

receipts per train mile have decreased slightly, being 88·75 against 89·75 for the previous year.

Passengers (ordinary) show an increase of 1,112,543, for £72,646; season tickets, 17,857, for £3,397. Coaching traffic gave an increase of £6,849. Goods and live-stock traffic an increase of £58,880. Miscellaneous revenue an increase of £1,702; rents and commission an increase of £3,876. The total increase of revenue over the preceding year was £147,350.

#### EXPENDITURE.

The working expenditure was £1,252,237, an increase of £124,389 over the preceding year. The percentage of working-expenses to revenue was 66·80, an increase of 1·50 over the rate for the previous year. During the past six years the ratio of expenditure has steadily increased, as will be seen by the following table:—

|           |     |     |       |           |     |     |       |
|-----------|-----|-----|-------|-----------|-----|-----|-------|
| 1896-1897 | ... | ... | 61·35 | 1899-1900 | ... | ... | 64·80 |
| 1897-1898 | ... | ... | 62·30 | 1900-1901 | ... | ... | 65·30 |
| 1898-1899 | ... | ... | 63·26 | 1901-1902 | ... | ... | 66·80 |

The amounts chargeable to working-expenses on account of the various branches of the service, and the ratio of expenses to revenue, are shown by the following figures:—

|                        |     |     |     | Expenditure. |            | Per Cent. of Revenue. |            |
|------------------------|-----|-----|-----|--------------|------------|-----------------------|------------|
|                        |     |     |     | 1900-1901.   | 1901-1902. | 1900-1901.            | 1901-1902. |
|                        |     |     |     | £            | £          |                       |            |
| Traffic Branch         | ... | ... | ... | 296,159      | 333,211    | 17·15                 | 17·78      |
| Locomotive             | ... | ... | ... | 384,915      | 450,694    | 22·28                 | 24·04      |
| Maintenance            | ... | ... | ... | 426,405      | 436,847    | 24·69                 | 23·30      |
| Management             | ... | ... | ... | 51,590       | 56,756     | 2·99                  | 3·03       |
|                        |     |     |     | 1,159,069    | 1,277,508  | 67·11                 | 68·15      |
| Less credit recoveries | ... | ... | ... | 31,221       | 25,271     | 1·81                  | 1·35       |
|                        |     |     |     | 1,127,848    | 1,252,237  | 65·30                 | 66·80      |
| Net increase           |     |     |     | ...          | 124,389    | ...                   | 1·50       |

The expenditure for maintenance of the line, buildings, and other structures has increased from £426,405 for the year 1900-1901 to £436,847 for 1901-1902, representing an average expenditure for maintenance of £196·17 per mile of railway open, a slight increase on last year's figures. The increase, as indicated in previous Statements, is due to increasing age of the lines, the necessity for employing heavier rolling-stock, and of accelerating speeds, and increasing weight of trains, conditions which render the efficient maintenance of the track an imperative necessity. Included in the working-expenses of the Maintenance Branch is the sum of £10,142 for additions and improvements to lines and structures, which might have been fairly charged to capital. £55,705 has been spent on bridge repairs and renewals during the year; of this sum, £10,079 was debited to capital, and the balance, £45,626, to working-expenses.

The increase in the working-expenses of the Traffic and Locomotive Branches is mainly due to the large increase in the train mileage, and the additions to staff, necessitated by the continued growth of the traffic.

The salaries and wages of the staff have in recent years also been improved, which will not be grudged by any one.

The sum of £777,989 has been expended under the head, "Additions to Open Lines," and charged to Capital Account. Of this amount, £176,339 has been expended on improvements to station buildings, sidings, water services, safety and interlocking appliances, signals, stockyards, approaches, crossings, telephone and telegraph facilities, respacing sleepers, relaying line, and improving wharves; £601,650 has been expended in the provision of rolling-stock, conversion of cars and wagons into up-to-date stock, fitting Westinghouse brakes, provision of turntables and cranes, cushioning second-class cars, provision of additional machinery for workshops, and car lighting. The rolling-stock in respect to which the charges are made consists of 59 locomotives, 104 carriages, 27 brake-vans, 52 bogie wagons, 1,569 four-wheeled wagons, 810 tarpaulins, 5 cranes, all completed on the 31st March last; and 15 locomotives, 53 cars, 4 brake-vans, 17 bogie and 681 four-wheeled wagons, and 3 cranes, incomplete, but in hand on that date.