do you consider they would be worked more economically?—Not so long as the fifteen miles an hour is adhered to. I do not think there would be any difference—not any appreciable difference. If we increased the rate of speed it would make an enormous difference.

33. Have you any means of ascertaining, or any check, as to whether the trains run in any case at a speed exceeding twenty-three miles per hour, which you state is the maximum?—The time of departure is taken, and the time of departure at the telegraph station is taken, and if a variation is made exceeding five minutes the drivers would be fined. Our time-table is made for heavy trains, and when we are running very light trains it is difficult, so to speak, to consume the time.

34. *Mr. Reid.*] You have told us of the wool and timber traffic: is there any other produce that has any appreciable effect on the traffic receipts on that line?—Yes; first-class goods in A, B, and C classes. They are our best-paying goods.

35. I refer to the products of the settlers, such as grain?—That traffic is just beginning; it is a very small business at present. The sheep-carrying trade has grown from £300 a month up to £3,000 a month, and the grain trade from absolutely nothing up to perhaps a hundred tons a month.

36. *Mr. Wright.*] If a train has been run at the rate of thirty-three miles an hour, would that be in violation of the instructions given to the engine-drivers?—Yes, decidedly; unless it is a special train.

37. How long have you had charge?—Since the 17th November, 1878—that is, one year and five months.

Mr. JOHN BLACKETT, C.E., sworn and examined.

38. *The Chairman.*] You are, I believe, Engineer in Charge, North Island?—Yes.

39. Can you tell the Commission how long it will probably be before the line from Wellington to Woodville is completed as far as Masterton?—I was lately asked that question, and I mentioned the 1st of August as the day on which it would be opened for traffic.