Government charge. Classes N and P are exactly the same as the railway charge. The charges for benzine and motor-spirits are Class  $A_{\frac{1}{4}}$ . According to the Order in Council it reads, "If any goods are required to be carried which are not mentioned in the classification they shall be carried at Class A until the Council shall determine in what class they shall be carried." The Council determined that the rate for benzine should be rate and a quarter.

5. As a matter of fact, we have heard that on the Government line it is rate and a half?—Yes.

6. Mr. McVilly has raised the question as to the successful competition of motor-lorries taking the goods from the Sandon Tram to Feilding: will you explain the circumstances connected with that traffic?—With regard to benzine and motor-spirits the difference in the two charges owing to the mileage allows the ordinary carriers to enter into competition. The same applies to Class A stuff generally, to a greater or lesser extent. But with regard to some other classes they can only enter into competition on account of the small motor-lorries running out into the district serving the settlers, and they carry those goods back as back freight.

7. The Chairman. You mean that at Palmerston or Feilding the grocers take goods back ?—Yes. 8. Mr. Skerrett.] Are they wholesale or retail dealers ?—Well, both, I think—chiefly retail. There

are two large stores at Feilding, and they have two lorries apiece.

9. Is there any freight motor-lorry service between Feilding and Sanson ?—No. 10. It is all done in the way you mentioned ?—Yes, that is the way it is done.

11. Mr. Myers.] You take goods from Foxton, do you not ?—Yes.

12. And I suppose you charge as freight the Foxton mileage rate?—Yes, according to the tariff.

13. What Mr. McVilly apparently complains of is that it is your classification which does not agree with that of the Government?—As to the classification, I have taken a number of instances and they tally with the Government charge. Of course, there are a large number of classes of goods which are not in our classification list, such as benzine and motor-spirits, as has been mentioned. The

classification was made in 1884, and the traffic in those commodities came later.

14. Have you never included them in your classification or gazetted them ?—Only, as stated, by

the resolution of the Council.

15. They are not gazetted afterwards ?—No.

16. Class 1, firewood, is different from the Government rate, is it not—your rate is higher than that charged by the Government?—Yes, it exceeds the Government rate.