

very small profit by the latter contract. The line is only about forty miles in length, and the business done on it is very limited.

By the kindness of Mr Grant, the Manager of the Main Line, I was permitted to investigate the system of accounts in use. In most particulars they are similar to those on the Government line. The line is 133 miles long, but so limited is the traffic that although the line is worked with unusual economy the receipts do not yet provide for the whole working expenditure. The nature of the agreement with the Government is such as to render it the interest of the company to charge all expenditure on the revenue account, including some which ought under ordinary circumstances to be charged to capital. Nor until the traffic greatly improves has the company any inducement to enlarge its capital account, which is therefore closed.

NEW
ZEALAND.

The railways in New Zealand which were commenced, partly by the Governments of the several Provinces, and partly by the General Government, came under the management of the latter on the abolition of the Provinces, and are managed under the provisions of "The Public Works Act, 1876," which is administered by the Minister for Public Works. But the Railway Department in this colony is confined to the management of the lines open for traffic. The railways are constructed by the Public Works Department, and are handed over to the Railway Department as soon as completed.

Changes have been recently made in the offices and staff, by which the management of the working railways is reduced to much the same form as that in the other colonies, that is to say, consisting of a General Manager, an Accountant's office, and a Traffic Audit. The latter, however, which in other colonies is a branch of the department, is, in this colony, a branch of the Audit Office, under the Controller and Auditor-General. The system of railways in New Zealand, broken into a number of isolated sections, having no connection with each other, and in some cases at considerable distances from the seat of Government, has necessarily to contend with difficulties which are not experienced in other countries. The working expenses are higher, and there is more delay in accounting for the receipts and expenditure than in colonies where all, or the largest part, of the lines terminate at the seat of Government.

Without entering into a detailed description of the New Zealand management, which in all the main features is similar to that in force elsewhere, it will be sufficient to notice the principal points in which differences present themselves.

The railway tickets are printed by the Government Printer, but the whole conduct of the business of supplying them to the stations is in the Audit Office; whose officers, however, do not handle or even see the tickets themselves. The requisitions for tickets are sent to the Audit Office by the Stationmasters, who are required not to allow their stock of any kind to fall below a six months' supply, and then to apply for a six months' supply only. No stock is kept anywhere but in the cases at the stations, and all supplies are printed and forwarded from the printing office direct to the Stationmasters, who return their receipt to the Audit. A ledger is kept in the Audit against every station, by which the stock of tickets is known, the station being debited with tickets sent to it, and credited with its sales.

The accounts were until recently on the weekly system, but owing to the difficulty of receiving the returns from the more distant stations in time to balance the weekly summary of traffic, the accounts are now made up four-weekly.

There is necessarily a local Manager for each of the ten isolated sections throughout the colony, and the plan has hitherto been that the balanced summary of outward and inward traffic for each has been made up by the Managers; except on the large section in the Middle Island, to which a separate Accountant's office was attached, in which the general summary was prepared. This office, however, has been recently broken up, and merged in the general Accountant's office at the seat of Government. The work of making-up the balanced summary for all the railways is to be done in future wholly in the Accountant's office.