

No. 9.

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

DEAR SIR,—

"The Avenue," Auckland, 8th September, 1900.

I have the honour to forward herewith, per commercial papers post, copies of a paper I have prepared for distribution to the members of the Legislature in reply to the statement made by you to the House on the 29th ultimo, and to the demand of your officials that I should furnish them with a tariff of charges for goods and parcels. A proof of the postscript to this paper I have already posted to you.

Your officials know as well as I do that not only is their demand unnecessary, but that, if complied with, it certainly would create great confusion and possibly great loss. Their sole object in making it is to create delay, and if possible to ruin the new system.

For my part I have lost all confidence in their ability and honesty of purpose, and I must decline to place myself and my invention in their hands. The way they have dealt with me from the first more than justifies me in saying this.

I trust, Sir, that with the assistance of Parliament you will be able to see your way to order a trial without their interference, of which there is not the least need.

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

I have, &amp;c.,

SAMUEL VAILE.

P.S.—I trust you will be good enough to let me know what amount of guarantee you require—if that must be given—as soon as possible, in order that I may see what can be done.—S. V.

### *The Attempt to Deceive Parliament.*

To the Members of the Upper and Lower Houses of the Parliament of New Zealand.

GENTLEMEN,—Telegrams published here on the 30th ult. state that when Mr Napier asked the Hon. the Minister for Railways if he would try the Vaile stage system on the Auckland section of railways the Hon. Mr. Ward, in reply, among other things, said that: "It [the stage system] had been found after a trial of the system in Hungary and elsewhere that it was not a success, and the old system was reverted to." There is, of course, no doubt that the Minister made this statement on the authority of his chief officials. I may say at once that there is not a shadow of truth in it. It will be remembered they have made this statement more than once before.

The statement that "the existing rates would compare in cheapness to those of any country in the world" is also as absolutely contrary to fact as it is possible for any statement to be. There are many countries in which the regular daily charge to passengers is less than  $\frac{1}{4}$ d. per mile, or less than one-fourth of our charge. As regards goods traffic, the statement is, if possible, still more incorrect. It is amazing that any set of officials should have the audacity to so attempt to deceive their Minister and Parliament.

I have to thank the Hon. Minister for his very kindly reference to myself, and for his promise to try the system on the deposit of a certain amount for guarantee. I will deal with this later on, and in the meantime have wired to know what amount is required.

As I write I have before me two reports from the British Consul for Austria-Hungary—No. 513 (received at the Foreign Office 1st June, 1899) and No. 515 (received 18th September, 1899). This, I believe, is the latest official information from Hungary, and they give the results up to 31st December, 1898. The Hungarian reports are usually two years in arrear.

At that date the zone system was in full work, and giving the most satisfactory results, both as regards convenience to the public and finance. Passenger revenue for the last year showed an increase of 687,800 florins over the previous year, and the total revenue an increase of 4,128,750 florins, while working expenses increased only 1,191,260 florins, giving a net increase of 2,937,490 florins for the year—a rather different result than we obtain from our perfect no-system.

In Hungary during the last three years they were working the old "abominable no-system of railway" both traffic and revenue steadily declined. It is, therefore, impossible to believe that under these circumstances "the old system was reverted to."

The only alterations so far made by Hungary in the zone system are some rearrangements of the zones, and fares have been raised, but are still considerably less than  $\frac{1}{4}$ d. per mile. These alterations have brought their system more into line with our stage system. I pointed out, in the columns of the *New Zealand Herald*, nearly a month before they commenced work—eleven years ago—that this would have to be done, and I will ask you, sir, to be good enough to remember that I have always asserted that the zone system is a very faulty adaptation of the stage system, and not likely to give nearly so good social and financial results. I claim that the alterations made in Hungary prove that the stage system has been laid down on a far sounder financial basis.

Unfortunately, from the very first, our chief railway officials offered the most determined opposition to the stage system, and in their efforts to crush it have not hesitated to make the most untruthful statements. For instance, in 1885, the Minister was asked if he had considered my proposals. The reply was that "Mr. Vaile had proposed so many schemes that it was impossible to say if they had all been considered." I have never proposed but the one scheme.

It is well that I should again point out that there is a great difference between our stage system and the Hungarian adaptation of it. It is easy to see that the railway men had a large say in arranging this, and that they strove hard to retain all they could of the old system. As a matter of fact, almost the only thing the two have in common is that they are both stage systems, as opposed to mileage systems.

It appears to me that the principle underlying the zone system is wrong. They have been arranged to "encourage people to visit the capital." Too much attention is paid to what they call "local traffic"—that is, short distance traffic. This, I know, is the practice of railway men. It is of ours, as witness the recent issue of "workers' tickets." The effect of this issue must be to dis-