Mr. Carruthers.

18. Then you have adopted clause 37 of the report? [Clause 37 read.]—The "Press Copy of Outward Way-bills" could be hardly called a form; the "Balance Sheet" is much the same; these go 17th Aug., 1877. to the Audit Office. The "Outward and Inward Abstracts" is a very little form, and takes no time in making out. The "Weekly Summary of Traffic" can be made up from particulars abstracted from the outward way-bills. Then there is the "copy" of his balance sheet, which takes no time to prepare; the last three go to the head office. Altogether, there are five very simple documents to be forwarded every week.

19. These returns you will observe are sent to the Provincial Audit Office?—They will not be

sent there after the new offices get into working order.

20. Is there any necessity for a provincial Audit?—Quite unnecessary; it ought to be

21. All errors occurring in these weekly returns must be discovered in Wellington?—No. The outward and inward abstracts would show errors, as one must balance with the other. No mistakes

22. Then what is the use of having an Inspector to examine the books?—He is an Audit Officer. His principal work would be to see that the Stationmasters and clerks have really the money, or goods in sheds, that they say they have. He looks at the books to see that they are properly entered up.

23. If you turn to clause 6 in the Railway Report, you will see that you have either misapprehended my question, or that the duties of Travelling Inspector are the reverse of what you say?—
[After reading clause 6]. That is precisely what I say. A Stationmaster, for instance, says he sold a certain number of tickets: the Travelling Inspector checks his statement. The Goods Clerk may state that a certain amount of money is due, and enters it as an asset to be received from the consignee for goods to be delivered to him: the Travelling Auditor has to see that such is the case. The Auditor gets the particulars from the Station Clerk, and will say to him, "Let me look at your last return sent in to the Audit." The Travelling Auditor gets it verified from Wellington, to be assured that the actual statement of cash balances is the same as the one he sees at the Station. He then goes to the Ticket Clerk and notes the result. The Goods Clerk sends to the Audit a statement, showing that the railway has earned a certain sum for freight, a portion of which money he may not have collected, owing to the freight not having been paid—the Travelling Auditor may be told that there is £100 outstanding in this way; it is then his duty to see that this statement is true.

24. You say mistakes cannot occur. Do you not know that many errors have occurred?—I do not know that mistakes have not occurred. As to error not being possible, that is very hard to say; but I say that by having two columns showing export and import, one checking the other, there probably would be no mistake.

- 25. In the report of the Commission a certain classification of goods is recommended. Do you think that classification advisable?—I think so. I also think the present classification full enough, and not too full. I am not prepared to say the classification is absolutely perfect.
- 26. Do you consider the classification recommended by the Commission necessary?—Yes; I think so. In the first place there is the experience of all railway companies in the world on the subject. In England every article is classified.

 27. Then you think, as a rule, the classification recommended should be adopted?—Yes.

28. Why then is it that exception is to be made on the Lyttelton and Christchurch line?— Because when a ship comes in you take the manifest; if not you would have to weigh every portion of the cargo. In the case of a ship coming in the goods have been already weighed and measured. If it

is suspected that there be any cheating, then the goods should be weighed.

29. It appears then that a merchant receives goods by one classification and sends goods away by another?—I see no parallel. The reason is that when a ship comes in with loading, all the goods have been already weighed and measured, and to re-weigh and re-measure them would be waste of time. It is to the ship's interest to put down the right freight. As to goods going outward, I do not think the Government would be justified in accepting the weights handed to them. It would be necessary to weigh the goods, and that would be done whether there was a classification or not.

30. I want to ask you with regard to return tickets. I see the Commission have recommended that in course of time return tickets should be done away with. I wish to ask you what is your opinion on the subject?—The return tickets are a great inconvenience. It would be better for

return tickets to be done away with.

31. Then in the case of a regular customer he would have to pay the price of a single ticket each way, and only the man who travelled occasionally would get the benefit of such a system?-Yes; but a season ticket could be got.

32. Are you of opinion that return tickets should be abolished?—Yes.

33. Are you aware that in America return tickets can be purchased in shops and places away from the railway station?—I have an impression that the system in America of selling tickets away from the station, and by any one, has led to gross abuses, and has been discontinued. The system of return tickets is in force in England.

34. Can you say whether the American system is found satisfactory?—I should say it was very unsatisfactory indeed.

35. Do you speak from experience?—Yes.

- 36. Have you had experience in this matter of selling tickets at the shops?—The system of tickets good for a long time has been found inconvenient, in this way: A man, for instance, buys a return ticket. If he arranges with the guard for the ticket not to be nicked, he can continue to travel on that ticket.
- 37. Do you not think it would be an improvement on our present system if the tickets were sold as revenue stamps upon commission?—Then the tickets would become cash. I do not think any great advantage would be gained. If tickets are saleable all about the country there is no necessity for them. A ticket would be the same as a bank note.
- 38. Would it not be to the convenience of the public to be able to purchase tickets wherever they like. I want you to answer that question?—Some slight convenience might result,