I.-9.

in respect of ordinary goods- and passenger-traffic up and down the entire length of their line, and also large profit on the carriage of coal which may hereafter be produced by other companies in The effect of this must be to increase enormously and most unjustifiably the capital value of this line at the cost of our company and of the public.

If, as we believe, the public interest requires that these private lines should sooner or later be acquired for the colony, your Excellency's Government will do well to bear this in mind in settling

the rates of haulage over such lines while they continue private property.

If the Mokihinui Company is allowed a special rate for "way-leave" on ccal which we may send along its line the same treatment will have to be accorded to us in respect of other companies linking on to our railway, in which case it would be impossible to take up and work the seams to the south and west of our lease. Now, we do not ask for anything of the kind; on the contrary, we are quite willing that our line and any extensions of it should be worked as one with the Government line, on a through rate, settled on the same basis and at the same rate per ton per mile as it would be if our lines were mere extensions of the Government railway.

We also object to the imposition by the Commissioners of conditions as to our output (see letter, 4th June, 1894), as entirely at variance with the traffic conditions now in force on the New

Zealand Railways.

The Commissioners have no right to say, as they do in effect, that we must either use a right of "way-leave" over the Mokihinui Company's line to the extent of 10,000 tons per annum or else pay that company a forfeit of 1s. 1d. per ton (£525) on that quantity. Why should we? What right of the Mokihinui Company do we invade by failing to use their line? Neither have the Commissioners any right to put us under a penalty as to quantity in respect of haulage, seeing that any person can send a single truck of coal down at the rate fixed.

With regard to the rates fixed by the Commissioners to be charged over the said Mokihinui Company's line for ordinary goods and passengers, this is to us a matter of minor importance as compared with coal-haulage. But we submit that these also have been fixed on a wrong basis, are excessive in amount, and calculated to discourage any increase of traffic in that direction. These charges should be fixed at a through mileage rate, with one initial charge in favour of

the Government as the haulage authority.

The Mokihinui Company have hitherto enjoyed a monopoly of the coal output from Mokihinui Valley, and we assume that they have been able to do their own haulage at a cost approximate to the rate which the Commissioners have now agreed to do it for them—namely, 5d. per ton  $(1\frac{1}{4}d.$ per ton per mile). How is it, then, that they have discharged their men and shut down the mine? If, as would appear, they were unable to make a profit on their coal with such a low rate for haulage, can we be expected to survive the imposition of such a rate as 1s. 4d. per ton, or 8d. per mile, for less than half the distance?

Our Company's mine is now in thorough working order, and equal to a large output; the bins are full, and we are only waiting to have a fair and reasonable haulage-rate fixed in order to send coal to market. In the face of the prohibitive rate fixed by the Commissioners for haulage and wayleave over the Mokihinui Company's section, we have had no alternative but to discharge our men, and discontinue operations, as such a rate leaves us no margin or chance of profit under existing conditions of the coal trade. The present delay and stoppage will result in our losing the winter market, and limit our operations for some time to come. In the meantime we are under penal

output clauses, a rental of £450 per annum, and heavy permanent charges.

In conclusion, we submit that if no other reasonable solution of this difficulty can be found, the interests not only of our company, but also of the coal trade and of the colony, imperatively require that the Mokilinui Company's railway-line, or so much as lies between the Mokilinui Railway Station and our branch line, should be acquired by the country and become part of the public railway system; and we respectfully urge your Excellency's Government to take such steps as may be necessary to bring this about immediately, during the present session of Parliament. By doing so your Excellency's Government will remove a serious obstacle to the development of the coal industry, increase the number of coal tenants of the Crown at Mokihinui, and enable present tenants to fulfil the onerous conditions of their leases.

For the reasons stated, the appellants pray your Excellency to alter and amend the agreement entered into between the said Commissioners and the Mokihinui Company with regard to haulagerates to be charged to and from our coal-bins and the Government railway line, and to alter and amend the said agreement in respect of the rates to be charged for carriage of ordinary goods and passengers, and to fix the charges to be paid for such haulage of coal at a through-rate per ton per mile, calculated both as to our railway and the said Mokihinui Company's railway at the same rate as that now charged per ton per mile over the Government line from the Mokihinui Railway-station to the ship's side at Westport, which we submit should be 2d. per ton, and to fix the through-rate to be charged for coal from our bins to Westport at 3s. 2d. per ton, and to fix the charges for the carriage of goods and passengers on the same basis.

We have, &c., For the Westport-Cardiff Coal Company (Limited), W. H. Hargreaves, Chairman.

H. E. HARGREAVES, Secretary.

P.S.—We find on reference to Westport, and since the foregoing was written, that the following coal was sent over the Westport Coal Company's line from the Wellington Mine, namely:-

1000			-			-	4 3 0 5 1
		• • •	• • •			• • •	4,187 tons.
$1891 \dots$	• • •						9.000
$1892 \dots$				• • • •	* . •		, ,,
1094	• • •	• • • •		•••	• • •	•••	3,376 ,,

16.563 tons.