

unskilled labour is paid as high as 18 cents an hour ; but on the Pacific coast, as a set-off, Chinese labour is resorted to, at a lower rate than in the Eastern States.

All the tonnage statistics in the United States are based on a 2,000lb. ton ; but we do not know the actual dead-weight of much of the freight carried, which is arrived at by computation : thus, with cattle and sheep, a truck-load is counted at a fixed weight ; it may be 20,000lb., but, as far as I can judge, this will be in excess of the actual dead-weight as a rule, and different accountants have different practices of compilation. Tonnage is re-stated many times over in passing through different companies' hands. In dealing with expenses, most statistics profess to separate the cost of moving passengers and goods, stating it at per ton and per passenger per mile. The calculations and methods are, to some extent, arbitrary, and each accountant will have his own way of arriving at the two estimates, so that the value for comparison of effective results in different systems is doubtful.

The difference in the conditions of traffic may be briefly illustrated as follows, by comparing the approximate data of several railways :—

Railway: 1886.	Number of Passengers.	Average Distance carried.	Tons of Goods.	Average Distance carried.	Mileage of Line.
		Miles.		Miles.	
New York Central	14,662,118	32	12,718,101	189	1,441
Illinois Central	6,112,110	19	4,051,823	178	2,356
Denver-Rio Grande	337,306	122	1,352,252	143	1,317
New Zealand railways	5,087,685	10	1,834,000	25	1,727

No illustration which I can give will show better one of the greatest divergences of the conditions of traffic on our railways, compared with some of the American lines, than these figures do. The reasons for the short average distances that traffic is carried will be already apparent to all persons who have given our business their careful consideration. They are, that the colony has numerous ports, that no part of our system is anywhere as much as a hundred miles distant from ports or water competition, that nearly all the best productive country is nearer to a port than this, and that nearly all our larger centres of population are situated close to the ports. This, from a colonial point of view, cannot but be a source of congratulation ; but it is not conducive to large profits on the railways. Were our system situated as the Victorian system, so that we could carry long distances and make as high charges for our services, we could earn as large a dividend ; but such a condition of things could not be as favourable to the interests of the colony as at present.

There is one point requiring especial attention in connection with this. We have heard a great deal in New Zealand about high rates, as if the sums paid by customers per ton were really large. The amount per mile is not the true gauge to adopt. Americans, as a rule, pay much larger amounts per ton for railway-freight, on account of the long distances goods are carried, than is the case in New Zealand, and, as a general rule, the New Zealand settlers and producers obtain all their goods and despatch all their produce to the markets much more cheaply than is generally the case in the States.

Each State in the Union makes its own laws on the construction and operation of railways within its limits. Traffic which originates and terminates within the limits of a State is subject to its laws ; but traffic which originates in one State and terminates in another is subject to the laws of neither—it is amenable to the laws of the United States Legislature. Companies whose lines traverse two or more States thus come under the operation of a variety of statutes—a condition of things which seems inconvenient and inconsistent, as in some instances there are important differences in the various enactments.

In the earliest days of railroads very great freedom of action was exercised by railroad companies in making their rates, fares, and charges. Railroads were at first popularly regarded as private commercial concerns, having similar rights to private traders in their dealings with the public, and entitled to similar freedom of action. This view, however, was held by legal authorities and statesmen to be erroneous, and contrary to the provisions of the statutes under which the companies obtained their powers. Gradually the public opinion came round to the latter view, as the operations of working and the abuses liable to arise in connection with rates and charges came to be understood.

The demands of the individual customers of the line, the acute competition among rival roads, and the financial difficulties of companies drove their managers into bidding for traffic by the granting of personal rates and rebates, and by the exercise of personal discrimination in all forms ; and it has only been after the most acrimonious contentions in the public Press, litigation in the Courts, discussions and investigations and legislation in all the legislative bodies in the Union, extending over many years, that an order of things is now becoming established tending to entirely abolish such practices. Even at the present time they have not entirely ceased.

During this change railroad managers have been stigmatized as robbers, extortioners, and evil-doers, preying on the community ; companies and individuals have been acrimoniously assailed by the Press, by book-writers, by politicians, and by all classes of producers and traders. It is quite natural that, during such a revulsion, the railroads should be attacked and vilified ; but it must be none the less true that the generally prevalent practice could not have existed unless with the active participation and at the earnest desire of traders and commercial bodies and producers of all classes, who, in their eagerness for personal and local advantages, did not foresee the magnitude of the evils they were giving rise to ; and, had the railroad managers resisted the popular tendencies of the day, they would doubtless have been condemned as unenterprising, incapable, stupid per-