

ANNUAL REPORT ON WORKING RAILWAYS.

The GENERAL MANAGER, New Zealand Railways, to the HON. the MINISTER for PUBLIC WORKS.
SIR,—

I have the honour to report upon the opened railways for the financial year ending the 31st March, 1886.

There were 1,613 miles open at the end of the year, including 77 miles of line built by the District Railway Companies. Of these latter, the Ashburton Forks, Duntroon and Waimate lines, 46 miles in length, were previously worked by the Government on behalf of the companies, and arrangements having been recently made for their purchase as from the 1st April, 1885, the working accounts have been now incorporated with the annual accounts for the New Zealand railways. The Rotorua District Railway was taken over and opened for traffic between Morrinsville and Oxford, 31 miles, on the 8th March, 1886, and is worked as a part of the Auckland Section.

The length of lines open at the end of the year, including these recent purchases, was 137 miles in excess of the Government lines open in the previous year. Particulars of the lengths opened will be found in Return No. 19. Seventeen new stations have been opened.

The lines have paid £2 17s. 3d. per cent. on the cost of the opened portions, and £2 12s. per cent. on the gross outlay on opened and unopened. Comparative rates of interest paid for the past four years are shown in Return No. 6. The highest rate is paid by the Greymouth Section, £5 9s. 3d. per cent., and the next highest by the Napier Section, £4 18s. 9d. The lines Morrinsville to Te Aroha and to Oxford, 12½ and 30½ miles respectively, opened in the early part of March, were too late in the year to materially affect the revenue or profits on the Auckland Section, and the cost of the opened lines there thus appears high in proportion to the net revenue realized, and the rate of interest appears relatively low. According to the terms of purchase of the District Railways, there will be a sum of about £2,768 in rates on land, which will be a contribution towards the payment of interest on their cost.

The proportion of expenses to revenue is 65·91, as against 65·99 for the previous year. The most marked improvement in the proportion of expenses to revenue is on the Kawakawa Section; the next in order in this respect is the Wellington Section.

The traffic has on the whole increased moderately, but shows a decrease under certain heads in some parts of the colony.

The passenger traffic has increased under all three heads of first-class, second-class, and season-ticket travellers. This increase has chiefly occurred in Auckland, Napier, Wellington, Greymouth, and Westport. In other parts of the colony the growth is but small.

A large number of cheap excursion trains have been run in various parts of the colony during the year; 47,836 passengers have been carried, giving a gross receipt of £6,184.

The great depression in prices of grain has checked the production of, and the traffic in, agricultural produce; the commercial depression arising from the fall of prices of this and other local productions has greatly affected the railway business and revenue in many respects, directly and indirectly.

A comparative statement of the cost of working is shown in the table next following, which should be considered in connection with table of traffic and revenue below:—

Year.	Maintenance.	Locomotive and Stock.	Traffic.	General Charges, &c.	Totals.	Miles.	Total per Mile.
<i>Wages.</i>							
	£	£	£	£	£	No.	£
1880-81 ...	145,517	109,477	125,782	31,926	412,701	1,277	323
1881-82 ...	132,520	106,204	126,739	28,428	393,891	1,319	298
1882-83 ...	158,203	118,689	140,840	31,032	448,764	1,358	330
1883-84 ...	165,303	134,125	151,319	32,635	483,382	1,396	346
1884-85 ...	177,388	140,436	156,586	36,871	511,281	1,477	346
1885-86 ...	184,551	144,775	164,871	37,601	531,798	1,613	330
<i>Stores and Miscellaneous.</i>							
1880-81 ...	35,931	58,117	14,266	942	109,256	1,277	85
1881-82 ...	47,602	65,928	14,205	1,071	129,208	1,319	97
1882-83 ...	51,620	73,805	15,494	3,139	144,058	1,358	106
1883-84 ...	68,633	79,736	15,529	8,710	172,608	1,396	123
1884-85 ...	76,941	82,385	15,236	4,183	178,745	1,477	121
1885-86 ...	63,015	73,388	15,481	6,658	158,542	1,613	98

COMPARISON OF TRAFFIC AND REVENUE FOR SEVEN YEARS.

Year.	Miles.	Revenue.	Expenditure.	Tonnage.	Parcels, &c.	Cattle, Sheep, &c.	Passengers.	Season Tickets.
		£	£		No.	No.	No.	No.
79-80	1,172	762,573	580,030	1,108,108	180,331	285,209	2,967,090	5,077
80-81	1,277	836,454	521,957	1,377,783	286,865	300,704	2,849,561	6,499
81-82	1,319	892,026	523,099	1,437,714	316,611	343,751	2,911,477	7,207
82-83	1,358	953,347	592,821	1,564,793	341,186	477,075	3,283,378	8,621
83-84	1,396	961,304	655,990	1,700,040	359,896	686,287	3,272,644	9,036
84-85	1,477	1,045,712	690,026	1,749,856	347,425	729,528	3,232,886	8,999
85-86	1,613	1,047,419	690,340	1,823,767	349,428	858,662	3,362,266	10,717