I.—9.

fares are 2s. and 1s. 4d. I am quite certain that we should get a very large increase of passengers as far as that point, thirty miles out. Then we come right through to Hamilton. That is certainly not a bad place, and a good many people break their journey there to go further into the country. The present fares are 17s. 9d. and 11s. 10d., and my proposed fares are 2s. 6d. and 1s. 8d. Am I not bound to get my average there? The thing is as certain as I am speaking that we shall get five fares for one. Then on to Te Awamutu, which offers a great many attractions to people to go to and stay for a week, or a month, or longer. The present fares are £1 0s. 10d. and 13s. 11d., and my fares only 3s. and 2s. I must get my five for one there. Now, if we take the Christchurch line: Going north to Waikari, I understand that is an attractive bit of country, and if people can travel fifteen miles in that direction for 8d., or twenty-one miles for 1s., scores of them will go. Coming south, if you have the fares to Hornby Junction at 6d. and 4d.; and to the next station, Rolleston Junction, 1s. and 8d.; and to Bankside, 1s. 6d. and 1s., you are bound to get an enormous increase

of travellers. I will now take the different classes of society and see how it affects them. 58. Mr. Whyte.] If your contention is that five would travel in place of one, anything I have said drops at once?—I contend that five will go; but two for one all through will get the average. Let us see how it affects the different classes. In Auckland, I know, the churches, both Episcopalian and Nonconformist, are in the habit of employing a large number of lay preachers and readers. These men go round Auckland as far as they can walk or ride on horseback. Now, if these facilities for travelling were offered, numbers of these men would go into the country on Saturdays, and stop until Monday—there are always people ready to entertain them. We should get in that class five or six fares for one that is taken now. This would also have the effect of leading to a frequent interchange of pulpits, and I ask you gentlemen who live in the country whether that would not be a good thing sometimes. Take the next class—medical men. How often do people in the country want medical advice and cannot get it, on account of the cost of getting the medical man out of town! Clearly, in that case we should get four or five for one we get now. Then, coming to the legal class, they would also travel more, and people would travel to see them. Again, taking the commercial travellers—the men who go to and from the towns, and make them. purchases, and select their goods—do you mean to tell me that the fares from this source will not increase more than two to one? Will they not increase ten to one? Then there are lecturers, actors, and other entertainers. These people would go into every little town in the country; and I believe a very considerable amount of good should be done by that. We certainly should get our quantity We come now to the most important class as regards travelling—artisans and labourers. My contention is that our railways have failed, for the reason that they do not meet the requirements of this very large proportion of the community, who have incomes, say, under £200 per annum. A man having £200 a year to live on in New Zealand cannot make much use of the railways for the purposes of his daily avocations. If we could only get down to that large mass of the people with small incomes, we could then be sure of having our number; and I maintain that we cannot touch that class except by some such reduction as I propose. I am aware that the Railway Department to meet these requirements depend on the season-ticket system. I will show you how season-tickets never have and never will do it. They are a very good institution, and I certainly should not propose to do away with them; but they only meet the requirements of the head of the family. A man takes a house in the country. And there are very few who will do that except married men with children. How about the wife and the children? A family-ticket, you will say. But numbers of these people could not afford a family-ticket. I know it comes cheap; but the man argues in this way: "My wife only wants to go to town, perhaps, once in a month, and my children once in a couple of months;" and he will not buy a season-ticket for them. I think it will be found that there are very few of these family-tickets issued. If you take the Board of Trade returns, you will find that the proportion of season-tickets to travellers is very small indeed, and it will be still less here. You simply cannot do it by season-tickets; you must bring the ordinary fare down if you want to increase the number of travellers. This is amply illustrated by what has been done in England by third-class fares. Every six months, as the Board of Trade returns are published, there is found to be a large decrease in first-class travelling, a larger decrease in second-class travelling, but such an enormous increase in third-class travelling that it more than makes up for the loss on the other two classes. I think that is a very strong argument in favour of my assertion that the low-class fares pay. It is a fact that cannot be gainsaid or resisted in any way. I have tried to convince the Committee that travelling would be extended—that people would travel these long distances. Now, the whole secret of the average fare lies in the question, what will be the average distance travelled? The average distance travelled under the present system is thirteen miles. Are these inducements which I offer sufficient to extend that distance to seventeen or eighteen miles? If you only extend it an average of sixteen miles you cross two stages, and if you cross two stages it is very unlikely that your average fare will sink below 1s.; but suppose it does not reach 1s.suppose it only reaches 8d.—then three fares for one would bring up your revenue to the amount now

59. Allowing that the gross distance travelled be increased, the average distance travelled by each passenger might at the same time be decreased. For instance, the traffic between Auckland and Onehunga would, no doubt, be increased; but, as that distance is less than the present average travelled, every fare would have the effect of reducing the average?—I do not think it possible that the average distance could be decreased; but, should it turn out as you expect, the financial result will be right—you will get the amount in a greater number of small fares.

60. Mr. Macandrew.] Have you considered what effect it would have on your proposals if you were to do away with the distinction between classes—only to have one class?—No, I have not given it any thought; because I do not consider that it would work well in this country. I think it would be to our advantage—looking to the financial result—to keep two classes. I notice that in America, where they professedly have only one class, they are fast coming to three classes. I do not think it would be wise to abolish the two classes.