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NEW ZEALAND.

EUROPEAN RAILWAY SYSTEMS

(REMARKS IN REFERENCE TO): BY MR. J. P. MAXWELL.

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

Mr. J. P. MAXWELL, General Manager, New Zealand Railways, to the Hon. the MINISTER for PUBLIC WORKS.

SIR,— 7, Westminster Chambers, London, 14th December, 1887.

As my visit to this country is drawing to a close, it appears desirable to send a brief account of the matters of interest which I have seen in Europe connected with railway-working. The time at my disposal in England has been very short, and has been devoted entirely to travelling about to examine various railways and their works; I have not therefore time to make a very voluminous report at present.

The printed reports of the proceedings of the Conference have not yet come to hand; they will be sent direct to New Zealand on arrival.

On landing at Naples I travelled over the Mediterranean system of lines by way of Rome and Genoa to Milan, where the Railway Conference was held. From thence, during the sitting of the Congress, I visited, in connection therewith, Venice, Genoa, and Como. On leaving Milan, I proceeded by the Saint Gothard Railway to Lucerne, and thence through Alsace and Lorraine to Brussels, where I remained some time, making inquiries into railway matters. Thence I proceeded to Paris, and, by way of Dover, to London.

During my stay in England I have travelled over, and made various inquiries respecting railway matters on, the London and South-Western, the Midland, the London and North-Western, the Lancashire and Yorkshire, the North-Eastern, the Great Northern, the Glasgow and South-Western, and other lines, visiting Crewe, Derby, York, Edinburgh, Glasgow, Manchester, Sheffield, and other places.

The Italian railways, I was informed, were built by private companies; they were afterwards bought up by the State; but, after very exhaustive inquiries, finding State working accompanied by some difficulties, the Government has leased them to two great companies—the “Adriatic” and the “Mediterranean.” The Government retains a staff of engineers and auditors for the inspection of the lines and their working operations. Into the precise organization of this staff I did not inquire, but I procured from the Government officials copies of the State papers and contracts relating to the leases: as they are voluminous, I did not get them translated, but I am forwarding them with other papers through the Agent-General, so that, in the event of particulars being required at any time, they may be available. The companies pay the Italian Government a fixed interest on the capital as well as a percentage on profits. The rates and fares are restricted by law; they have all to be published by the companies and approved by the Minister for Public Works. The manner of dealing with rates and fares is much the same as prevails in New Zealand, the Australian Colonies, South Africa, and other places: it differs from the English practice: the latter, as you are aware from the official documents in the colony, involves the fixing of each rate separately; in the former cases referred to it is the practice to make use of tables of rates and distances. The accounting is audited by Government officers, for the double purpose of settling the payments due to the Government by way of rental, and of restricting the rates and fares. The railways then are worked by two private companies as far as control, accounting, train-running, and other technical matters are concerned, in the manner common to all large systems throughout the world generally; but they differ essentially from company-worked railways in other countries, inasmuch as their operations are conducted under a close Government scrutiny in many ways. Opinions differ as to the advantages gained. Some persons consider that the public is not so liberally served by the companies as it was by the State. Others consider the operations of the companies have not been carried on long enough to settle whether the public is better served or not. It did not seem possible to come to a conclusive opinion on this point, but there seems little doubt that under this system the Executive has been relieved of much troublesome control.