

204. That is, assuming there has been only 6 in. a shift driven at the Bealey end since they started?—Yes.

205. Is there any reason why more should not have been driven there?—I do not know any reason why it could not have been pushed on.

206. Do you know whether at the Bealey end they have to stop the widening and concreting while the heading is being driven?—That is what they are doing.

207. In your opinion would it not be better to leave the widening and concreting altogether and drive the heading as far as they could do so to advantage, and do the widening-out and concreting afterwards?—That is a matter that would have to be decided according to the experience gained in going on with the work.

208. While the concreting and widening is being done the heading at the Bealey end has to stand: if the heading could be driven to connect with the Otira one, it would be a very great saving to the contractor, or whoever had to finish the tunnel?—Yes.

209. You recommend that this work be allowed to remain idle for two or three years in the event of the contractor abandoning the contract. What are your reasons for recommending that? Do you think the country would save any money by doing so?—I have already stated that that question would have to be gone into very carefully in connection with the capital cost of the line and the probable revenue.

210. I suppose you have a good idea of the approximate cost of the line from Stillwater to Otira, and from Springfield to the Bealey end of the tunnel. Both ends are practically finished, are they not?—Yes.

211. Say there is £213,000 paid for the tunnel, and estimating the railway-line at approximately £10,000 a mile, I figure it out at about a million of money?—Yes.

212. Supposing that that million of money costs the country £40,000 a year?—Yes.

213. Do you think it would be better, then, to leave this tunnel standing idle and pay £120,000 in interest on the money invested?—It depends on the volume of traffic to be conveyed by the railway. Of course, there is a possibility that it might pay the Government to abandon the work altogether.

214. What you say is merely an opinion—you have not made out an estimate or gone into any figures?—No.

215. Have you any reason to think that labour-conditions will be better in two or three years' time than they are now?—No, I do not think so.

216. Then your recommendation to stop the work for two or three years would not carry much weight, would it?—I should recommend that in the hope that things would have settled down by that time.

217. Have you any difficulty in finding men, as a rule, for doing the tunnels on co-operative works?—On some of the lines we are not fully manned.

218. At certain seasons of the year, is it not?—Principally in the summer-time.

219. As a rule, for six months of the year you can get as many men as you require?—Generally during the winter months.

220. How do the wages earned by co-operative contractors in tunnel-work compare with the wages that you see set out in the return sent in by Mr. McLean?—I think our men earn just a little more than those shown in the top scale here—the increased rates.

221. Do you have any difficulty with the men working in the tunnels, as a rule?—Occasionally we do. At the present time they are all pretty well satisfied.

222. Could you give the Committee an estimate, say, in a few days, of what it would cost the country to let the tunnel stand over for two or three years—I mean, by way of interest on the line that is already finished and also on the amount that would be lying idle in the tunnel?—I think so.

223. I should like you to send that in. I suppose you are fairly familiar with Mr. Hay's estimate of this work?—Yes, or I was at the time.

224. You can refer to it at any time, can you not?—Yes.

225. You can send to the Committee the details of the estimate, I presume?—Yes.

226. Will it show what Mr. Hay estimated labour at when he was preparing the estimate?—I would not be sure of that.

227. What amount do you allow generally for contingencies when you are making estimates for tunnels?—It is a general practice to allow about 10 per cent.

228. You make full provision for all reasonable items, I mean?—It depends what the estimate is for. If we are estimating for tendering we do not allow anything for contingencies. If we are estimating the probable cost of work when it is completed, then we allow about 10 per cent. for contingencies.

229. Can you tell us what was allowed on the Arthur's Pass Tunnel, over and above estimates for ordinary tunnels, on account of the length of it?—I think we reckoned it would cost about 50 per cent. more.

230. And that was provided in the £500,000 estimate made by Mr. Hay?—Yes.

231. Have you any other tunnels on the same or a somewhat similar grade to this?—The Government itself has not done any on a grade as steep as this. The tunnel just beyond the Upper Hutt is nearly as steep: it is 1 in 35, I think.

232. There are some on the Manawatu line, are there not?—They are 1 in 40.

233. *Hon. Mr. Fraser.*] You were asked whether you thought it a fair thing for the Department to keep Mr. McLean to the five years instead of allowing him six in which to complete the contract. Was the five-year condition not part of the specification under which Mr. McLean tendered?—Yes.

234. Was that the reason why you kept to the five years?—I think so.