

IV. MANAGEMENT—*continued.*

(f.) RATES AND FARES.

In common with the rates and fares of other countries, the war has left traces of disturbance upon railway charges in New Zealand, and some rearrangement both with regard to classification of merchandise and the incidence of rates and fares is desirable. The increase of percentages—25 per cent. in the case of passenger-fares and 40 per cent. upon goods rates—has not been sufficient, in the absence of growth of traffic, to cover additions to the wages bill, plus the increase in cost of material since the war.

Passenger-fares.

Dealing first with ordinary passenger-fares, which before the war were based on 1½d. first and 1d. second class per mile, plus a terminal charge of 1d., the increase of 25 per cent. has probably not affected the revenue to any appreciable extent, except the short distance traffic, but when we come to the period or excursion fares designed to encourage tourists, which are made up of the ordinary single fare plus 50 per cent., there is evidence that the volume of travel has declined seriously. We think it would be wise to reduce these fares to the sum of the ordinary single fare, plus 25 per cent. Very few day-excursion facilities have been offered on any part of the system. These might with advantage be extended considerably, a round fare being charged for short distances up to 30 miles at about the ordinary single fare for the return journey, and for longer distances something less than the ordinary single fare, the desideratum being to get down to the level of passengers' pockets and thus induce them to travel. In these cases slow trains fail to produce satisfactory results: there must be fairly rapid transit. Week-end tickets, available from Saturday to Sunday or Monday, might again be tried. We understand the result of previous attempts in this particular direction were not very successful. Occasional town to town bookings at the day-excursion fares have proved popular in some other countries and might pay well in New Zealand. Complete advertisement is necessary in this, as in other attempts to attract passengers.

Suburban fares, having as their objective an encouragement to live outside city limits, consist of ordinary fares at a slightly less price per mile than in the country. The fares for short distances of from 1 to 3 miles are too high to compete with the road. It would be advisable to charge 3d. second class for distances up to 3 miles and grade fares beyond that limit up to the standard per mile. Our observations on these short-distance fares apply to the country as well as the suburbs. There is no particular reason why ordinary passengers, as distinguished from weekly- or season-ticket holders, should travel cheaper in the suburbs than in the town. The best incentive to the selection of a suburban residence in preference to the town has been found in the issue of cheap weekly, monthly, or yearly season tickets. In addition, if on one day of the week excursion tickets are issued by midday trains from suburban stations to the town, available for return by any train, including a late train after theatres close, a still further inducement is provided.

Goods Rates.

We understand that a revised classification of goods traffic is in course of preparation, and will shortly be published. Experience has proved the impracticability of framing a classification pleasing to all interests; but it is advisable, before bringing a new classification into operation, to publish it and give time for those who may complain to give their reasons for asking that any particular commodity should be put into a lower scale. The objective of a goods classification is to secure a given amount of revenue to cover expenditure, including interest, by an equitable division of conveyance charge as between the various classes of traffic, having regard to the character, value, and other considerations attaching to each item. The present classification is based mainly upon what the traffic will bear in the shape of a conveyance charge. Other factors, such as encouragement