

tracted a list of articles commonly carried, with their rates, for comparison over certain distances. With traffic over long distances we have nothing to do, as we have no parallel traffic to compare it with. Long-distance traffic runs, in the States, from 200 miles up to 3,000 miles. The Pennsylvania Railroad, which has a coal traffic of 17,000,000 tons a year, carries a large proportion over five hundred miles distance. Many lines carry large quantities of such traffic through long distances at excessively low mileage-rates, which has the effect of making the average rates per mile on their lines very low. The local rates, however, do not differ very widely from our own. An inspection of the schedules following will show that much of our local traffic is carried at lower rates than is often the practice in America. I should here again draw especial attention to the fact that a comparison of the rate per mile is not a proper standard to use in judging whether the customers of the New Zealand railways are better or worse off than railway customers are in the United States. The point to be considered is, whether we pay larger amounts for freights or not.

Careful examination and consideration show us that we cannot but pay freights greatly below those paid per ton on the average in the United States. We cannot verify this by figures, because the tonnage of the American lines is made up largely of through-traffic, and each ton of through-goods is reckoned by each company over whose line it is carried. If it passes over six companies' lines it will be reckoned six times; and we have no means of dividing up the through- and local-traffic tonnage to arrive at even an approximate idea of what the average charge per ton is, and all attempts to unravel this problem are unavailing with the information usually available in railway statistics. Railway accountants are well acquainted with this element of uncertainty. The inference to be drawn from this is, that the New Zealand settler is much better off in respect to railway freights than is the producer as a rule in America. A careful consideration of this point seems to place it almost beyond the limits of controversy. It is true that over-sea freights to Europe are higher than between the United States and Europe, but the disadvantage in this respect cannot counter-balance the advantage in the other; and it is satisfactory to feel that settlers in New Zealand are in so favourable a position to compete with the United States in the European markets.

Conclusions.

It now remains to briefly consider the whole subject. In trying to, very cursorily, review the chief points of interest, we should remember that we are drawing comparisons between a continental system serving 60,000,000 people, which has grown up during fifty years and deals with great manufacturing industries, and a small insular system serving 600,000 people, with relatively very small resources; and we must therefore expect to find both conditions and results widely differing.

It is, however, very doubtful whether the interest earned on the actual cost of the United States railways is practically in excess of our own earnings. The inflation of capital by watering stock in certain directions must be very far outbalanced by the great loss of capital resulting from numerous bankruptcies, and the forced sales of lines by mortgagees, while the grants-in-aid in the form of land have been enormous.

The form of construction of our railways is settled and done with for the most part. The natural features of the country and the financial position of the colony have determined the character of the lines, which are suited for moderate speeds only. The plan pursued has undoubtedly been the wisest in this respect. It would be unwise to allow ill-advised and rash persons to persuade the public that high speeds can be run with safety or with economical advantage; while at the same time we may be sure that no practical increase of revenue would result. We have unfortunately overdone building stations, and it may be as well to consider whether the public convenience will not be best served by dispensing with many of them.

It is very doubtful whether we can dispense with many trains. We have probably economized in that direction about as far as the public convenience will permit, although we run more trains in places than would be conceded by private companies. The City of Portland, with 40,000 people, has only two daily trains inland. We clearly cannot adopt this as a precedent for the service of our cities, although they may be smaller.

In the class of carriage stock we ought to improve; but the steps in this direction ought to be gradual: it is certainly not desirable to largely increase our annual expenses by prematurely converting the older stock. The colony is fairly well served at present.

We have years since settled on the general features of locomotives suitable for our services and lines, and no material departure from them seems at present likely to be made. In many respects we have followed the American practice. Changes in this department should be by the gradual introduction of classes of locomotives capable of taking larger loads and running at slightly higher speeds where the lines permit. This will be a continuation of our present practice.

As to the staff, it is well organized and trained, and is as steady and capable a body of employés as is to be found in any part of the world. Whatever trouble may have arisen with staff control, strict discipline has been maintained, and we may safely say that during the last eight years improper influences have not prejudicially affected the operations or discipline of the staff as a whole. Reduction in numbers is not likely to be very large, since we cannot very well do with less trains or close any main stations. We could, however, do a good deal more traffic with present appliances and staff, and this we must reasonably look for with the growth of population.

Our regulations and instructions for train- and traffic-work cannot be much improved; they are very complete and ample. We have carried on business under them with reasonable safety of life and property, and with reasonable immunity from fraud and losses. Some people imagine that simplification lies in the absence of ample and extensive regulations and rules. Such, however, is not the opinion or practice of the most successful railway experts in railway-working.

While the general features of accounting are similar to those in the States, we do not bring out our statistics in the same form. That, however, is an immaterial point. We bring them out