

company to run this line free of the Government line—either free or without any interference. The line, as perhaps you are aware, is a short level line. It is incomplete so far as it goes towards the agricultural show-grounds. There is some distance, perhaps a quarter of a mile, which people have to walk to get to the show-grounds. If that were completed—that quarter of a mile (I am speaking from memory), it may be a little less or more—I think it would increase the receipts of the line; as vehicles and trams, during these days, compete with the line, and take away a large number of passengers that would otherwise go by this railway if it were extended this quarter of a mile to the show-grounds. It may be said that the trams might be used with the same convenience to the country people as the railway. This is not so, for the reason that, arriving by railway, they have to go a considerable distance to get the trams, and then the trams do not always suit the arrival or departure of the train. It would, in the first place, be very uncertain, for you must be aware that the time of the trams for arriving is not fixed. It would depend upon the passengers taken up on the road, and therefore there would be great uncertainty as to catching the train leaving for the south. Considerable time is taken up in both ways. What we desire is this: either that the line should be worked by the Government or the company; that the company should have the land given them, as was promised by the Provincial Council, according to the understanding upon which the line was made. I have heard it said that it is not possible to work this Ocean Beach Railway from the Dunedin station. That I cannot understand, for this reason, that it is worked from Dunedin station at times when the line is very much worked, as on race-days, when people are coming from all parts of the country, and the line to the racecourse is used to its fullest extent: I believe a train runs almost every quarter of an hour, and each train is loaded with passengers. All this traffic is carried within a few hours, and therefore it is quite certain that the Government could overtake such an immense traffic on both days. I speak in round numbers, but I should say there must be 8,000 or more people that would go over the line the first day: the trains are long, there is a large number of carriages, and they are crowded with people, proving that the line at a particular time, when there is a great strain upon the working of railways, does overtake a very extensive traffic. That will increase. It must do so as population increases: a greater number of people attending the agricultural show and races, and the requirements of the Ocean Beach district becoming greater for sundry purposes. The line also, with a short extension, can be made available for defence purposes—the place at Lawyer's Head.

65. *The Chairman.*] That is already in evidence: they state that in their application?—My contention is that this line should be worked either by the Government or the company: if not worked by the Government, that facilities should be given to the company for working the line; if not worked by the company, that the Government should work it as they do now at certain times in the year. On show-days and race-days the traffic is immense. Of course, this would be the greatest boon to the people of the country I represent.

66. *Mr. Montgomery.*] Respecting the statement made by the Secretary of the Ocean Beach Railway, I think, that the Government have not fulfilled a promise they gave the company of a station: what do you know about that promise?—I know of it as a former member of the Provincial Council of Otago; it is in the record of the Votes and Proceedings of the Provincial Council of Otago for the year 1875. I may state that I looked it up only a few days ago, and it may be got here from the library.

67. Can you produce it?—Yes.

68. I understand you to say that you will produce all the evidence of a promise on the part of the Government, which promise remains unfulfilled?—Yes; it is in the Votes and Proceedings of the Provincial Council for 1875. I would also desire to state that all the material to the agricultural show cannot positively go over the line, because it now terminates in a bog or soft place, so that exhibitors have to get their exhibits there by road; whereas, if this line were completed to the show-grounds, the exhibits would be sent over it from various places.

69. What I want is the agreement which, it is said, exists between the company and the Government, that the Government would give them a station?—So far as I read this (Votes and Proceedings of the Provincial Council of Otago, 1875, produced), it is the proposal made at the time; the agreement would be subsequent, so that Mr. Bastings could give evidence on that point. This is, as you know, prior to the construction of the line.

70. Is there an agreement?—I do not see an agreement here; this is the last record of the Provincial Council, so that the actual agreement would be subsequent to this.

71. Then, you do not know?—I have no more connection with the company than you have, but—

72. You do not know that an agreement exists?—I understood at the time that their proposal was assented to.

73. *The Chairman.*] Do I understand you to say that an agreement was made between the General Government and the company that a promise made by the Provincial Government would be carried out?—The company was formed and the works undertaken on some understanding or agreement.

74. *Mr. Montgomery.*] What evidence have you of this agreement?—I may state that I have not read it all over. I only know that there was certain correspondence.

75. *Mr. Cowan.*] You understood that a promise was made, but no agreement was entered into?—I cannot say there was no agreement. I understood that the company would not make the railway unless they had a terminal site, and that such was to be given to them.

76. Do you know the terms on which this company at present occupy their terminus?—No; I do not

Mr. HORACE BASTINGS examined.

77. *The Chairman.*] The Committee is informed that you can give them some information as to the terms on which the Ocean Beach Railway was originally constructed, and as to some