## No. 13.

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

SIR,-

Auckland, 10th October, 1900.

I have the honour to acknowledge receipt of yours of the 3rd instant.

Before proceeding further in the matter I must ask you to be good enough to explain exactly what is meant by stipulation (c)—"That the experiment be carried out under the control of the officers of the New Zealand Government Railways Department"; and will you kindly let me know what is to be my position, and what are to be my powers?

These are questions naturally asked by my supporters, and they really require an answer.

I have, &c.,

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

SAMUEL VAILE,

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

New Zealand Government Railways,

SIR.—

Head Office, Wellington, 19th October, 1900. With reference to your letter of the 10th instant, in regard to trial of your system of rail-way-charges, I have the honour to forward you a copy of *Hansard*, No. 20, where (vide pages 309) to 311) you will find stated the terms on which a trial of your system will be granted.

If a trial of your system on a section of the railways is arranged for on these terms the officers of the Railway Department will carry on the railway business as at present, charging strictly in

accordance with the fares and rates fixed by you, which will require to be gazetted. Beyond fixing the fares and rates to be charged, you will have neither position nor powers in

connection with the carrying-out of the trial.

I have, &c., J. G. WARD,

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

Minister for Railways.

[For pages 309 to 311 of Hansard No. 20, referred to in this letter, see No. 1.]

## No. 15.

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

SIR,—

Auckland, 5th November, 1900.

I duly received the copy of *Hansard* No. 20, but not knowing by whom it was sent, and having previously seen it, put it aside. Some days after, when casually opening it, I found your letter of the 19th ultimo folded inside. I now have the honour of replying to yours of the 3rd and 19th ultimo.

As to condition (a), there would be no trouble whatever about procuring a cash guarantee on anything like reasonable terms.

Condition (b)—"That the trial be for not less than twelve months"—is reasonable and right.

Condition (c) I will deal with further on.

Condition (d)—"That you furnish me with a complete statement of the rolling-stock required in order to give the scheme a fair trial." This is a new condition, and is clearly introduced by your officials with the intention of throwing further obstacles in the way of a trial of the new system. It is they who ought to know what rolling-stock is likely to be required, and it is they alone who are in a position to provide it. Their object, no doubt, is to find an excuse for demanding a very large cash guarantee. I am not a traffic manager, and have never pretended to have any knowledge of this branch of railway business. The request made is a most unreasonable one. It is evident that the actual amount of rolling-stock required can only be ascertained as traffic is developed.

You repeat the demand that before any trial is granted I shall furnish a complete tariff of charges for every branch of traffic. I have repeatedly replied to this demand and have given good reasons for not complying with it. Your officials know as well as I do that their only object in making it is to try and make a monetary loss and thus enable them to say that the new system is

a failure.

I again, sir, draw your attention to the fact that it was only after many years of trial of the zone system, as applied to passenger and parcels traffic, that the Hungarians made any attempt to deal with goods rates, and that to this day they have not been able to apply their zone system to goods traffic. Yet, with this evidence to guide them, your officials demand that the new system shall be tried on every branch of traffic at the same time, or that no trial at all shall be given. I say, sir, that in making this demand they give the most emphatic proof that they are either absolutely dishonest or absolutely incapable. I wish, sir, to point out that the difficulties which occur in applying the zone system to goods traffic do not arise with the stage system. Still, no sane man, wishing to deal honestly, would attempt the task without first gaining some experience of the effect on ordinary passengers and the other items of coaching traffic.

I may also point out to you that your officials must and do know that to produce the tariff asked for would take the whole of my time for at least from five to six months; that I should also require the assistance of at least two good clerks, and that I must have free access to the records of the office. This latter condition is absolutely necessary if serious financial loss is to be avoided.

I ask you, sir, if it is not a monstrous and unjust thing to make this demand upon my energies and resources, in addition to the vast amount of labour and large expenditure I have already incurred in trying to render the public a service, and that I should then be called upon to place the whole result in the hands of men avowedly hostile, and who from the very first have dealt with this question in most dishonest and untruthful manner. I use these words advisedly, and am pre-

2—D. 7.