Reference :—

a. Moerbeke to Dutch frontier.
b. Extension of Brussels–Schepdael–Ninove line.
c. Dour–Quievrain–Pommeroeul (amalgamation with Mainvault–Quievrain).
d. Extension of Haine - St. Pierre to Morlanwelz.
e. Extensions of Wasmes and Sars-la-Bruyere towards Dour, on the vicinal lines of Borinage.
f. Extension of Meirelbeke–Zwijnaerde–Gand (St. Pierre), of the Meirelbeke–Herzele–Grammont line.
g. Bree to Hamont.
h. Pecq to the frontier, towards Roubaix.
j. Branch from Thoricourt to Silly, from the Lens–Enghien–Soignies line.
k. Branch from Ohey–Havelange of the line Andenne–Soree–Ciney.

(NOTE.—This year really shows less variation in the proportions than past years.)

The plan attached to this report shows the State railways in black and the vicinal railways in red; those actually working by a full line, and those under construction and to be opened shortly by a dotted line. The rolling-stock is as follows: Steam traction—730 locomotives; 1,900 carriages, first and second and mixed; 84 carriages and van combined; 436 baggage-cars; 5,421 wagons with removable sides; 1,174 wagons (closed); 646 flat cars; 60 special wagons. Electric traction—456 motor-cars; 248 trailers (closed); 197 trailers (open); 9 petrol electric cars; 41 vans and miscellaneous wagons.

The regulations of the enterprises and for leasing provide the following obligations in favour of the workers: (1) Assurance against accident; (2) creation of ambulance service; (3) application of minimum wage and maximum hours; (4) affiliation of the workers of the lessees with a mutual superannuation society. In addition to the mutual superannuation the management of one of the subsidiary companies has created an accident and sickness fund.

The working-expenses of the National Society amounted to 936,633·30 fr., equalling 3·5 per cent. on the gross receipts. This is an average figure, the percentage five years ago having been 3·507.

Of the 146 lines working during the whole of 1912, 109 lines show an increase over 1911, and thirty-seven a diminution. Of the 109 mentioned, 108 showed a larger dividend than last year.

The following shows the financial state of 142 of the lines, for which complete figures are available: Fifty-six gave a dividend greater than the annuity; fifteen gave a dividend greater than 3 per cent.; nineteen gave a dividend greater than 2·5 per cent.; sixteen gave a dividend greater than 2 per cent.; thirty-six gave a dividend less than 2 per cent.

Eliminating the lines open less than a year, the table below gives the mean dividends under different kinds of shareholders for 1912 :—

Shareholders.	Capital subscribed.	Dividend due.
	Francs.	Percentage.
Government of Belgium	101,234,000	2·6602
Province of Antwerp	8,105,000	3·6277
Province of Brabant	10,011,000	3·1778
Province of West Flanders	8,455,000	3·1750
Province of East Flanders	4,848,000	2·0490
Province of Hainaut	11,214,000	2·5158
Province of Liege	9,655,000	2·9941
Province of Limbourg	4,658,000	2·8061
Province of Luxembourg	5,872,000	1·7449
Province of Namur	6,181,000	2·6382
Communes	71,249,000	3·0273
Individuals	4,257,000	4·1602
Total and mean	245,000,000	2·8381

The average dividend has decreased in ten years from 3·27 per cent. to 2·84 per cent. This is due partly to increased cost of working; partly probably to the fact that in the early days insufficient provision was made for renewals now becoming necessary; and partly to the fact that, all the best lines having been made, extensions are now being built into less profitable territory.

It will be seen from the foregoing that the lines, in a strict sense, cannot be considered to pay. The same applies to the standard-gauge State railways, and still more to the State system of canals. The policy of the Government is strongly paternal, the question of actual cash return from the public utilities being secondary to the question of developing internal industry, commerce, and agriculture, the indirect returns from which make up, in a way apparently satisfactory to the rulers of the country, for any loss on the means of communication. The result of that policy is found in the dense population which finds it possible to earn a livelihood in the country, and the fact that they are generally satisfied with the conditions of life is evidenced by the absence of any emigration movement.