

my first letters on the subject, and in my printed statements, I have always argued that we should receive at least four or five fares for every one we receive now. My opinion is, that to be equal to what is done in the Old Country we should shift our population at least twenty-four or twenty-five times a year. If we did that—twenty-five times—it would give us five fares for one; and that has always been the basis of my calculation. I have never expected to get less than five fares for one, and I should not be in the least surprised if we got ten for one.

51. *Mr. Whyte.*] And thereby the average would be made up?—Yes, and more than made up. But I also reckon this way: Under the new system, considering the great advantages given to long-distance travellers, I think it is almost impossible to arrive at any other conclusion than that there will be a large percentage of increase in these long-distance travellers. In this way: Assuming, for the sake of argument, that these long-distance travellers now bear a proportion of 5 per cent. to the whole, under the new system I would say that they would amount to at least 15 per cent. I believe we should get three long-distance travellers for one we get now, and consequently the average general distance travelled would be very much increased. Then, again, there can be no doubt that there will be vast numbers of people who will travel fourteen or fifteen miles in proportion to those who now travel so far; because that is the distance—say within fifteen miles from the centre—which will always take a large number of pleasure-seekers on Saturdays, Thursdays, and other holidays. If these large numbers of people take the fifteen-mile journey, and if you bear in mind that the average distance travelled now is only thirteen miles, you will see that there must be a large expansion in the average distance travelled. I was asked yesterday about the Port Chalmers line: the first-class fare from Dunedin to Port Chalmers is 1s. 6d., and the second-class 1s.; if they were reduced to 6d. and 4d. how many more would you get to travel that distance? At least ten for one.

52. I was puzzled yesterday to see how you got your average fare of 1s. You say that, as the average ticket now is 1s. 11½d., if you got two passengers for one now, and if you also got the price of each ticket not lower than 1s., you would take as much or more money; but as for short distances you halve the present fares, and for long distances you divide them by seven, it was not very apparent how you kept up your average to 1s. I have made the following calculation: Supposing that from Auckland one passenger started for each station on the line up to Te Awamutu, it would, by the present system, yield £14 2s. 1d., but under the proposed system it would only yield £3 5s. 3d. It would require four and a half times as many fares to make up the difference. Therefore it appears to me that in order to establish your contention—that two fares for one would make up the money—the station-to-station traffic would have to be immensely increased?—I do not take that inter-station traffic into calculation at all; that is all to the good.

53. The loss on every through-passenger being 15s. 9d., taking the first-class ticket, it would require thirty-one and a half sixpenny tickets to make up that loss. I thought that the natural answer to this would be that the traffic from station to station would make it up; and in order to establish Mr. Vaile's contention it would be absolutely necessary for us to have that return which he asked for last year—a return showing the actual number of tickets issued to each station from each station; otherwise we are going on probabilities?—Mr. Whyte's argument is based on an assumption of facts which do not exist. The railways never did earn any such amount, and they never will; therefore it is no use to combat the argument.

54. *Mr. Whyte.*] Of course it is based on a supposition, but I have given both sides of the question the benefit of that supposition?—Let us deal with actual facts. Take what the railways did earn, and what they are likely to earn under the proposed system. In all my arguments, in order not to take any advantage, but to give myself every possible disadvantage, I made my calculations solely on the through-fare. This other factor—the inter-station traffic—all comes in to the good of my system.

55. My object in drawing attention to this was to get these returns?—I do not think they are very necessary, though I should be glad to have them.

56. *Mr. Macandrew.*] You do not have any return-tickets under your proposal?—I have not dealt with that yet; but in my opinion return-tickets are a bad institution. They are now issued only on Saturdays and Sundays, but they work very perniciously. I think it is admitted that if we get two fares all through for one, and if the average does not sink below 1s., we shall get as much or more money than we do now. I will try to illustrate it in another way. From Auckland the first stage you come to is Penrose. Taking the first-class fare only, it is 1s. to that station: I propose to take it down to 6d. How many more am I likely to get for that seven-mile stage than we get now! Also, from Auckland to Onehunga. And the same thing will apply from Dunedin to Port Chalmers and from Christchurch to Lyttelton. I propose to make the whole of these distances 6d. for a first-class ticket. How many fares should I get at these stations for one that is taken now? I should get ten at the very least. No one who does not know Auckland can imagine the crowds of people who would go out to Onehunga on a Saturday or a holiday. There are not less than fifteen or twenty regular omnibuses running on that line. The railway charge is 1s. first-class, and 9d. second-class. The omnibuses run all the year round for 7d.; indeed, they do better than that, for they give fifteen return-tickets for 14s., and they are always loaded.

57. *Mr. O'Connor.*] But the omnibuses take each one from his own door?—That is true; but look at the delay, the time that is lost—the omnibuses are much longer on the journey. There are vast numbers of people who prefer the omnibuses because they are cheaper. Well, what I contend for is that in these short distances you must—that is to say, we shall—get at least ten fares for one you get now. Then, if you come to the next stage: present fares—to Otahuhu, 1s. 6d. and 1s.; to Papatoitai, 2s. 4d. and 1s. 7d.; to Manurewa, 3s. 2d. and 2s. 1d.: I propose to take all these down to 1s. and 8d. I should clearly get a great many more than my two there. Then, coming on to Drury, the fares now are 4s. 7d. and 3s. 1d., and my proposed fares are 1s. 6d. and 1s. I manifestly must get more than my two there. The next stage further on is Pukekohe, which certainly is a great place of attraction. The present fares are 6s. 3d. and 4s. 2d., and the proposed