

Gorge that is in exactly the same stuff. The Manawatu Gorge Tunnel, 15 ft. 6 in. by 12 ft. 6 in., was in clay slate. I have not got the length of it, but it cost £31 10s. per lineal yard, by contract.

88. Does the material through which the Manawatu Tunnel is driven compare with that at Otira?—It is exactly similar—clay slate rock.

89. In what year was the Manawatu Tunnel contracted for?—About 1890, I should say.

90. Were the conditions under which contract work was carried out at that time, as to cost of material and cost of labour, similar to what they have been during the currency of the Otira contract?—The cost of material would be much the same, but labour was very different at that time from what it is now.

91. Have you any idea what percentage more, or less, it would be then than now?—I should say, taking the output and the extra price into consideration, it would be nearly $1\frac{1}{2}$ now as against 1 then.

92. How does the cost per lineal foot in the case of the Manawatu Tunnel compare with the cost of the Otira Tunnel as far as it has been made?—It is just about half. The Manawatu Tunnel cost £31 10s. per yard, as against £60 15s. for the Otira.

93. Do you attribute a portion of that increase in cost that is shown by the comparison to the extra cost of labour in that period?—Yes.

94. What are the causes, in your opinion, of the increased cost comparing the present with that time?—The extra price of labour and the scarcity of labour, and the lesser amount of work done for a day's work.

95. Would the length of the Otira Tunnel as against the Manawatu Tunnel have anything to do with it?—Yes; the Manawatu is quite a short tunnel as compared with the Otira.

96. You are of opinion that the estimate of £500,000 made by the Department was a fair estimate at the time the contract was let?—Yes.

97. Have the conditions as to cost changed since the signing of the contract for the Otira Tunnel?—Oh, certainly. Labour has gone up in price, and effectiveness, too.

98. Could you, under the changed conditions, have carried out the construction of the Otira Tunnel at the estimate of the Department—£500,000?—That estimate was made on the supposition that there was sufficient qualified labour in the Dominion to carry it out. The experience of the contractors has been that they cannot get sufficient qualified labour in the Dominion at the present time. Their work has been hampered right along for want of a sufficient number of men to choose from and to carry on work in the proper way.

99. You recognize that there has been an alteration in the conditions in respect of cost of labour: would that have affected the estimate?—Undoubtedly.

100. There would have been an increase in the original estimate?—Undoubtedly; if labour had acted then as it has acted since, the estimate must have been increased.

101. If the Public Works Department now had to carry out the balance of that contract, could they, in your opinion, do it cheaper than the contractors?—I do not know that I am at liberty to speak.

102. I am only asking your opinion?—I do not know that I am at liberty to give it. I am only a servant. If I were told to carry it out I should do so, and if I were told to let the work by contract I should do that.

103. What is your opinion: if the Public Works Department had to carry that work out, could they do it at less per lineal foot than it has been costing the contractors?—We should have the same difficulty to encounter that they have had—want of men—and therefore one does not know what it is going to cost. If you are tied up by want of men you do not know what a job is going to cost.

104. You cannot give a definite answer?—No. If you can tell me what labour I can get and what price I can get it at, I can tell you what a work is going to cost.

105. *Hon. Mr. Fraser.*] It might be inferred that Mr. Vickerman's reluctance to answer that question was because his superiors did not wish him to do so. I can only say—and I say it as Minister of Public Works—that I fully expect Mr. Vickerman to answer to the best of his ability any question put to him in this room. There need be no restraint on his part. If you are asked a question, Mr. Vickerman, as to whether a thing can be done in one way cheaper than in another, then I say as Minister that I think you ought to answer it. You can answer it freely.

106. *Right Hon. Sir J. G. Ward.*] Might I ask again, then: Can you give us an opinion as to whether the Department, if they had to carry out the remaining work, could do it, under the present circumstances, at less cost per lineal foot than the present contractors?—With labour in its present state I should not be prepared to undertake to do it, personally.

107. What has been your general experience in connection with the carrying-out of tunnels for the Public Works Department—that is, for main railways in the country up to now: have you experienced any difficulty in carrying any of them through?—We have had a good deal of trouble at different places. At Karangahake, for instance, we started the tunnel on the co-operative contract system, and we had eventually to finish it up by day-labour.

108. As the result of that trouble, was the cost of that tunnel materially increased to the country?—Yes, it increased the cost. We would not let the work to them at the price they wanted. So we went on by day-labour, and it cost very nearly what they had wanted.

109. But it did cost less than they wanted?—Yes.

110. Does the cost per lineal foot of the tunnels that have been carried out under the Public Works Department in New Zealand, irrespective of whether they are double-track or single-track tunnels, compare unfavourably with, say, the Mont Cenis Tunnel?—I should say that our tunnels have been done, comparatively speaking, quite as economically as tunnels in other countries.