

their calibre are plentiful enough. I venture to say that in the lower ranks of our railway staff there are many who are fully their equals.

So far as I am concerned the result can now matter but little to me personally. I have given freely to the country my time and my money, and I shall be glad to devote to its service such part of the few remaining years of my life as may be necessary. It is for you, gentlemen, to say if these services are worth having. S. V.

No. 10.

QUESTION IN HOUSE OF REPRESENTATIVES BY MR. NAPIER, 21st SEPTEMBER, 1900, AND REPLY THERETO BY HON. J. G. WARD (MINISTER FOR RAILWAYS).

"Mr. NAPIER (Auckland City) asked the Minister for Railways, If, in reference to views previously held by him, he is now aware that the zone system in Hungary has been and is an unqualified success; that the British Consul for Austria-Hungary reports that the increase in the passenger revenue for the last reported year (1898) was 687,800 florins, and that there was an increase in the total revenue of 4,128,750 florins over the total railway revenue of the previous year? This question had reference to the proposed introduction of the Vaile system of management on the railways in New Zealand. He understood the Minister for Railways was under the impression that the zone system, which was practically the Vaile system, had not been a success in Hungary and some other parts of Europe in which it had been tried. At Mr. Vaile's request, he had referred to the reports of the British Consul in Hungary, and he had found that the increased revenue for 1898, the last reported year, was the sum stated in the question, 4,128,750 florins, and that there had been an increase in the passenger revenue for that year of 687,800 florins. Evidently, therefore, the zone system had been a success in Hungary, and he thought it well to attract the attention of the honourable gentleman to the fact, lest Mr. Vaile's system should be prejudiced in the eyes of the people of the country by a wrong impression being circulated.

"Mr. WARD (Minister for Railways) said that Mr. Vaile had communicated with him, and had made a statement similar to that made by the honourable member; but he had looked into the matter, and he wished to state that he was not aware that the zone system in Hungary had been an unqualified success. It came into force on 1st August, 1889, and differed from other zone systems in one very important particular—namely, that the 14th zone included any distance over 140 miles. On 1st July this year this famous innovation was altered and the 14th zone limited to 155 miles, four more zones of 15½ miles each were added, all greater distances (over 249 miles) being included in a 20th zone. Previously very important modifications of the 1889 tariff were introduced on 1st March, 1896. The effect of the alterations has been to materially increase the fares adopted in 1889, and this had been done in order to obtain better financial results. Consequently, what he had originally said on the subject was essentially correct. The zone system as introduced had not been an unqualified success, for it had been found necessary to alter the zones in order to get more revenue."

No. 11.

Hon. J. G. WARD, Wellington, to Mr. VAILE, Auckland.
New Zealand Government Railways,

SIR,—

Head Office, Wellington, 3rd October, 1900.

With reference to your letters of the 7th and 8th ultimo, I have the honour to inform you that, as desired, a trial of your system for all classes of traffic on the whole of the Auckland section of railways will be made on the following terms:—

- (a) That a cash guarantee be deposited with the Treasury.
- (b) That the trial be for not less than twelve months.
- (c) That the experiment be carried out under the control of the officers of the New Zealand Government Railways Department.
- (d) That you furnish me with a complete statement of the rolling-stock required in order to give the scheme a fair trial.

Before the amount of the cash guarantee can be appraised, full particulars of the charges to be made for all classes of traffic must be furnished by you. The department is already in possession of the passenger-fares proposed to be charged as set forth in your letter to the Chairman of the Railways Committee, dated 9th June, 1886 (Parliamentary Paper I.—9, paragraph 5), and similar information must be given for parcels and goods traffic.

I understand that you have some difficulty in giving the rates for the whole or any portion of a stage, and take exception to the rate for a portion of a stage. I think there must be some misunderstanding as to this, as if you will refer to the paragraph 5 already alluded to, the terms as applied are exactly in the words of your letter to the Chairman of the Railways Management Committee.

I have, &c.,

J. G. WARD,

Mr. Samuel Vaile, "The Avenue," Auckland.

Minister for Railways.

No. 12.

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

DEAR SIR,—

Auckland, 25th September, 1900.

I shall feel much obliged if you will be good enough to let me have an early reply to mine of the 8th instant, and state what amount of guarantee it is that you require *re* trial of the stage system.

I remain, &c.,

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

SAMUEL VAILE.