

9. Are they reasonable values?—I should think so, from what I know of the lines; they are not apparently excessive values. The Fernhill line I happen to know about because the Government constructed it, and the amount set down for it is I think about the amount that it cost. The Ocean Beach line I can only guess at by knowing its length and the character of the work. I think the prices are not excessive; they are probably about what the lines cost.

10. What is your opinion as to the judiciousness of the Government purchasing these lines?—The great difficulty to my mind is that it is very hard to draw the line between these lines and some of the larger private sidings; and you might have to go step by step down until it might be considered reasonable that the Government should buy every line of rails in any way connected with the Government railways. There are hundreds of private sidings, some of which are bringing in a great deal of traffic and some little or nothing. Some of them were constructed at considerable expense by private individuals; and it is difficult to draw the line distinctly between the longer of the sidings and the smaller of the coal lines now in question. The latter were constructed in connection with the Government railways to open up and develop coal mines, and the former to open up and develop enterprises in connection with factories or other producing establishments, and I can hardly see the distinction myself.

11. Does the Nightcaps line hold a different position?—There is a slight difference in that line; if the line was going to be continued on it would be different from all the others. At present the traffic for the whole district is carried over that line to the terminus of the Coal Company's line; but if the Government line is continued, as it no doubt will be, it will be continued not from the present terminus of the Coal Company's line; but from the last station on the Government line; and the Coal Company's line will become merely a branch. People travel on now to the Coal Company's terminus because it is the nearest point on the railway to the district they want to reach; but if the line is carried on it will not go in that direction at all, and the line will then become merely a private siding.

12. What is to prevent it being made a portion of the extension?—Principally engineering reasons; it leads to a place where you cannot conveniently get away from.

13. Is there at present any amount of general traffic on this portion of the line?—Yes; but it is not in the direct road to where most of the traffic of the district will ultimately go.

14. Looking at this line by itself do you consider that it would be a judicious purchase?—If the Government were not going to extend their line further I think it would be; but I should imagine that such an extension will be made by the Government, and the Coal Company's railway would then be simply a branch off the Government line. Looking at the probability of the Government extending their line in the future, this line is in much the same position as the others.

15. *Dr. Neumann.*] Apart from reasons of State, is there any reason, as regards the lines and the working of them, why they should be bought; would any benefit accrue to the Government that does not now exist?—I do not think so.

16. Is there anything which distinguishes these from the numerous other sidings?—I do not see the distinction; the Ocean Beach line is a different sort of thing. At present it is not running at all except at race-times, and what the effect of the Government buying that would be I do not know. The working of this line certainly develops the place to which it goes; I cannot speak with any certainty as to the precise effect which would be produced; but in all the other cases the fact of the Government buying the lines would not alter the existing condition of affairs at all.

17. Is the Fernhill line much used?—I cannot say; I do not know how much coal is carried over it. They did at one time carry a good deal over it.

18. Is there any line of demarcation between a private siding and a branch line?—There is none except in the matter of length; where the Government work the branch lines, as they do, and the private sidings also, there is no difference except in extent.

19. These sidings may range from a few yards to several miles?—Yes.

20. Do you know anything of the condition of the mines attached to the railways we are now dealing with?—Some of them, I do.

21. As regards the Whau Whau mine?—I have heard that the coal is not of good quality; and I understand they are not working it at all at present.

22. Do you know the Shag Point line?—I have only seen the commencement of it from the main line.

23. Does it benefit any property except private property?—I think it is only used for the coal from the mine.

24. The Fernhill line?—I think that is only used for coal.

25. Is it doing any business?—I think it is doing a small coal trade—nothing very big—but those matters of the traffic are not in the branch of the Department to which I belong. They are in Mr. Maxwell's Department he could give you full information about them.

26. As regards the Ocean Beach line; would it cost much to put it in order?—To put it in first class repair I should think would cost from £3000 to £4000 perhaps; but this is merely a guess; I have never made an estimate.

27. Could you supply the Committee with an estimate?—Yes, I will do so (estimate now obtained) It shows £3,220 including £800 for sleepers; as the probable cost of thorough repair, and £2,060 including £500 for sleepers, is the amount required for present repairs sufficient for ordinary traffic.

28. *Mr. Gore.*] You were speaking of drawing a line between sidings and branch lines. Is there any difference between the Kaitangata and Shag Point lines?—Is it not as desirable that the Government should buy the one as the other?—I do not see any distinction except a matter of distance; I think the Kaitangata line still belongs to the Coal Company.

29. Is it not desirable that the Government should buy all the lines if they buy any of them?—I do not know if the matter has ever been put in that light before; I mean in the light that it should be advantageous for the Government to buy these lines. The general argument has been that the Government ought to buy them as a matter of justice to the proprietors. I do not think that anyone has yet made out a case that it would benefit the Government to buy them. It has been purely a question of