

vouch for it that certainly no expenditure of this class has recently been undertaken which did not promise an immediate return for the capital invested.

The vote proposed for the present year includes the sum of £25,000 for the purchase of a stock of permanent-way to be held in hand for working-railway requirements. This is intended to be drawn upon from time to time as may be necessary to provide for requisite renewals; and, as each draw is made, there will be a corresponding payment out of the votes for working expenses into a suspense fund, and purchases will thereafter be made out of that fund to restore the stock of rails. Thus the £25,000 will always be represented, partly in rails and partly in money.

By this arrangement two considerable advantages will be attained—(1st) That the Working Railways Department will always have an assured stock of permanent-way located in the most convenient manner to meet their requirements, which they can draw upon with certainty, and without the inconvenience and cost attending upon transshipments, which have often been requisite in the past; and (2nd) that the construction stocks and votes will not be complicated and disarranged by having to provide an indefinite quantity of permanent-way at uncertain periods to meet the working-railways requirements.

### WORKING RAILWAYS.

As regards the Working Railways, the Annual Report of the General Manager will be found to give full details of the traffic, revenue, and expenses, and it is satisfactory to find that the efficient administration of the railways during the past eight years has, by gradual improvement in the permanent-way, structures, appliances, and organization, led to a corresponding economy in working.

The total expenditure last year was less than that for any of the three preceding years; and the average cost of working per mile was the lowest that it has ever been.

For these results there can be no doubt that the Railway Department deserves a great deal of credit, as they could only have been brought about by careful organization and patient supervision, extending over a series of years.

Still further improvements are expected during the current year, but it must not be supposed that economy can be indefinitely extended, as we have already arrived at fairly good results, in view of the relative situations of our various lines, the character of the traffic on some of them, and the extent of the requisite renewals. That this is so can be realised from a careful study of Table A, which will be attached to this Statement, and which shows the results of the working of the several railway systems of the adjoining colonies, compiled from their official reports.

This year the railway from Lyttelton to Selwyn will have been open twenty-one years; and on this, and others of the older lines, rebuilding bridges and structures, and paying for new rails and sleepers, is a heavy item of expense.

Return No. 8 in the Annual Report on Working Railways shows that the average cost of keeping the lines in order is under £70 a mile, apart from actual rebuilding of structures and bridges, purchase of new rails and sleepers, and other new works. The same return also shows that the whole cost of maintenance, including such items, is only £141 per mile.

Further statistics, compiled on Table A, show that the average gross charge per ton of traffic on the New Zealand lines is the lowest in the Australasian Colonies, being only 6s. 10d. This fact is due, not so much to our mileage rates being low, as to the average distance carried being shorter in New Zealand than in the other colonies, in consequence of our numerous chief towns and ports. Be the cause what it may, however, the producers in this colony must, as a whole, derive an advantage, as compared with the producers in the other colonies, from this low average rate of carriage from the place of production to a port; and the consumers in the chief towns, as a whole, must have a corresponding advantage, as compared with the consumers in the other colonies, in the low average rate of carriage from the place of production to the place of consumption.

At the same time it has to be remembered that our railways cannot make as