

318. For want of rolling-stock?—No; but because the people will not travel.

319. Are there any heavy grades within ten or fifteen miles of Dunedin?—The heaviest is 1 in 50, up to Mosgiel, about ten miles out.

320. From a Traffic Manager's point of view, do you see any difficulty in working the system I propose—that is, in manipulating the traffic?—Yes; there is a difficulty about selling tickets.

321. I am not asking you about selling tickets; but is there any difficulty in actually passing the traffic?—I think the difficulty in the way of selling tickets is a very important one, because if you work by stages it will be necessary to have a man in the train or in each carriage to sell tickets.

322. Have you ever known of an instance of a reduction such as is proposed not leading to a large increase in the traffic done?—Yes; I have known a case at Home where it was a failure—between Glasgow and Edinburgh. I think the rates were reduced from 4s. and 2s. 6d. to 1s. and 6d. for forty-two miles.

323. Are you sure it was a financial failure?—I am sure.

324. Can you furnish us with the date and particulars?—No; I speak from recollection.

325. *Mr. Gore.*] You said just now that, under Mr. Vaile's system, guards would have to sell tickets—do you mean where there were no Stationmasters?—The guards would have to sell tickets all the way, at every seven-miles or stage.

326. That is what you meant by "more difficulty in working the system"?—Yes.

*Mr. Vaile:* I never made any such proposition.

327. *Mr. Whyte.*] Surely a man going from Auckland to Pukekohe would not take a ticket at every ticket-station?—Yes; if he requires to take stamps, he must.

328. *Mr. O'Connor.*] Then your objection is to stamps?—Yes; I do not see how it would work.

*Mr. Vaile:* Allow me to explain, with reference to these stamps. I hold that it would be a great advantage to the travelling public if they were able to procure railway-tickets at any place where stamps were sold. I contend that, although there are many difficulties in the way of devising such a system, I believe that I could overcome them; but I am not prepared to show how it is to be done now. However, it is not an essential of my plan—the plan can be worked just as well under the present system of issuing tickets as it can be worked by the stamp system.

329. *Mr. Maxwell.*] Touching the question of Saturday return-tickets altering the traffic, you must remember that, before the general return-ticket was done away with, the Saturday return-ticket was lower than the general return-ticket, and the Saturday traffic was always much in excess of the return general traffic?—Yes; always.

330. And there was the same amount of Saturday business then as now?—The very same.

331. And the alteration of market-day tickets has rather tended to spread the work over the week?—Yes.

332. Touching the feature of extra cost of working the traffic—supposing the suburban distance was extended to fifteen miles, as has been suggested, we should have to get an entirely new suburban-train service, because our suburban train services do not extend now beyond eight or nine miles, where our suburbs are: do you not think that if we had to recast our suburban services there would be a very large increase in the cost?—There is no doubt there would be a very large increase in cost.

333. Then, as to the question of trains being sometimes full and sometimes empty, on the suburban lines is it not the case, as a rule, that morning and evening trains start full and go back empty?—Yes; but other trains during the day often fluctuate, too.

334. That has nothing to do with the Saturday traffic, has it?—No.

Mr. HUDSON, District Traffic Manager, Auckland, examined.

335. *The Chairman.*] We have asked you to come before the Committee in order to get your opinion of Mr. Vaile's railway system, with which, I believe, you are acquainted?—Mr. Vaile's system proposes to abolish the mileage-rate, and to substitute in place of it stages: Starting from a capital town there are four stages of seven miles each; then, if the region beyond is not populous, there are to be fifty-mile stages; in the event of a town of four thousand inhabitants intervening, there are to be two seven-mile stages on each side of it: so that, practically, where the population is sparse, the stage is to be longer. That, I believe, is the principle on which he has based his scheme. The fares are to be 6d. and 4d. for each stage. The effect of that would be that we should get small fares where the traffic was small, and where the population was large and the traffic to be expected important we should, in many cases, get higher fares—for instance, for the three-mile journey the fares would be somewhat more than they are now. The opinion I have formed about the scheme is, that people have not time to travel sufficiently to make it pay by reason of such increased travelling. Time is an object to people in New Zealand who have to earn their living, and our experience is that if we try low fares it must be on public holidays, when people have time to take advantage of them. On the occasion of the opening of the Litchfield line—on Monday, 21st June, 1886—we made the fares particularly low: £1 first-class and 15s. second-class there and back. We gave people the option of stopping anywhere on the road, and at the time that we advertised the Tarawera volcanic disturbances were occurring, and presented an inducement for people to go. The result was, that we only got twenty-eight passengers. The feeling that I have, therefore, is that it is more a question of time than of population for long-distance journeys. With regard to the short-distance journeys, I think that the present season-ticket rates—which are very much lower than Mr. Vaile's proposed rates—are sufficient inducement to people to live in the suburbs; and they do so very largely indeed. People can live at, say, Newmarket, and, by means of a first-class season-ticket, travel into town for something like a penny a journey—that is, counting two journeys each day. Some people go home to lunch as well, making four journeys a day, and in that case they