

stages was 39 per cent. of the whole of the passenger-fares. Under the Vaile system it was proposed to reduce the fare, he thought, to sixpence a stage. The honourable gentleman said 39 per cent. of the whole of the revenue was obtained between ten miles and twenty-five miles. If that were so, it was at least very difficult to say in this young country, which was sparsely populated, that if they abolished the ordinary rates now existing—namely, 1d. per mile for second-class fares—it was certain we would make up 39 per cent. between ten miles and twenty-five miles by adopting the zone system. Personally, he admired the persistence and indomitable pluck of Mr. Vaile in steadfastly advocating a system which he conscientiously believed to be better than the system that now existed; but with all due respect to him, after looking at the matter quite impartially and with a thoroughly unbiassed mind, his opinion regarding the proposed system was that Mr. Vaile was over sanguine as to the financial results anticipated from the adoption of it, and he was strongly of opinion that the great reform Mr. Vaile advocated could only be achieved by the colony agreeing to accept a very large loss over the whole of the railways of New Zealand. This he was not prepared to recommend, especially when he was making enormous reductions in the passenger-fares himself, and basing all his calculations on a 3-per-cent. earning basis. He had recently given away £75,000 per annum in reductions, and before he could agree to make an experimental change, as was now asked, the colony required to be protected against loss, so that the honourable gentleman who had put the proposal before the House, and those who were anxious to have the zone system tried, would recognise it was a fair proposal he had made to them, and if they would do what he suggested he was quite prepared, on those conditions, to give it a trial."

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No. 2.

Mr. VAILE, Auckland, to Hon. J. G. WARD, Wellington.

(Telegram.)

30th August, 1900.

KINDLY let me know what amount you require deposited *re* trial stage system.

Hon. J. G. Ward, Wellington.

SAMUEL VAILE, Auckland.

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No. 3.

Mr. VAILE, Auckland, to Hon. J. G. WARD, Wellington.

(Telegram.)

31st August, 1900.

MISINFORMED. Hungary zone system working fully June, 1899.

Hon. Ward, Wellington.

SAMUEL VAILE.

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No. 4.

Hon. J. G. WARD, Wellington, to Mr. VAILE, Auckland.

(Telegram.)

1st September, 1900.

BEFORE I can reply to your question you will require to inform me, first, on what section of the railways it is desired to try the scheme; and, second, is it intended to apply it to passengers, coaching, and goods?

S. Vaile, Esq., Auckland.

J. G. WARD, Wellington.

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No. 5.

Mr. VAILE, Auckland, to Hon. J. G. WARD, Wellington.

(Telegram.)

4th September, 1900.

WHOLE of Auckland section. All classes of traffic.

Hon. Ward, Wellington.

SAMUEL VAILE, Auckland.

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No. 6.

Hon. J. G. WARD, Wellington, to Mr. VAILE, Auckland.

(Telegram.)

4th September, 1900.

PLEASE furnish me with particulars of parcels and goods rates for the whole or portion of a stage. This is necessary to enable the department to prepare estimates of revenue.

S. Vaile, Esq., Auckland.

J. G. WARD, Wellington.

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No. 7.

Mr. VAILE, Auckland, to Hon. J. G. WARD, Wellington.

(Telegram.)

6th September, 1900.

WILL reply by letter.

Hon. Ward, Wellington.

SAMUEL VAILE, Auckland.

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No. 8.

Mr. VAILE, Auckland, to Hon. J. G. WARD, Wellington.

"The Avenue," Karangahape Road, Auckland,

7th September, 1900.

DEAR SIR,—

I have the honour to enclose herewith the first rough proof of a postscript I have added to a paper I now have in the Press, and which I intend for distribution. You will see that the said postscript contains my reply to your request *re* furnishing particulars of parcels and goods rates. I shall forward you the full paper as soon as it is printed, and will then write again.

I have, &c.,

Hon. J. G. Ward, Minister for Railways, Wellington.

SAMUEL VAILE.

[For postscript see attachment to No. 9.]