idea of the equal proportion of each class. This is how it worked out. What I assumed was that my average fare would not be less than 1s. But first let me point out to you, gentlemen, that, whether you work by miles or whether you work by stages, the longer distance a passenger travels the larger fare he must pay; no matter whether he travels by the stage or by the mile, and therefore my object was to extend the average distance travelled. If you can extend the distance travelled you must get a bigger income. I found out the average distance then travelled was thirteen miles. The last time I worked it out it was a trifle under thirteen miles. It has not increased during the last fifteen years, and I think that of itself is a sufficient condemnation of the system we are working under. Having found the average distance travelled was thirteen miles, and the thing being an entirely new one, and having nothing whatever to guide me as to what extension in travelling was likely to take place, I simply calculated on an extension of from thirteen to fifteen miles. Well, then, this is how I had to lay down the system of stages : Say, this being Auckland, I put the first point at seven miles and the next at fourteen miles from that city, thus fifteen miles, would land my passenger in the third stage. Assuming there were equal numbers, that the second-class fare was 1s. and the first-class fare 1s. 6d. for the three stages, the half of that would be 1s. 3d., and I calculated my average fare at 1s. 3d. ; but, I said, there will be a considerable disturbance of that by means of the wayside traffic. The stations between the stages would, of course, disturb that calculation, so I took off the odd 3d. and said I would merely reckon on the 1s. When Mr. Maxwell sent his report into the Committee my diagram had been hanging before him for many days, yet he deliberately sent a report to the Committee, in writing that my average fare for ten miles and under could not be more than 4½d. His own accountant shows that it was 5·66d. Where there are millions that is a very big figure. He said, in country districts it was only 4½d. for fifty miles. Where he got those figures from I do not know, and how he arrived at that conclusion I have never to this day been able to understand. His own accountant shows that the fare for from ten to fifty miles, that Mr. Maxwell stated would be 4½d., is 1s. 5¾d. Now, that is a pretty big figure for a railway expert to be out in ; and he said for all distances over ten miles the fare is most unlikely to average 1s. 1½d. Where he got that 1½d. from I do not understand. The same gentleman accused me of very great ignorance in dealing with my subject. Mr. Hannay also gave evidence, and said the average for nine miles and under could not be more than 5d., while their accountant shows the average for ten miles and under is 8·57d. Mr. Hannay further said, " I do not think the average fare for all distances will be 1s." Now, I ask, was I not justified in saying some very hard things about the railway officials who gave evidence of that sort to the Committee? I think I was. It was the only course left open to me. My contention was that the fare would be 1s. ; that if we got two fares where we got one, and these fares were not less than 1s., we must make money. Here is their own return— viz., that there were 425,000 passengers carried, in round figures, and they produced, in round figures, £40,000. To produce the same revenue under my system the number of passengers required would be 817,454. Well, twice 425,000 is 850,000, showing clearly that if I got double the number of passengers I should get an increased revenue, and that the departmental return justified my statement. I have had nothing to do with that return, and never saw it until I got it in print. Now, then, gentlemen, you will find Mr. Fife says that without any extension in the distance travelled my average fare will be 11¾d. Now, Mr. Maxwell spoke of me as an amateur, and all that sort of thing. I want to know which showed the greatest knowledge, the amateur or the railway expert. However, these things are past and gone, and it is only necessary I should draw your attention to them in order to show you what I had to contend with on that Committee. Another claim I made was that the system I proposed was so much more simple than the present system that it would encourage travelling greatly; that it would encourage not only travelling, but the sending of produce and goods, because everybody could understand it ; and it would be a fixed scientific system that everybody could grip, lay hold of, and understand. Well, the whole of the three officials endeavoured to controvert that opinion ; but I must do Mr. Grant the justice to say that he never gave any evidence as to what the average fare would be, nor did he give any evidence as to the simplicity of the new system. I claimed that to be successful in railways you must have not only a cheap system, but a system that everybody can understand. Well, Mr. Hannay and Mr. Hudson both emphatically asserted that this departmental distance-table of the Auckland Section of railways as it was in 1887 was far easier for the officials to understand than the stage system as applied to the same sections in the same year. Well, you had to travel along these long lines of figures in the departmental table, and if dealing with second-class passenger fares you had to reckon the number of miles by 1½d., and they (Messrs. Hannay and Hudson) said that that was easier done, and the public would understand it better, than my system. There are about 23,000 figures in the 105 columns in their system, and in mine there are only fifteen columns and 132 figures. Say you wanted to find the fare from Frankton Junction to Auckland, on the stage system. You have five stations on my table, and five sixpences are 2s. 6d. for the first-class fare, and five fourpences, 1s. 8d. for the second-class fare. Yet they wanted to make out that their system was easier than mine. Then, in Mr. Charles Hudson's evidence, he was questioned by the Hon. Mr. Richardson as follows :—Question 376 : " Is there sufficient information given in this scheme to enable you to form an opinion as to how the proposals with regard to passengers would work out in practice ? " A. " With regard to passengers, I think it would be necessary to make a rate-book for every station. We cannot ask the ticket clerks to count up the number of stages to arrive at the fare : it would be necessary to give them a rate-book stating the rate from their station to every station they were allowed to book to." Q. " Would that be a great simplification of the present system ? " A. " No, it would not be so simple." Q. " Hon. Major Atkinson : But the passengers would understand it more easily, would they not ? " A. " I do not think so, because we publish a mileage fare and they have only got to refer to the time-table for the number of miles to calculate the fare to any station they wish to go. Then, in addition, we post up in our stations a clear table giving the passenger, parcels, and other rates to each point from that station. There would be no difference so far as the public is concerned." Q. " Mr. Maxwell : How long do you suppose it would be before the rate-books could be got in proper order ? " A. " I do not think, on serious consideration, you could start in less than