

should not own their own freehold homes. If this were the case, what a vast accession of national wealth it would bring. All these would, in a greater or less degree, be producers, even if only to the extent of providing a portion of the food for their own households. It might not mean more than comfort to the individual, but in the aggregate, a great deal to the nation.

Much talk has been made about workman's homes. The only proper way of forming workman's homes is to enable the work people to form them just where it suits them best, where they can most readily dispose of their labour. This can be done, it is simply a question of transit.

The Stage System, then, was designed primarily as a land settlement system, to distribute population more evenly over the land, and as a natural consequence, more evenly distribute wealth, and thus solve the greatest of all social problems. As a scheme designed to produce these results it still stands alone. In the Hungarian adaption of it, this principle has been designedly taken from it, and this is what our railway officials wish to do here.

The avowed object of the Hungarian system is "*to enable people to visit the capital.*" The object of our system is to encourage the settlement of the most distant lands, and to enable people to live profitably in any part of the country, just wherever it best suits their requirements, either in town or country, with equal facility.

In the Hungarian system there is no recognition of the principle of basing the rating on the location of population, and thus giving temporary assistance to the poorer districts, nor is there any provision made for readjusting and equalising the rates, and there is still a great deal too much left to the will or fancy of the railway officials.

In December, 1884, I was asked to give a series of lectures in the Waikato townships. They attracted considerable attention, and in the following March, I left Auckland, and, commencing with Napier, lectured in all the chief Southern towns, being everywhere well received, and kindly and liberally dealt with

by the Press. The outcome was that such numerous petitions were sent to Parliament praying for a trial of the new system, that the Stout-Vogel Government set up a special Parliamentary Committee to deal with the matter.

This Committee was composed of the Hon. Major Atkinson, ex-Premier, Hon. E. Richardson, Minister Public Works, Hon. Mr. MacAndrew, Hon. Mr. Ormond, and Hon. E. Mitchelson, ex-Ministers Public Works, Mr. Gere, Mr. Hatch, Mr. Walker, Mr. O'Connor, and Mr. J. B. Whyte, M.H.R.'s. This Committee was surely able to deal with the subject they had in hand. It will be seen that half of its members were either Ministers or ex-Ministers. In fact, it was composed of the best known men in the country. I gratefully remember the patience with which they investigated the intricate subject placed before them.

Mr. J. P. Maxwell, the then general manager of our railways, conducted the enquiry on behalf of the Department, and I conducted it on my side, or rather on behalf of the Stage System. The enquiry extended over ten weeks, and ended in the Committee reporting that the new system ought to be tried. This recommendation was never given effect to.*

In 1888 a number of prominent Auckland citizens joined me in making an offer to the Government to lease the Auckland section of railways for five years for the purpose of trying the new system. The gentlemen joining me were all men of very considerable capital. We offered to give substantial guarantees, that we would maintain the lines and rolling stock in good order and condition, under the supervision of their own officers, that we would pay an increased revenue to the Government, give reduced rates to the public, and after the first year, hand back the lines in good order, on receiving a six months' notice to do so. Our offer was simply declined. This proves that it was not a money loss that was feared by the Government.

* The minutes of evidence and report of this Committee from Parliamentary Paper I.—9, 1886.