

The rolling-stock on order and in hand at the close of the year consisted of fourteen engines, thirty-nine cars, fifteen bogie brake-vans, 909 wagons (comprising 138 bogies and 771 four-wheeled wagons). The building programme was again retarded owing to the impossibility of obtaining the necessary material. The prospects of obtaining essential constructive material from abroad are not encouraging.

Four hundred and sixty-three modern car, van, and wagon axles were substituted for the old iron type, increasing the carrying-capacity of each vehicle by 2 tons.

The permanent way, buildings, structures, and appliances have been efficiently maintained. Seven miles of track were relaid, which is considerably below the fixed standard of recent years. Owing, however, to the dearth of material and the inability to obtain supplies it has been necessary to conserve stock to provide for emergencies as they arise. Delivery of rails under the contracts entered into last year has been retarded through want of shipping. Any space available has had to be reserved for conveyance of coal. 79,485 new sleepers and 88,918 cubic yards of ballast were placed in the track during the year.

A considerable number of improvements have been made in the accommodation at various stations throughout the railway system. Interlocking and signal appliances have been extended, and water services, sidings, and station-yards enlarged or improved to meet requirements. Grade-easements have been carried out in the Auckland District, and a new station combining Drury and Runciman was opened last year.

Fixed distant and home signals have been installed at three additional stations, and distant signals at eight stations. 291 stations are now equipped with fixed signals and ninety-eight with interlocking. Special switch-locks were fitted at three additional stations, and nine switch-out stations have been equipped with special locking arrangements for points and signals.

The railway telegraph and telephone system was extended during the year, and comprises 286 Morse sets, 1,621 telephones, 280 electric bells, 2,606 miles of poles, and 7,121 miles of wire.

Electric lighting has been installed at a number of stations, workshops, offices, and dwellings. Extension of electric-power installation has been made at Newmarket, Addington, and Hillside Workshops.

REVENUE.

The gross revenue for the year amounted to £4,988,632, an increase of £300,932 on the earnings of the previous year, and £263,632 above the estimate. The particulars are as follow:—

	1919.	1918.
	£	£
Passengers, ordinary	1,799,381	1,663,922
Season tickets	150,901	138,675
Parcels, luggage, and mails	258,524	254,110
Goods	2,608,336	2,465,241
Miscellaneous, rents, &c.	171,490	165,752
	<u>£4,988,632</u>	<u>£4,687,700</u>

The gross receipts per train-mile for all lines were 160·00d., as against 150·50d. for the previous year, an increase of 9·50d. per train-mile.

The North Island main line and branches produced 161·00d. per train-mile, against 150·25d. for the preceding year, an increase of 10·75d.

The South Island main line and branches gave a return of 159·00d., against 149·25d. last year, an increase of 9·75d.

The earnings from the Lake Wakatipu steamers amounted to £6,682, a decrease of £128.

The net earnings per average mile of railway open for traffic was £563, against £555 last year, an increase of £8.

The net revenue, £1,680,057, was equal to a return of 4·65 per cent. on the capital invested in the lines open for traffic (£36,167,681), and 4·28 per cent. on the capital in the opened and unopened lines (£39,260,882).

EXPENDITURE.

The working expenditure for the year, including £6,985, the cost of working the Lake Wakatipu traffic, amounted to £3,308,575, an excess of £265,668 over the expenditure for last year. The ratio of expenditure to earnings was 66·32 per cent., against 64·91 per cent. for the preceding year, an increase of 1·41 per cent.

	Expenditure.		Per Cent. of Revenue.	
	1918-19.	1917-18.	1918-19.	1917-18.
	£	£		
Traffic	1,032,609	954,142	20·73	20·38
Locomotive	1,381,797	1,245,470	27·74	26·61
Maintenance	752,558	710,655	15·10	15·18
Management	134,626	124,976	2·70	2·67
	<u>3,301,590</u>	<u>3,035,243</u>	<u>66·27</u>	<u>64·84</u>
Lake Wakatipu steamers	6,985	7,664	0·05	0·07
	<u>£3,308,575</u>	<u>£3,042,907</u>	<u>66·32</u>	<u>64·91</u>