

shopkeeper getting the trade that they had, and perhaps filching a little from them. I venture to say that out of the enormous quantity of people in New Zealand that have been using trading-stamps in some form or other you could not find one in a hundred but what will speak well of the fairness of the system, and the promptitude and honesty with which it is carried out. You will observe by the accompanying sheet that the profit of the Trading-stamp Company during the nineteen months is almost nothing; in fact, taking into consideration interest on capital, and my salary, which is paid by the Home office, we have suffered a positive loss in New Zealand, and we would welcome any legislation that would enable us to retire from the country without loss; but to close up our nine branches without due time being given to realise on the investment and fulfil our obligations to landlords, employes, newspapers, and the general public would entail a serious loss, equal to the extent of close upon £10,000. There would also be more serious loss to the shopkeepers, who would see their trade drift from them to the larger shops, and I am afraid you would find your list of bankrupts during the next year would be materially increased. The public would also be great sufferers, and as nine-tenths of these are the poorer classes, and are the supporters of yourself, and more particularly your party, it does seem a hardship that they should be made to suffer, if you pass this Bill in its present form, by special class legislation.

Our system is in successful operation in eighty-nine towns in Great Britain, where it has never been molested in any form. A few of the papers, feeling a loss of patronage, have indulged in leading articles against us. In the United States we have 230 branches; the same state of things exists there. The State of New York and State of New Hampshire passed a Bill limiting the operations of the Trading-stamp Company. Both Bills were declared by the Supreme Court as contrary to the constitution of the United States. Your attention has been called, I understand, to alterations that could be made in our system, such as redeeming with cash entire books or fractions of books, or redeeming portions of books with goods. These systems were adopted ten years ago, and abandoned, after a short trial, for some cause or other; the public would not present sufficient portions of books for redemption, and, as the expenses of running two systems was very great, we found there was a loss; we therefore confined ourselves to redeeming one book. We also adopted the plan of purchasing small quantities of stamps; this was also a failure—a decided one—for more often than not the husband would either smoke, drink, or gamble away the small amount of money that was given for the stamps. So, though it may appear that the interests of the people would be better served by redeeming in cash or goods portions of books or a less number of stamps than we do at present, our experience so far has been that it is a failure, and the system becomes unworkable and dies a natural death; but the present system goes on year after year, and, while it pays a fair dividend on the investment, it is not by any means the gold-mine that some people have led you to believe.

Permit me to call your attention again to my request that you will give the company time to so arrange its affairs that we shall not suffer a total loss of our capital. Some one, we presume, must be responsible for this if we do, and it would be a great pity, if not a calamity, should we be compelled to turn this matter over to the State Department at Washington: As you are aware, our Presidential elections are approaching. The republic party is now, as it always has been, pro-British in its sympathies, while the democratic party are obliged, in the event of their being successful next November, to intervene in South Africa. Should the fact become known to the leaders of that party that a company of American capitalists had come to New Zealand, and under the sanction and protection of your laws invested a considerable amount of capital in a legitimate enterprise—an enterprise that was welcomed and is in existence wherever the English language is spoken—I say that should it become known that this company had been specially legislated against, their capital destroyed, their employes thrown out of employment, and special legislation directed against them, it would do more to place the democratic party in power than anything that has occurred during the last ten years. It is for you, sir, to say whether you, in your capacity as Premier, will be a party to even incidentally helping on a state of things that would be disastrous to the friendship of Great Britain and America.

Thanking you for your courtesy when I visited Wellington, and trusting that you are enjoying good health,

The Hon. R. J. Seddon, Wellington.

I have, &c.,

R. J. PARKER.

				£	s.	d.
Total receipts from sale of stamps ...	...	...	...	16,425	0	0
<i>Disbursements—</i>						
Salaries ...	...	...	...	1,359	0	0
General expenses ...	...	...	...	1,509	0	0
Rent ...	...	...	...	1,015	0	0
<i>Defalcations of employes—</i>						
Wellington ...	...	...	...	20	17	0
Napier ...	...	...	...	66	13	0
Wanganui ...	...	...	...	68	17	0
				156	0	0
				5,049	0	0
				11,376	0	0
Total purchases ...	...	...	...	10,979	0	0
Less goods afloat and at branches ...	...	...	...	972	0	0
				10,007	0	0
Say ...	...	...	...	10,000	0	0
Net profit ...	...	...	...	£1,376	0	0