

possible for the Inter-State Commissioners to examine and pass judgment in the many thousands of instances in which the operation of the clause may have to be suspended to meet natural conditions on 150,000 miles of road, to which 10,000 to 12,000 miles are being added annually. It is the opinion of many that this Act must shortly be modified.

Each State has a Board of Railroad Commissioners, who are State officers, appointed to watch the operation of the various State Acts, and to hear and report on complaints from the public against railroad companies. These bodies have different powers in different States. They investigate complaints about rates, location of sidings, train-accommodation, train-stoppages, private sidings, crossings, and a great variety of such-like matters. These reports, opinions, and rulings are well worth perusal: the topics discussed and dealt with are all very much the same as arise daily in our own working in New Zealand, and the remedies and solutions arrived at are of a kindred character as a rule. The practices of a country with such an extended area and variation of climate and conditions cannot but be of great interest to all persons concerned in railroad-working.

Whatever improprieties may have occurred, and whatever evils may have arisen, in connection with railroad rates and fares, the general outcome at the present time is that the United States has rates as low as are to be found in any part of the world, and fares which are extremely moderate, though on the average they may not be as low as the European fares. Every year has, on the general average, seen rates getting lower, as traffic has grown and appliances and organization have been getting more perfect. The roads have on the whole rapidly improved their services and correspondingly benefited the public.

I have alluded to the violence with which American railroad managers have been assailed. That they are the extortioners and evil-doers that some writers make out is not to be believed for a moment. Much of the abuse poured on railways arises from a want of full appreciation of the subject discussed. A great deal is due to the mere love of smart writing which often characterizes some sections of the Press, and other writers. It is, without doubt, true that personal discrimination has largely prevailed, but that it has been so was due to the views of all classes of traders and producers using the railways, who practically constitute the public, and who have originated, assisted at, participated in, and supported the system until it has come about that disappointed seekers after special favours have become very numerous, and have come to see the evils attendant.

For us in New Zealand to enter upon a system of personal discrimination would be retrograde; it would give rise to general dissatisfaction. There have not been wanting numerous pressing and imperative demands to grant personal rates, and that refusal to do so has caused great dissatisfaction is well known. Having resisted this error in the past, it will be easier, with the example of the United States before us, to avoid the other extreme, and to maintain a practice of using special rates wherever the local circumstances, markets, and competition make it advantageous to do so.

The English practice, although providing for publicity, would be unsuitable, and would be very expensive to work. It has been stated in New Zealand that it would be better if the rates could be altered by petty officers at their discretion. Such a system would prevent just dealings with the public, and would lead to corruption and fraud. The practice among companies is to deal with all rates through the chief officer in charge of the freight department and from the head office. The chiefs are, of course, dependent on their local officers for evidence and information, and for advice of all local wants; but new rates are not granted without instructions from head-quarters. Inquiries from companies controlling many thousand miles of railroad confirm this: indeed, control of revenue could not be properly maintained save under such a system. Traffic regulations of the same character as are in operation in New Zealand and other parts of the world govern the work of the traffic employes, and they are strictly enforced and watched through properly-organized accounting and auditing staffs.

The companies in America have formed themselves into large associations for the purpose of settling rates and arranging matters connected with traffic in which they may be jointly concerned. Without pretending to speak precisely, some of those associations may represent an aggregate length of from 20,000 to 40,000 miles of road. The Trunk-line Association, of which Mr. Albert Fink, is the Commissioner, is one of these. The Central Traffic Association, of which Mr. Blanchard is Commissioner, is another. Of the general features of these organizations, and their goods classification and rates, these gentlemen were good enough to inform me of particulars. We have nothing in our limited system to demand any such organization, but it is a matter of great interest to examine their goods classification, and to observe their rates, as they have an indirect bearing on the colonial commerce. It must be clearly understood that what is called long-distance traffic in America has no parallel in New Zealand, and will never have any. What we should term long-distance traffic in New Zealand—i.e., from 100 to 200 miles—is in America short-distance traffic. The Pennsylvania Company has a great coal traffic extending over 500-mile distances. Some of the grain traffic from the North-western States is carried over 1,500 and even 2,000 miles to port, sometimes by rail, lake, and canal, and sometimes by rail direct. Large quantities of grain are carried from Chicago by rail nearly 1,000 miles to port, having been previously railed from the place of production to the Chicago market. The New York Central Company carries large quantities of grain from Buffalo 440 miles to port, which have been brought to Buffalo by water. The rates have been agreed upon by the associations for the carriage of grain from the North-west States to the Eastern ports. Many of them are regulated mainly by the water competition by way of Chicago or Milwaukee, and the Lake or canal route.

The present rate on wheat direct from Chicago to eastern ports is 25 cents per 100lb., or 25s. per ton as computed in New Zealand. The highest direct-rail rate on wheat from the North-western States is 45 cents per 100lb., or 45s. per ton. Freights from Eastern ports to Liverpool vary from week to week and from day to day: at the time I was in New York they were quoted at 2½d. to 3d. a bushel on grain. On some special occasions they have fallen as low as 1d. a bushel, and at