in toto to is a county that is already well served with railways and roads making a tramway that is going to come into direct competition with the railway, and that is their object, and I can prove it." Then, further, "We have seen that when the Manawatu Company had their line they had a specially low rate to Foxton, but when the Government took over the Manawatu line it made one classified rate for the whole railway. If they think that the Railway Department is going to sit down and allow their tram-line to take away the whole of the trade from Wellington to Palmerston or very nearly so, they will very soon find a rate made on the railways to shut the Port of Foxton up. Now, we have two answers to that. First of all we say that the objection was not well founded in fact. Second, we say it is wrong in principle; and we ask the consideration of the Commission to that question, as it disregards the main and substantial purpose for which the Government railways, as part of the public administration of the country, are constructed and run. Upon the main question, whether it is founded on fact, it is said that it will divert the traffic from Marton and the traffic from Palmerston. Now, that is clearly illusory. May I point out to the Commission there is and has been for years a railway connecting Palmerston and Foxton. Has it taken Palmerston trade to Foxton? Nothing of the kind. That has been in existence for years. There is connection between Palmerston and Foxton, and there has never been a suggestion that Foxton is stealing or is able to steal the Palmerston trade. What are the exports of Foxton? They are chiefly wool, and they have exceptional facilities for dealing with wool, because, as you are aware, the wool is dumped at Foxton and taken out of the coastal steamer and placed in the Home cargo-steamer under arrangement with the Wellington Harbour Board, by which no wharfage, or a percentage of wharfage only, is charged. The major export is hemp, a Foxton local production with which this tramway is not concerned. There is tow, a by-product of hemp, and a little tallow and a few pelts-quite a small amount-and a very small amount of general cargo. Now, that is the whole of the exports from Foxton. The figures were given, I think, before the Commission. In the past year there were 8,864 bales of wool; hemp, 35,635 bales, which is all local; 5,288 bales of tow; tallow and pelts, 1,637 tons; and general cargo, 1,525 tons. Now, sir, the imports to Foxton are timber, coal, and general cargo. If your Honour would look at that your Honour would see the timber is only that required for Foxton local consumption. Last year there was only 35,436 ft., obviously only for Foxton local consumption. As to the coal, a great deal of coal was carried for railway purposes until recently. The amount of 5,258 tons is probably for local consumption, and also the coal that passes by this tram-line for the use of settlers in the district and for the use of dairy factories there. Now, the main purpose which this tramway supplies in this connection is, as I have said, the bringing-up of supplies merchandise, groceries, manures, agricultural implements, and coal-from Foxton over this line of tramway. I advert also to the fact that Foxton is a port which must always confine its shipping facilities to small coastal steamers. There appears to be no prospect whatever either of finding facilities for big cargo-ships or for obtaining the consent of the owners of those big cargo-ships to lie out off the bar for the purpose of being laden. Therefore the range of the Foxton Port can never be very great, but must be necessarily confined to the Foxton district and the surrounding districts in close touch with it. May I point out that the Port of Wanganui is nearly as close to Marton as the Port of I think it is thirty four miles from Marton to Aramoho, and from Marton to Foxton is about thirty-three miles. There is no substantial difference therefore in the distance between Wanganui and Marton and Marton and Foxton, but Wanganui is a port in which now large cargosteamers are expected to be able to come to berth and to be laden. Now, may I remind your Honour and gentlemen again that this line does not junction at Foxton-it junctions at Himatangi; and therefore there are five or six miles of railway which are under the control of the Railway Department, so they have complete control over the line, seeing that the terminus of this line is on this side of Foxton. Now, I ask the members of the Commission to consider what trade is likely to be diverted to Foxton, and to consider what the products of this district are. The products of this district will be grain, fodder, and grass-seed. Dealing with that lot first-grain, fodder, and grass-seed-if it finds a market at all it will find either a local market or will go to the northern market. It is impossible, therefore, that grain, fodder, or grass-seed could be diverted to Foxton as opposed to the railage to Wellington. Butter will not go under any circumstances by steamer from Foxton: that goes by rail from the collecting cool-houses in the vicinity. Fat sheep which are turned out would not under any circumstances go by steamer from Foxton: they would find a market either in Feilding or Longburn or Wellington, according to the place of business of the buyer. Is it not perfectly illusory, therefore, to suggest that there is any prospect of Foxton taking away any quantity of freight which is not negligible from the railway? Will the members of the Commission permit me to sum up what I apprehend the advantages of this connection would be. The advantages of this connection would be, and are, to enable those farmers in the vicinity to get up their supplies of merchandise, manures, agricultural implements, and so on, at a cheap rate, and these advantages would be shared by the residents of the lower Rangitikei on the western bank of the Rangitikei River. [Map referred to.] You will see, sir, the terminus ends at Pukenui, on the left bank of the Rangitikei River, exactly opposite Bull's. That district of the lower Rangitikei which you see extending to the west is all the same class of country as the Sandon country, and it would extend the facilities of getting supplies of merchandise, manures, &c., cheaply by this tramway through Foxton. But I want to make this quite plain: the advantage of this is not to get our produce down to Wellington-that is not the object of it. The object is to make a connection between Sandon and Marton for the purpose of getting our produce away to the north, and getting supplies of cattle, store sheep, timber, and firewood from the north. We cannot do that now except by carting between Marton and Pukenui.

The Chairman: I suppose you will call evidence to show what the cartage between Marton and

Mr. Skerrett: Yes.