

250. *Mr. Myers.*] And you say they could go along the Sanson route, and so take away the business from the Government railway?—I should certainly expect the goods to go that way.

251. We have heard a good deal about the cartage of grain and chaff to a railway?—Yes.

252. And some witnesses have been asked about motor-wagons and motor-lorries. Have you found that people can carry their goods a considerable distance to the railway in motor wagons and lorries?—My inquiries show that they not only can but do carry them in motor-lorries. I am advised by the Stationmaster at Feilding and the Stationmaster at Greatford that motor-lorries are used regularly on the road.

253. What has your experience in the South Island been in that connection?—They used to cart goods from Palmerston South to Naseby.

254. *The Chairman.*] Oaten chaff was the main thing talked about?—They cart chaff in the Taieri district for long distances and in Southland. I have known them cart as far as ten miles into Winton and Edendale.

255. *Mr. Myers.*] Is there anything further you can add, do you think?—I do not think so.

*Cross-examination re Foxton Wharf.*

256. *Mr. Weston.*] With regard to the price you asked the Harbour Board, you are quite willing to sell the wharf to the Board at that price?—The Railway Department as a department has no desire to sell the wharf.

257. But if you got the price that you asked—£28,000—would you be satisfied at the present time?—No, I should want more money now.

258. I may take it that that letter that has been put in, dated the 20th May, 1913, and signed by Mr. Herries, you know of?—I have seen it.

259. You say you have a legal right under your regulations to charge a haulage rate of 1s. 6d.?—Yes, for haulage and handling.

260. On all cargo hauled from the wharf and handled?—On all cargo that is dealt with in the same manner that the ships' traffic is dealt with at Foxton.

261. That means that on all stuff that pays 2s. wharfage, with the exception of hemp and flax, you are entitled to 1s. 6d. a ton?—It does not mean anything of the kind.

262. Well, what does it mean?—I have already endeavoured to make it perfectly clear to the Commission that we perform certain services of an intermediate character between the receipt and the loading of the goods in the truck at the ship's side and the final despatch from Foxton to the final destination, and it is in respect of that intermediate service, which constitutes handling and haulage that used to be called "port haulage," we are entitled to charge the 1s. 6d.

263. Then, suppose we got the wharf to-morrow and you handled the cargo as you are doing at present, what would you expect the Board to pay?—For what?

264. For handling the cargo as you are doing at present; for what you are doing now for the 2s., what would you expect the Board to pay?—I should expect the Board or consignees to pay the handling and haulage charge—that is, 1s. 6d.; and if the Board wanted the Department to work its wharf it would have to be done by agreement.

265. We would have to pay that anyhow, and in addition we would have to pay you 1s. 6d. a ton?—No, you would have to pay us for that service at the ship's side at whatever our expenditure on the wharf came out per ton. It would probably be 1s. a ton, but it is a matter that would have to be gone into.

266. In addition, what would we have to pay?—Then somebody would have to pay 1s. 6d. haulage and handling.

267. So that instead of your getting, as at present 2s. wharfage, you would be getting from us 1s. a ton, plus 1s. 6d.?—We might.

268. That is within your legal rights?—That is within our legal rights.

269. So that when you offered to sell us the goodwill of this concern on the basis of making £1,500 a year, you did not disclose that you were entitled to charge us 2s. a ton haulage?—I do not think there is anything in that; as a matter of fact, there is absolutely nothing in it.

270. Why not?—The Railway Department, when competing with the Manawatu Railway Company at Foxton, and feeding the Port of Foxton, if you like, decided to waive that charge, and it has never been imposed since, so that it does not affect the position.

271. Who waived it—the Railway Department?—Yes.

272. And I suppose the General Manager of Railways could impose it again to-morrow?—Yes, and by the same authority.

273. Is it a right thing that in this Dominion a departmental officer has the right to waive charges like this at his own sweet will?—It is according to the Act. The Department is given statutory power.

274. Supposing we had paid you £28,000, what would have been our position in regard to this 1s. 6d. for haulage?—I have not said that we would charge the Harbour Board.

275. You threatened it this morning?—Oh, no, I did not threaten the Board with that.

276. Now, with regard to your own figures, I notice from this correspondence which you have produced this morning that in 1877 Mr. Maxwell claimed that the Department were making out of these wharfages a profit of £600 a year. Is that so?—I am not sure that he said "profit." He did not say "profit." He said that it would mean a loss of revenue of £600 a year. That was the total revenue.

277. It shows that you were making a substantial profit, then, on the wharf?—No, we were not. Mr. Maxwell approached the matter from a Railway point of view. He said that we were getting a revenue of £600 a year and were not going to give that away.