

FRIDAY, 18TH JUNE, 1886.

Present: The Chairman, Hon. Major Atkinson, Messrs. Gore, Hatch, Macandrew, O'Connor, Walker, Whyte, and Hon. Mr. Richardson.

Mr. VAILE cross-examined by Mr. MAXWELL, General Manager of New Zealand Railways.

76. *Mr. Maxwell.*] You explained, one principal object you had, Mr. Vaile, was to obviate the present disadvantages which you called the crushing of the population on the large centres. You said that the railway rates prevented the establishment of industries up country?—What I said was that the system of reckoning rates by the mile, and the differential-rating system, absolutely compel people to crush down on the centres.

77. But that would apply only to certain kinds of industries—would it not? I have noted down some to which I do not think it would apply. Brick- and pipe-making, for instance, as a rule are carried on where the clay is procured. Corn-growing, cattle-raising, cheese- and butter-making, and kindred industries flourish in the country. Then, again, coal-production and iron-manufacture are carried on where the coal and iron are raised. Then, woollen manufactures are started, for some reason or other, where it is convenient—where there is water, for instance, as at Kaiapoi, Onehunga, Mosgiel, or Petone. Paper-factories also come to water, I imagine, as at Maitāwhiri, or near Dunedin—also soap and candles, as at Burnside and Kaiwarra. Lime- and cement-production are almost always carried on where the lime and raw materials are raised. You could not have referred to those industries: to what industries did you refer?—I say every kind of industry where the market requires to be near the centre. A man will most assuredly go as near the centre as he possibly can. Take the first industry you mentioned—brick-making: the market for bricks is in the city. I know for a fact that in Auckland there are brickyards even right in the city.

78. They make their bricks where they can get clay, do they not?—Of course they cannot make them without clay; but if they can possibly get it near town they will come in. Farming clearly must be carried on in the country, and coal-production where you get the coal. But it is not so with iron-factories. Take, for instance, the iron-factories of London—where they can possibly come into town, they do.

79. I think you will find that the iron-factories of London are quite insignificant when compared with those where the raw products are to be found?—Of course the mere forming of the pig takes place at or near the mines; but the iron-factories are always in the large cities, so far as I know.

80. Is it not that the large cities have sprung up where the factories were?—No. It is clearly not the case in London, and I do not think it is in Birmingham.

81. Do you think London may be called a manufacturing city?—I think it is, undoubtedly.

82. And do you think that Liverpool is?—To a very large extent it is.

83. I have some evidence on that point. In his evidence before the Parliamentary Commission on Railway Rates, Mr. Forwood, the mayor, distinctly says that Liverpool is not a manufacturing city. Now, Liverpool has a population of about nine hundred thousand?—I did not say that all large cities were manufacturing cities. But I think that Liverpool is to a very large extent a manufacturing city.

84. What I was wishing to get at was some of the industries which will be crushed down on the large cities?—I say every industry that a man can possibly establish near the centre. When it saves him the cost of transit he must naturally crush down on the centre.

85. You made the remark that potatoes might be booked from inland to Auckland and back to the country stations cheaper than they can be sent direct to those stations. Have you got the figures to show that?—I think what I said was this: that supposing a man at Te Awamutu had ten tons of potatoes for distribution, say, seven miles on either side of Auckland, or over a space of fifteen miles, the cheaper plan would be to send them to Auckland, and distribute them back along the lines to these distances.

86. Take from Te Awamutu: the rate to Auckland is 13s. 4d. a ton. If you book back only as far as Newmarket—that is under seven miles—the cost comes to 17s. 3d.; but if you book direct the charge is 15s. 10d. Do you not think you were incorrect in laying down, as a general rule, that this result would follow?—No. I was alluding more especially to differential rating as it is carried on at Home. There, as you know, the differential rating is very heavily in favour of some centres; and I say that where this is the case, it has the effect of massing the goods in these centres; and they have afterwards to be distributed along the lines.

87. At any rate, you think you were incorrect in your example?—According to the scale of rates I am correct. To bring down a ton of potatoes from Te Awamutu to Auckland costs 13s. 6d.; to take it ten miles further on the Helensville line would cost 3s. 5d.; that makes 16s. 11d.: while to take it the whole distance through, according to the scale, would be 17s. 1d.

* [Mr. Maxwell was called on by the Committee to have some rates worked out. These rates are furnished.]

* NEW ZEALAND RAILWAYS.—GRAIN RATES, CLASS E.

Auckland Section.

From				To	Rate direct.	Rate via Auckland.
					s. d.	s. d.
Te Awamutu	..	..	..	Helensville	19 7	23 3
"	..	..	..	Newmarket	15 10	17 0
"	..	..	..	Kaipara Branch, 10 miles from Auckland	16 8	18 1
"	..	..	..	Kaipara Branch, 7 miles from Auckland	16 4	17 10