

For now over eighteen years I have carried on this work amid many and great difficulties. It has been a most weary and very costly task. I have done all the work, paid nearly all the cost, and have never asked for any reward, but have earnestly striven to perform a duty that somehow or other has fallen upon me.

I know that sooner or later this system must and will be tried; but, if the public is to derive the full benefit, that trial must take place while I am here to watch over it. I would remind you, gentlemen, that my working-days are fast drawing to a close, and, looking to my experience, it is scarcely possible that any one will be found to take my place after I have passed out of this life.

In conclusion, gentlemen, I earnestly appeal to you to give effect to the recommendation of the Committee of 1886, and at once order a trial of the stage system, free from the fettering conditions tacked on to that recommendation at the instance of Mr. J. B. Whyte, a determined enemy of the new system.

If there is any good in the new system, it clearly is most important that it should be tried at once, while I can furnish the details. In carrying on the controversy, I have thought it most important to stick to main principles only. For this reason I have never revealed how I propose to deal with the numerous classes of season tickets, the other items of "coaching," nor with the various branches of goods traffic. I have, however, carefully thought out all these matters, and am prepared to deal with them whenever I am placed in a position to do so.

The confusion that would arise if men avowedly hostile were allowed to control the introduction of the new system can easily be imagined.

Auckland, 4th September, 1900.

I have, &c.,

SAMUEL VAILE.

P.S.—Since the above was in the hands of the printer I have received the following telegram from the Hon. Mr. Ward:—

"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.

"J. G. WARD."

First let me remark that the department has no right to make this demand. The Minister promised that, on a guarantee being given, a trial of the stage system would be made. The only question, therefore, is what would be a fair amount in order to secure a not less revenue than is obtained now.

Last year the "ordinary passengers" revenue of the Auckland section was £60,816, and total gross revenue £169,239. The working-expenses were £112,820, giving a net revenue of £56,419, equal to £2 7s. 1d. per cent.

During the first sixteen weeks of the current year the net revenue of the Auckland section has *decreased* £2,227 as compared with the corresponding period of last year. Therefore, if the department is secured in the same rate of interest as that earned last year, it is certainly all it can fairly demand.

This demand to have the whole tariff of rates and charges submitted to them before anything can be done is the old dodge of the department to create contention and delay. Suppose I were to comply with their unreasonable request, would it help them at all? Is it in the least likely that men who have repeatedly failed in estimating the results obtainable from their own system can estimate results from a system of which they are supremely ignorant? If any proof of this were wanting, I refer to the above telegram. What can they possibly mean by asking me to give the rates for a portion of a stage? The charge is, of course, by the stage, as theirs is by the mile. This demand is mere shuffling; a further attempt to kill the reform movement by "worry and delay."

No one outside the department would ever dream of such a thing as attempting to apply the new system to every branch of traffic at the first start and at the same time. That my judgment has been right in this matter the Hungarian experience again proves. They did not attempt to deal with goods traffic for many years after they had applied the zone system to passengers.

I have more than once explained that my method of dealing with this matter would be as follows:—I should first of all apply it to passenger-traffic, which is the great profit-producing branch. After watching the effect for, say, two or three months, I would apply it to the other branches of coaching. At the end of six months I should be able to estimate pretty correctly what reductions could be made in goods rates, and would then apply it to that branch of traffic. In goods I, of course, include live stock.

If this method is pursued, even though the new system were an absolute failure, the loss to the country could not be much. To do what the department wants would certainly mean many mistakes, and might mean much confusion and heavy loss. The bare fact of their making such a demand proves their incapability of understanding the position, and shows how dangerous it would be to let them supervise the introduction of the new system. No sane man would ever think of fixing goods rates until he had ascertained what profit could be made from passengers. I cannot believe that the officials do not know better, and am driven to the conclusion that they are deliberately trying to involve the country in loss, in order that they may say that loss is due to the new system instead of to their silly method of introducing it.

For my part, I should be most thankful if it was thought sufficient to test the system by applying it to passengers only. I know only too well the gigantic nature of the task of applying it to all branches of traffic, and should be thankful to be relieved of it. Still, I am prepared to do my duty, and to undertake the work and the risk, if Parliament so wishes; but I absolutely decline to be made the means of destroying my own work for the benefit of a few officials—work that has cost me so much thought, labour, worry, and money.

I ask have our officials the right to hold this country in thralldom? Surely railway men of