

bearings they were useless, as we had no means for reducing them. They were too cumbersome, and were not of the same gauge or height. These wheels were bought by Mr. Barton from Mr. Macarthy and brought down there. The mine-manager objected, but was forced to try them by Mr. Barton. They tried to work them in on my trucks, but they were abandoned, and never carried an ounce of coal. They lay for months and months by the railway embankment, and were never used for the purpose. I made some strong remarks about them, and Mr. Roskrige said they would be returned. They have never been returned, and I think I have a right to say at least that Mr. Barton made a mistake, and that his advice ought not to be taken without a good deal of precaution. The next question I mention in my report is in regard to the county road. When the railway was first constructed I was Chairman of the County Council and managing director of this company. I agreed, as Chairman of the County Council with the sanction of my county, that this company should make a horse-road for us which would be equal to the horse-road which was taken. It did so, and that road was accepted and used without complaint by the County Council for four years, and during that time never cost a shilling for repairs. Mr. Barton went into the office for some reason or other with a proposition to make a dray-road. The Chairman told me himself that Mr. Barton gave them an offer for a dray-road. They said, of course, they were going to get all they could, and they were incited by the Minister for Public Works, who said that that was the time to get it done, because the company were going to have their title to part of their railway ratified. We on our part had done everything by arrangement with the Government, but the Government had omitted a proclamation in the *Gazette*. When the directors took it into their heads to borrow they were told of this. I said it was through the *laches* of the Government that there was a flaw in the title. For the purposes of borrowing it was necessary to have this rectified. I saw that unfair treatment was projected against the company. I saw the Prime Minister on the subject, and got a promise from him that nothing unfair would be done, and if it was found that the omission was purely on the part of the Government, that they would do anything they could in Parliament to validate the title. I spoke to several members of Parliament, and am satisfied that if the company had approached the House by petition on the grounds I have stated in my letter, stating that the omission was not the fault of the company, any Committee of the House would say that the Government ought not to shelter themselves behind *laches* of their own in order to extort money from the company. Having received the proposal to make a dray-road, the County Council then wrote to the Minister for Public Works, and he told them how the thing stood, and they thought it an excellent opportunity. They expressed themselves to me that they wanted nothing but what was fair; and the majority of the Council would have supported that view, including the Chairman. But they said, "What are we to know about that when one of your company comes and makes us an offer?" Mr. Greenfield was offered to negotiate the matter on the basis laid down by the County Council, and I am satisfied that no claim would have been made by the Council if the matter had been put fairly before them. The Chairman told me that if the slips were removed their engineer would not be hard on the company, as they knew perfectly well that it had done what was right. They would only ask for formation, not for fencing. Mr. Barton had proposed fencing and I do not know what else. That is what I refer to when I say he very nearly let the company in for something not far short of £1,000. His works at Westport were not accepted as those of a capable engineer; they were looked upon as the works of an inexperienced person. Gentlemen here can question engineers there upon that subject, and they will find that they condemned the proposed works. There are other matters in which Mr. Barton has interfered, and in which he has shown his inexperience. I think he believes he is right, and acts on his own convictions; but at the same time I am equally convinced that his proposal would sink the company uselessly into debt, and that he, as a director, ought not to place himself before this Committee as an experienced engineer. He is not an expert to give advice when that advice ought to be given by a responsible person with a trained mind on the subject. I have only to say that I consider in making these remarks that I lay myself open to the imputation that I am not an engineer of experience myself. But I have worked for the company, and saved it money by doing so, and I never expended a shilling of the company's money in any work of my planning without submitting the plans to the best engineers available, sometimes in other parts of the colony, but generally on the spot; and not only to those, but to various other experts. I designed the trucks, and the railway work was done under my supervision, and Mr. Blackett and others were consulted by me before the work was gone on with; and in one or two instances I got suggestions from engineers which saved the company a good deal of money. The next matter is personal to myself. I would like to state, with reference to Mr. Barton, that a letter was produced to me by Mr. Corby, contractor, that I was instructed to pass the ballasting work on the railway at Mokihinui. The work was not completed according to contract. The Board authorised me, and I had authority previously to pass this work. I referred it to Straw several times to have the work completed according to the specifications. Mr. Higginson was asked about it when he visited the place, and he replied that the specifications were sufficient; but the contractor, Mr. Corby, did not do the work to my satisfaction, and I refused to pass it. I instructed Mr. Straw time after time to report on it. He reported that it was not done. Mr. Barton went down there and passed that work. The work was not completed, and I think if he had understood the specifications he would not have done it.

(Mr. O'Connor here stated to the committee that he could not proceed next day until he had had an opportunity of going through the minute-book and other books, so that he might deal properly with the charges of general mismanagement to date.)

The committee adjourned until 10.30 on Wednesday morning