

Transcription, January 2015:

*Daily News* (London) No. 18891 (3 Oct. 1906): 4e.

[p. 4e]

‘Buy the Railways. More Methods and Terms.’

(To the Editor of “The Daily News.”) Sir,—I trust you will allow me space to reply to Dr. Wallace’s criticism, as I think my proposal, based upon equal justice all round, is worthy of defence.

The proprietors of the railways are in possession of a justly and legally acquired freehold, and if we are going to arbitrarily convert their freehold income into a terminable one, they are entitled to an equivalent consideration, which should be sufficient to replace their capital. I fixed 100 years as a convenient term over which to spread the allowance for sinking fund, for, if we make the term shorter, we should have to make the allowance at a higher money value annually. My proposed 12½ per cent. sinking fund would turn each £3 of present income into a leasehold of £3 7s. 6d. This would have the advantage of being a marketable holding. Of course, it would all cease in a hundred years. That gives the holders long enough to prepare, and the 12½ per cent. extra gives them the means to do so. But it need not necessarily last a hundred years, or anything like it, because the holding would be capable of purchase gradually by the Railway Commissioners, whenever they had surplus profits in hand for such use.

The allowance as above for the sinking fund, to which Dr. Wallace objects, I anticipate would be amply provided for out of savings from concentrated management, non-competition, and natural increase of trade.

After this, all profits from future developments would be for the benefit of the nation.—

Yours, etc.,

W. T. Fox

20, Oakfield-road, Stroud Green, N., Oct. 1.

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*The Alfred Russel Wallace Page*, Charles H. Smith, 2015.