

Mr. MAXWELL to the CHAIRMAN, Vaile's Committee.

SIR,—

24th July, 1886.

With reference to the recalculation of passengers return ordered by the Committee, I have the honour to point out that, upon commencing it, the following points present themselves, on which I should be glad to be instructed: Of the fares up to the ten miles, a very large proportion are as follows, per journey (half return-ticket): 4½d., first; 3d., second; 6d., first; 4½d., second; 9d., first; 7d., second. The enclosed return is a condensed form of the summary with the Committee. It will be seen how many times the second-class passengers exceed the first-class, with fares a large number of which are lower than Mr. Vaile's, even with only the slight difference between the fares of 1½d. per journey first and second. The second-class passengers many times outnumber the first.

There are two absurdities involved in the new computation, I think: First, we have to make use of 6d. and 4d. fares against 4½d. and 3d., and we are going to assume that there will be equal numbers of each class; while, as a matter of experience, we know that there are four to seven times as many second as first, and we also know that raising the fares to 6d. and 4d. will divert a large proportion of travellers from the lines of railway altogether. Second, we are going to assume that, where two fares are given, the one higher than the other, equal numbers will travel by each class, when we know from experience—not only in New Zealand, but throughout the world—that, where there are two fares, the great bulk of passengers travel by the lower, even if the fares differ only a penny or two.

Referring to Metropolitan Railway fares (page 23 of the evidence), you will observe the minute differences between second- and third-class. The third-class passengers outnumber the first- and second-class together five times. The Midland Company, a few years back, abolished its second-class, because they found that nearly all their passengers went at the lowest fares. The numbers carried now are: third-class, thirty millions; first-class, under two millions. We may assume that, however much we lower fares within reasonable limits, the increase in traffic will be greater in the second-class than in the first-class. It seems to me, on closely looking into the subject, that we shall be getting out a table which is at once misleading, and can have no bearing on what occurs or is likely to occur in practice.

The evidence of the witnesses is that no gain in numbers of any practical extent can be anticipated for short distances (271, 348, 491A, 849, 1026). If the attached table is referred to, and the present number of first-class passengers is compared with the computed number over the long distances, it will be seen that the increase is very great even by that process of calculation—far more, it seems to me, than there is any hope of attaining within any moderate period. If we are calculating on what is to happen three or four years hence, there are little or no data on which to ground our speculations; and we should also have to calculate what the increase might be expected to be at the present fares.

The calculations, I find, will occupy a large staff about a week. Under the circumstances narrated, I should like to know if the calculation should be proceeded with, or modified in any way.

The Chairman, Vaile's Committee.

J. P. MAXWELL.

SUMMARY of PASSENGERS carried on the Auckland Section of the New Zealand Railways, between Helensville and Morrinsville, under different Stages, for the Twelve Months ending 31st March, 1886.

Distances.	Number of Passengers.	Number of Passengers.	Number of Passengers to give same Revenue at Mr. Vaile's Fares.	
			First-class.	Sec.-class.
Not exceeding three miles	10,707½	44,811	12,084	64,796
Over three and not exceeding five miles...	11,045	83,736	17,663	137,772
Over five and not exceeding seven miles...	26,290½	70,314	43,541	131,234
Over seven and not exceeding ten miles...	6,203½	39,842	7,939	63,091
Total	54,246½	238,703	81,227	386,893
Over ten and not exceeding thirty miles...	8,356½	67,206	27,490	201,721
Over thirty and not exceeding fifty miles	5,666	25,974	14,804	79,954
Over fifty miles	7,220½	17,541½	40,998	106,309
Grand total	75,489½	349,424½	164,519	774,877

Memorandum from Mr. Vaile.

On considering the table of station-to-station bookings it is necessary to bear in mind that it is based on the assumption that all the conditions of travelling will remain under the new system precisely as they are at present, that is to say, that the relative proportion of first- to second-class fares will remain as now, and that there will be no increase in the average distance travelled by each passenger.

The return as it stands proves that, in order to obtain the same revenue that we get now, the number of fares need only be increased as follows: For all distances not exceeding ten miles, one and a half fares where one is taken now. For all distances not exceeding fifty miles, three fares for one that is taken now. For all distances over fifty miles, six fares for one taken now. On the total, I require but two and a quarter fares for one taken now.