

256. But you would expect an increase up to ten miles. Why would the increase come there—would it come from people in the town going to reside further out into the country, and so enlarging the circle of settlement?—What I meant to say was this: that we could not expect any increase up to five miles, because the rates are much about the same; if there was any increase at all, of course it would be over five miles.

257. Would that be from extending the circle of settlers into more sparsely-populated districts?—It might; but I do not think that on the New Zealand railways we can extend our suburban traffic much beyond ten miles, because the time occupied in travelling must be considered by business men. Professional men, clerks, and shopkeepers have mostly to be into town before 9 o'clock; so that if the journey was extended to ten miles or over, they would have to start very early. Working-men, of course, have to be in town by about a quarter to 8 o'clock.

258. Then I understand you to say that you do not think the traffic on the railways could be much increased unless the speed of trains were increased so as to enable the same time to be kept between out-places and towns?—Yes; that is one reason. Of course, also, the fares would be higher over ten miles; that would be another item.

259. *Mr. Hatch.*] With reference to this fact of a ship loading up with grain sent from Oamaru to the Bluff, was there no special advantage in the way of rates in favour of the person sending grain from Oamaru to the Bluff, as against the person who wished to send from the Bluff to Oamaru?—I do not think so.

260. *Mr. Whyte.*] Your opinion is, then, that, were competition not considered, the railway would lose its trade?—In some cases.

261. *Mr. Walker.*] I believe you have had experience at Home. On what lines?—On the Inverness and Aberdeen, and the Highland lines.

262. In your experience have low fares been tried at Home?—Nothing so low as has been now proposed here.

263. But they have been tried to some extent. Have you never known of them being tried as an experiment?—No.

264. Do you think it would be safe to try the experiment, supposing we had three times the population?—No, I do not think so.

265. It is simply a matter of population?—Of course, in large centres a lower rate will induce people to travel, for reasons already stated; but in outlying districts the low rate will not make much difference.

266. *Mr. Gore.*] You have a good general knowledge of business: do you think Mr. Vaile's system, if adopted, would have a tendency to carry the population out of the towns into the country for the purposes of settlement?—No, I do not think so.

267. Would it assist in transferring manufactures and industries from the towns to the country?—I do not think it would make much difference.

268. *Mr. O'Connor.*] Do you find that people with free passes travel much more than they did before they held them?—I do not think so. I remember asking Mr. John Reid, of the firm of Reid and Duncan, why he had not taken a season-ticket? He said that he had reckoned up his journeys for last-year, and they barely exceeded £50. I said, "What about pleasure-trips?" He replied that he never went on pleasure-trips, and that in future he would pay for his fares as he wanted them.

269. That scarcely answers my question. I was asking about free passes. Supposing a member of the House in Dunedin has a free pass, does he travel on that pass oftener than previous to his getting it?—Yes, I think he does. I thought the question was asked about yearly tickets.

270. *Hon. Mr. Richardson.*] You know that up to within a few years ago, representatives of the Press had free passes, that have since been taken away from them. Do you think they travel as much now as they did then?—No, I do not think they do.

*Mr. Vaile:* In the first place, Mr. Chairman, I wish to remark that the whole of Mr. Grant's evidence is founded on a misstatement of fact. He has stated that up to the three-mile distance there is no reduction in the scale of charges proposed by me. The single fares for five miles are—first-class, 1s. 2d., and second-class, 9d. It is an open question whether we establish return-fares under the new system or not—personally, I do not think it is a good plan, but still, it is an open question; but my arguments have always been based upon single fares as against single fares. Mr. Grant follows in Mr. Maxwell's steps in pitting the season-tickets and return-fares against my single fares. Now, if we give them the advantage of the return-fares, the return, first-class, is 1s. 6d., and second-class, 1s.: now, it is very clear that my fares are a very considerable reduction on those. A comparison will show that my fares are a very considerable reduction on the present fares; therefore I say that Mr. Grant's arguments are based on a misstatement of fact. I should like to ask Mr. Grant a few questions.

271. *Mr. Vaile (to Mr. Grant).*] You say that no appreciable increase in traffic would take place from the reductions I have proposed up to five miles, and no appreciable reduction up to ten miles, and that the fares would only double over ten miles. Supposing that the fares between Port Chalmers and Dunedin—1s. 6d. first-class, and 1s. second-class—were reduced to 6d. and 4d., do you not think you would get any more fares?—Very few more, I think.

272. You give that as your deliberate opinion?—There might be a slight increase; I do not think the traffic would be doubled.

273. You say that there are three thousand season-tickets issued on the Port Chalmers line?—Not in my district.

274. How many family-tickets are there issued there?—I could not say the number at present; there are a good many. Probably about fifty.

275. How about the families that are situated there—there are three thousand season-ticket holders: that must mean a large number of families living out of town. If my fares were in force,