

1877.
NEW ZEALAND.

NEW ZEALAND RAILWAYS,

(REPORT ON THE MANAGEMENT OF).

Presented to both Houses of the General Assembly by Command of His Excellency.

To the Hon. the MINISTER for PUBLIC WORKS.

General Manager's Office, Railway Station, Dunedin,
12th December, 1876.

SIR,—

In compliance with your instructions, we have made a full and careful inquiry into the whole system of the management of the Railways in New Zealand, with the view of recommending such alterations as may be necessary when the whole of the lines come under the control of the General Government.

1. The New Zealand railways are at present managed on three separate Present system. systems: one embracing those of the Northern Island, and the north and west of the Middle Island; the second, all the lines which are in communication with Christchurch; and the third, the railways of Otago and Southland.

2. We are of opinion that there should be a uniform system of management Uniform system. throughout the colony; that there should be a uniform system of accounts and of audit; and that the same forms should be used throughout.

3. It appears, however, desirable that certain modifications of the general Exceptions. system should be adopted on certain lines, the business of which is of a special character; such as in the shipping business of Port Chalmers, Lyttelton, the Bluff, and Oamaru, the requirements of which will be noted hereafter.

OF THE AUDIT.

4. The audit of the Canterbury and Otago railways has hitherto been Present audit. conducted at the head office of the system, the audit offices being officially subordinate to the Executive Government, but practically being in the offices of the Managers, and doing the work of accountants and preparing the statistical returns of the several lines. In the Northern system, the audit is conducted under the superintendence of the Commissioners of Audit, an Audit Clerk being placed at the head of the Audit Clerks in the office of the Superintending Engineer of the Northern Railways.

5. We recommend that there should be a final audit of all railway accounts, Central audit. entirely independent of the Railway authorities, and that such audit should be conducted by the Commissioners of Audit, and should be based upon the originals or press copies of the way-bills and other vouchers, and upon returns of passenger traffic.

6. In each of the Southern systems, a Travelling Inspector is employed to Local Inspectors. inspect the several stations on the lines. On the Northern lines, this work is done on each line by the Manager, and by occasional visits by the Superintending Engineer.

We consider it most desirable that a regular system of local inspection by Travelling Inspectors should be established throughout the whole colony. The audit of goods traffic accounts and of the issue of tickets may be satisfactorily performed up to a certain point by a central audit based on the original vouchers and the ticket returns; but nothing can absolutely check the accuracy of these accounts and returns without a personal inspection of the tickets at any moment in hand at the stations, of the goods in the sheds upon which freight is still uncollected, and of the ledger accounts of freight for which credit is given.