

and these people could travel seven miles for 4d. or fifteen miles for 8d., do you not think that the wives and children of the season-ticket holders would come in very much oftener than they do now?—I understood that your fare for fifteen miles was 1s.

276. That is first-class; second-class it is 8d. for fifteen miles, and 4d. for seven miles. Your fare for the seven-mile distance is now 1s. 2d. return—that is 7d. against 4d. Do you not think these people would send their wives and children in twice for once they do so now?—I do not think so; not so much as you expect.

277. You told us that on a certain regatta-day you arranged to reduce the fares from 2s. and 1s. 4d. to 1s. all round?—Yes.

278. Do you not think that, as a Traffic Manager, you ought to have known that that reduction would not have led to any increase of trade. I could have told you so to a certainty?—How could you tell?

Mr. Vaile.] I could tell you from my knowledge of finance and commerce. My first letter on this subject, written on the 30th December, 1882, was published on the 3rd January, 1883. Three months after that the Railway Department made a reduction of the fares of about 25 per cent. all round. That was telegraphed up to Auckland, I think, on the 4th April, and on the 5th April I wrote this: "I am strongly of opinion that the concession made will simply mean so much loss, as far as the revenue is concerned." And so it turned out; £25,000 was lost that year on the passenger trade.

Hon. Mr. Richardson: Nothing of the sort. I object altogether to that statement.

Mr. Vaile: I can prove it by your returns—£25,000 was lost on the financial result, and you carried fourteen thousand fewer fares.

Mr. Whyte: Was that not owing rather to the dull times?

Mr. Vaile: No; that reduction simply meant certain loss—it was not sufficient to induce any fresh trade. I should like to say, in connection with these holiday-seekers, that when people go out for pleasure they do not think about 8d. Any business man ought to have known that the reduction must mean a loss to the revenue.

The Chairman: The explanation given in the Public Works Statement is, first, that two Easters fell in the preceding year; second, that the Christchurch Exhibition swelled the receipts in the former year; and, third, that the weather was unfavourable in the latter year.

WEDNESDAY, 23RD JUNE, 1886.

Present: The Chairman, Hon. Major Atkinson, Messrs. Gore, Hatch, Macandrew, O'Connor, Walker, Whyte, and Hon. Mr. Richardson.

Mr. GRANT, cross-examined by Mr. VAILE.

279. *Mr. Vaile.*] Do you think that a reduction of fares to one-half their present price all round would lead to a considerable increase in travelling and give a good financial result?—I do not think it would double the number of people travelling, and therefore it would not give a good financial result.

280. Then will you tell me why, on the occasion of your excursion that you have mentioned, you expected a good financial result from a reduction of 40 per cent?—The circumstances are quite different. People must have leisure on their hands, and also some object for travelling; they had both on that occasion. You propose to do it every day, when people have not leisure—time is far more to them than money—men will not lose a day's work in order to travel at a reduction of 6d. or 1s.

281. You are speaking only from a pleasure point of view, and you expected on a holiday, when that was the only object for travelling, to get a good financial result from a reduction of 40 per cent.?—I did.

282. I quite agree with you that a reduction of one-half would not give a financial success, and only wished to point out that, if a good result cannot be expected from a reduction of 50 per cent., you certainly could not expect it from a reduction of 40 per cent.?—I do not quite follow you. With a holiday and a fine day, if Mr. Vaile's scheme were to succeed at all it surely would be on a day when everybody was at leisure.

283. I take exception to that altogether. The excursion you speak of took place on a regatta-day?—Yes.

284. I presume that on that day there were a good many water excursions?—Yes; there were some excursions from Dunedin by water.

285. Do you think that, if these excursions had taken place on a horserace-day instead of a regatta-day, the result would not have been different?—No; I do not think it would.

286. *The Chairman.*] Of course these excursions by water from Dunedin would take some passengers from the railway?—Yes; but on every holiday there is a certain amount of river traffic. It was so the same day the previous year. The rates charged by steamboat were not so cheap as ours.

287. *Mr. Whyte.*] If you had made your rates 6d. instead of 1s., do you not think you would have got many more passengers?—No; I do not think so. I believe that we should have got the same number of passengers that day had we charged the usual excursion-fares.

288. *Mr. Vaile.*] I understand you to say that if your excursion had been laid on on a race-day you would not have carried more passengers than you did?—No, we should not.

289. You say that your passenger-trade fluctuates very much; do you not think that it is due to the fact of issuing return tickets on market-days and Saturdays?—Yes; no doubt the Wednesday traffic has somewhat altered the Saturday traffic.

290. But do you agree with me that the fluctuation in the trade is largely due to the fact that return-tickets are only issued on market-days and Saturdays?—Yes, I agree with that.