

579. Assuming that there would be a loss under the system, do you think we should not be justified in putting it in force for a time to test the question?—No, I certainly do not think so.

580. *Mr. Vaile.*] How long is it since the cheap excursion-trains were started?—Some have been running for three or four years.

581. Where?—In the South, on the Hurunui-Bluff line.

582. Was not the first cheap excursion from Waimakariri to Christchurch?—No; we ran some before that.

583. At anything like the same fares?—Yes; indeed rather lower: for instance, during the Christchurch Exhibition, which was at least a year previous.

584. Have these excursions paid?—Some have: that is, they have carried a good many passengers; and some have not.

585. Generally, were they a success?—Yes, generally.

586. And with Saturday return-fares they were always a failure?—We do not run excursions at Saturday return-fares.

587. What do you mean by excursions?—The excursions which you referred to were special trains, not interfering at all with the ordinary trains.

588. But when you advertised them as excursions at Saturday fares they were always a failure?—No, I did not say so; as a rule, they were ordinary trains, and the Saturday fares, when charged for excursion-purposes, were for an extended period. The excursions to which you referred, and which carried a large number of passengers, were day excursions, and were special trains not interfering with the existing train-service.

*Mr. Vaile:* I have seen excursions advertised in Auckland at Saturday fares, and, as far as I know, they were always a failure. I think that Mr. Whyte will know I am correct in stating that.

*Mr. Whyte:* I do not remember any excursions to the Waikato at Saturday fares, returning the same day.

*Mr. Hannay:* I think you are confusing the two things, because the Saturday return tickets extended, as a rule, over a number of days; and then passengers travelled by ordinary trains going and coming.

*Mr. Whyte:* Of course it is not possible to go to the Waikato and return on the same day, unless it is by special excursion.

*Mr. Vaile:* I think excursions have been run as far as Mercer; but they attracted so little attention, that I am not at all surprised that Mr. Whyte does not know anything about them.

589. *Hon. Mr. Richardson* (to Mr. Whyte).] Do you know of any trains being laid on at Saturday return-fares during the week?—I do not know of any.

590. *Mr. Vaile.*] Do you know how many family-tickets there are issued on the whole of the New Zealand railways?—I am not aware; there are a considerable number. [About thirty-eight in twelve months, representing 177 persons.]

591. What is the object of differential rating?—There are several objects: one, the getting of business; another, the encouragement of local industries.

592. But what is the chief object to the mind of a manager?—The chief object, no doubt, is to get business—to shut out competition.

593. When you have crushed out competition by differential rating, would you not then immediately raise your rates?—That would depend entirely on circumstances. We could not deal with any proposal without having particulars. I think I could mention a good many cases in which the rates which were lowered were not altered afterwards.

594. But you say you give a differential rate where there is competition, and you just now said that the chief object of differential rating is to secure business; therefore, when you had secured it, you would raise the rates?—I am not prepared to say so. There might be circumstances affecting the decision of the question, after the competition was crushed.

595. It would be the general rule, anyhow?—No; it might be more profitable to the carrying company to keep on the same rates.

596. Does differential rating on the New Zealand lines insure equality of treatment to the public?—Of course there can be no insuring of equality of treatment under any system I have ever heard of. But it is another thing to give undue preference to any individual.

597. It does not give that?—Certainly it does not give undue preference: that is to say, like quantities and classes of goods are carried to and from same stations at the same rate—every user of the railways being treated the same under like conditions.

598. What you mean to say, then, is that, having regard to the cost of the service, the public is treated with equality?—Yes; that is, under the same conditions. It gives no undue preference to any individual. There can be no absolute equality of treatment under any system.

599. It has been stated in evidence here that if we were to double the number of passengers carried in New Zealand we should require double the amount of our rolling-stock; is that so?—I have not stated so, and am not aware of it having been stated.

600. *The Chairman* (to Mr. Vaile).] Can you say in whose evidence that was stated?—I think it was Mr. Grant. I have not seen the printed evidence as yet.

601. *Mr. Vaile.*] Do you consider that our rolling-stock is now fully employed?—Certainly not: that is to say, every wagon and every carriage is not run every day full.

602. Nor anything like full?—No.

603. Do you think they run half full, taking the rolling-stock all round?—It is fairly employed. In order to give a definite answer to this I might say that the average number of passengers which are carried on the Hurunui-Bluff line is seven to each carriage.

604. That shows they are not a quarter full?—Yes; but you must not entertain the idea that I do not think the carriages are not fairly employed.

605. You say that the average is seven to a carriage?—Yes.