

which his letter before quoted is a reply. I would draw particular attention to one point which I would again emphasize, and that is a schedule showing the rates which the different companies on the West Coast pay:—

Locality.			Company.	Mileage.	Railway Rate.		Railway Extra Charges.	Total Railway Charges.
					s.	d.		s. d.
Greymouth	..	..	Paparoa	20	2	7	3d	2 10
"	..	..	Blackball	18	2	6	None	2 6
Westport	..	..	Westport (Granity)	18	2	6	None	2 6
"	..	..	" (Conn's Creek)	12	2	1	1d.	2 2
"	..	..	Stockton	20	2	7	None	2 7

This company has been singled out to be mulcted in a very heavy charge. In the petition I said we were trying to get funds, and had not succeeded. Since then, however, we have succeeded in getting funds to go on with. We have succeeded in raising another £35,800, and want another £15,000 if we can get it. Well, in continuation of my written statement: The local rate for coal for shipment, gazetted many years since, for the Westport and Greymouth Section is 1s. 10d. per ton for the first eight miles and $\frac{3}{4}$ d. for each additional mile. The rate from Ngahere to Greymouth, under the regulation, is 2s. 3d. per ton, and from Blackball to Greymouth is 2s. 6d. per ton. The Railway Department had been for some years collecting illegally an extra 3d. per ton from the Blackball Company on coals despatched from Ngahere. The Blackball Company paid this in ignorance that it was overcharged. When the General Manager (in paragraph 13) says that the rate from Ngahere to Greymouth was 2s. 6d. apparently he is in error—the legal rate was 2s. 3d. At an interview on the matter of rates with the Hon. Mr. Hall-Jones, 29th October, 1908, I ascertained he was unaware that the Blackball Company was overcharged by 3d. a ton, and he could not explain it reasonably, nor could his officers. I found from him that the Railway Department proposed to make "three separate charges for carrying the Paparoa coal"—(1) on the Company's line, Roa to Blackball; (2) Blackball to Ngahere; (3) Ngahere Greymouth: the latter to include an illegal charge of 3d. After explanations on my part he admitted that the Railway Regulations would not admit of charges being piled up in this fashion, and he agreed to favourably consider the company's request for equitable treatment, but he was obliged to leave for England without doing so. When the Blackball Branch was opened the Blackball Company, having become aware that they had previously been overcharged many hundreds of pounds annually, paid the legitimate charge only—viz., 2s. 6d. per ton from Blackball to Greymouth, and the Minister of Railways gazetted a rate of 2s. 10d. per ton from Roa to Greymouth. The following is an extract from the reply to a request from the company to be relieved from this excessive charge: Extract, Hon. J. A. Millar's letter, 10th November, 1910: "For the conveyance of coal over the Roa Branch your company pays a charge of 3d. per ton, plus a wagon-hire charge of 1d. per ton, making the total rate 2s. 10d. per ton." And the following is a comparison of coal rates charged to the Westport Company and the Paparoa Company: Waimangaroa Branch (Westport Company's line—about two miles).—The Railway Regulations (page 77, regulations) as affecting the Westport Company's coal from Denniston to Westport. "In addition to . . . the local rates on the Government Railway." Coal and minerals in 5-ton loads, 1d. per ton. Roa to Blackball (Paparoa Company's line—under two miles). Hon. Mr. Millar's letter, 10th November, 1910, informs the company as affecting the Paparoa Company's coal from Roa to Greymouth, in addition to the local rate on the Government railway, 4d. per ton. On the Westport Company's private loop-line at Granity no charge is made in addition to the local rate. It will be seen that an extra charge of 3d. per ton is made compared with one of a competing company's mine at Westport. On the company's other mine no extra charge is made, and the Paparoa Company is thus unfairly discriminated against in these respects. The agreement of May, 1907, does not concern the railway charges proper. It was executed by the Governor, who had no statutory powers in respect to railway rates, which are made by the Minister of Railways by *Gazette* notice. It does not take effect until seven years have elapsed. The local coal rate from Blackball to Greymouth shipping is 1s. 10d. for the first eight miles and $\frac{3}{4}$ d. per mile after. The General Manager's comments at the end of paragraph 12 seem to be inconsequential. The General Manager for Railways (paragraph 13) says that the Railway Department would have gazetted 2s. 9d. for Blackball coal from Blackball unless the Paparoa Company had exposed the malpractice pursued at Ngahere. This would have been a deliberate, unjust discrimination against Blackball in competition with the Westport Companies. When the General Manager says (paragraph 13) that they are "hauling coal without any charge whatever over three and a half miles of line" he is not correct: they are charging a local gazetted rate of 1s. 10d. for the first eight miles from Blackball. Paragraph 14: The excessive charge made on the company for wagon-hire is indefensible. The Department cannot justly discriminate between one company and another. It is a wide-world practice to deal with colliery rolling-stock on the same terms as any other stock of the same class and type. As regards paragraph 15 (b), the comparison with the Westport Company's treatment shows that the Paparoa Company is unjustly treated. As to the construction details of the company's line (paragraph 9), the Working Railways demanded a Fell system of centre-rails on the 1-in-25 grade, which is not found necessary elsewhere. One of the trans-continental American lines has ruling 1-in-25 grades; it is constructed and worked in the ordinary manner for both goods and passengers. The cost of the rails and fastenings for this extravagant refinement on the company's line was over £6,000 delivered at Greymouth—three to four thousand pounds more than was necessary.