

Mr. R. McKENZIE, CHAIRMAN.

WEDNESDAY, 11TH SEPTEMBER, 1901.

Mr. SAMUEL VAILE further examined. (No. 2.)

*The Chairman :* You can proceed with your evidence, Mr. Vaile.

*Mr. Vaile :* Sir and gentlemen,—When we left off on Friday I think I was explaining the position of the stages under this system—that is to say, the adjustment of the stages. I do not propose to fix the first four stages arbitrarily at seven-mile distances apart, but at the nearest distributing-point to that figure. I propose to cover from twenty-eight to thirty miles with the four first stages from any large centre; but the various stages would be readjusted after each census is taken, and placed in accordance with the movement of the population. Suppose, for instance, round Frankton we had concentrated a population of two thousand—there are about twelve hundred there now—one seven-mile stage would be placed on every line running out of that town. That will make the people round Frankton and Hamilton pay for the first seven miles the same rate as the people who pay for the same seven-mile distance round the larger towns. If on taking the next census the population had increased to four thousand people, then I would put two seven-mile stages out; and if to six thousand people, then four stages on each side—the effect being that all the large centres of population would pay the same rate per mile, while the long stages, thus shortened, would pay a slightly increased rate per mile, but still considerably less than the shorter stages round the great towns. I think that would be a fair adjustment of the financial charges. It was objected to at the last inquiry, in 1886, that doing this would raise the price of a through fare, and that if you put an additional stage on each side of a capital town or to a town of two thousand inhabitants it would raise the through fare. But this need not be so, because it is obvious that if the alteration in the location of the population allowed you to add 25 per cent. to the number of the stage stations you could reduce the stage fare by 20 per cent., and consequently the through fare would remain the same, but the charge would be more fairly subdivided between the different districts. It does not necessarily follow that because you increase the number of stages you must raise the through fare. If you wished to increase the through fare you could do so by putting in other stages without disturbing the local traffic in the least. Of course, the present system does not admit of anything of that sort. Then, another proposition that I made was that the present system of issuing tickets should be abandoned, there being only on the stage system an issue of four tickets. It would be quite easy to make these so far in the nature of stamps that they would not be easily counterfeited, and they would be issued wherever postage-stamps are issued now; and this would consequently save a great deal of crowding at the stations and lessen the work of carrying on railway traffic. In Germany, where they have recently adopted the stage or zone system, they have a penny-in-the-slot system on the stations, where the people put in the coin and get out a ticket for one, two, or three stages as they want them. Of course, it saves a great deal of work. Then, again, I propose to largely simplify the goods classification. My idea would be to reduce the goods classification to four classes, with a fifth for dangerous goods; this would simplify the classification very much. I would do the same thing with parcels rates, and the same with season tickets. I think that all might be simplified very much. My two great ideas in laying down this system were these: that it would have the effect of distributing the population over the land very much more evenly than it is now, and consequently we would get not only better social conditions, but a very much better trading condition for our railways. Then, I wanted to enable the large mass of labour that lives in these towns to be able to live ten or more miles out, and to live on an acre or two. I think that would not only have a good effect on the railways, but on social conditions. Then, a system of fixed fares and rates should be laid down, so that anybody might easily ascertain the cost of transit. If there was a desire to use our railways for short-distance traffic for the suburban areas, then, of course, it would be necessary to cut the first stage into half, and probably the second stage also, and make the fares 2d. and 3d. instead of 4d. and 6d. The through fare would be the same, but you would by that means pick up the suburban traffic if you thought it desirable to do so. Personally, I think it is not desirable to do so. I think that we should leave this class of traffic to the trams, omnibuses, cabs, and so on, leaving the railways to deal with the long-distance traffic. The great object that I have in view is to put the use of the railways within the reach of every class of citizen, no matter how poor they may be. If we succeed in doing this, then I say we must have an enormous increase of traffic. Now, I want to call your attention to the basis of rating. The basis of rating on the present system is supposed to be the actual cost of service and the mile. It would be easy to demonstrate that in practice—this is never carried out. It is only a supposition. The charge is by the mile, and the charge is supposed to be regulated by the actual cost of service. As the cost of working a mile in the distant country is more than the cost of working a mile near the towns, the cost is made very heavy to the distant users of the railways, and it places them at a very great disadvantage. We should use our railways to weld town and country together, and to make our distant lands available. We want to place them within the reach of everybody. I do not think it is necessary that I should detain you gentlemen by reading what was said on the question of differential rating, which is contained in Parliamentary Paper L—9, 1886. There is question 17, which is as follows:—

*Mr. Hatch :* I would ask if Mr. Vaile has thought of the question of port rates—whether he would be inclined to modify his ideas with respect to making them all uniform, irrespective of distance?—In considering this question, and having to deal principally with the public, I always felt the necessity of confining myself to a few points, and of keeping these points persistently before the public. There are many matters of detail that I have never gone into for fear of creating confusion. It is a large subject, and one of some difficulty. I have never had time to deal with the matter of port charges. It is a question which requires very careful consideration.

*Mr. Hatch :* In ten cases out of twelve, there is water carriage alongside the railway; therefore port charges are very different from inland rates. I should think differential rates would be absolutely necessary.

*Hon. Mr. Richardson :* Mr. Vaile has given a most distinct answer to that question—that he would not consider competition anywhere. I do not think he had modified that at all.