

They never successfully closed it, and yet they affected to close it again as late as 1912, having the same object in view?—To make a temporary improvement to meet the position.

Was it then considered to be merely a temporary improvement?—Yes. The improvement that was then proposed was one which the responsible officers of the Department recognized would not last for all time.

And yet you have told us just now that the reason it was not done was because it was temporary?—It was not done.

But they must have intended to do it in 1912 when they issued another Proclamation closing the road?—No. I have told you that in 1912 the matter was gone into and discussed. Difficulties arose, and it was then foreseen that there would be some doubt as to whether any money that was spent there would last for any time.

I understood it was not done on account of the war?—The work was not carried out on account of the war.

I gather that if it had not been for the war the work would have been carried out and the street closed?—It might have been; but still all the work would have been of a temporary nature, and we would have to face the position and the expenditure now.

Was it known in 1912 that it was only to be a temporary work?—It was known in 1912 that the work that was proposed would not last for a very long time.

Was it known when you acquired the land some years before?—The land was acquired in 1912.

It was only acquired as a temporary expedient?—A temporary expedient for the business offering then and for a few years afterwards.

A similar scheme involving the closing of Cook Street was in the minds of the officers of the Department right back to 1890?—The question of improvements at Palmerston North has been in the minds of the Railway management since 1874.

But they did not improve any of the difficulties—it was the same idea of improvement from 1890 to 1912?—For the reason that no responsible Railway officer will spend any more money at any time than is necessary to provide for the present requirements and the prospective requirements for a reasonable period, and you have to be guided in these matters by your knowledge of the business.

Precisely; and it is only since 1918 that you have woke up?—No, it is not; we have been awake all the time.

The same scheme which appeared to satisfy the Department for twenty years is suddenly departed from in 1919, and an enormously greater expensive scheme is suddenly put before the authorities for their approval, no suggestion of it having been made before?—For the same reason that a building that would have satisfied the Farmers' Union in 1900 would not satisfy them now, hence the Featherston Street structure.

*Mr. Myers.*] I think you have some figures which show the increase in the traffic since 1914 at Palmerston North?—Yes. [Comparative statement put in: Appendix C.] I wish to point out that the items in the column for 1921 are only up to the 28th February.

Have you any other figures or data you desire to put in?—Yes; I now produce a return asked for by Mr. Marchbanks, of the goods traffic to Palmerston North, local and through. [Statement put in: Appendix D.]

That shows that the statement you made previously in regard to the percentage of through traffic was about correct?—Yes, that the through traffic was about 80 per cent. I asked the Stationmaster at Palmerston North to send me a return of the traffic dealt with at the private sidings for the year. That statement shows that the total number of wagons dealt with for McGill's was 1,652; for Cook's, 2,087; and for Clausen's, 1,475. That is, roughly, five per day for McGill's, seven per day for Cook's, and five per day for Clausen's. [Statement put in: see Appendix E.]

One gentleman at Palmerston North said there were something like 80,000 tons that went over the sidings: would that be about correct?—If you take those wagons at 10 tons each, the trucks average about 8 tons maximum, that means about 40,000 tons a year.

Have you any other statement to produce?—If you remember, I stated when giving evidence previously in regard to Mr. MacLean's figures that they were the approximate cost of operating. I have gone into certain proposals, and the question of the cost of operating the different schemes that have been put forward. I now produce a statement of the cost of operating a depot two miles south of Palmerston North.

Apart from any cost of construction, you make the total cost in the matter of operating-charges come out at what?—The total recurring annual charges would amount to £37,484; the non-recurring charges amount to £11,000, making a total of £48,484, which, capitalized at 5 per cent., amounts to £969,680. [Statement put in: see Appendix F.]

Have you any other statement you desire to put in?—I have here a statement which shows the cost of operating a "loop at Terrace End for east and west traffic only." The cost would be £20,524 per annum. £5,000 of that is non-recurring. [Statement put in: see Appendix G.]

Have you any other statement?—Yes; I have a statement of the cost of "operating depot at 92 miles," which is Terrace End. The non-recurring charges would amount to £11,000, and the recurring charges to £123,086. Capitalized at 5 per cent. that would amount to £2,681,760. [Appendix H.]

We know that to completely alter the arrangements and divert the line as you propose will cost a certain amount of money, but when that is done, what do you say as to the cost of operating the new station and yards as compared with the present operations: would the cost be greater or less?—I should imagine we will get economy in the operating-cost, and at the same time give the business quicker despatch. When you consider that at the present time the station deals with from 1,500