ANNUAL REPORT OF THE GENERAL MANAGER OF THE NEW ZEALAND GOVERNMENT RAILWAYS.

SIR,— New Zealand Government Railways, Head Office, Wellington, 8th September, 1920.

I have the honour to report on the working of the railways for the financial year ended 31st March, 1920.

The Culverden-Waiau extension, 12 miles 75 chains in length, was taken over in December last, making the total mileage open for traffic at the 31st March 3,006 miles.

The capital invested in the lines open for traffic, including the steamers and plant on Lake Wakatipu, on the 31st March was £36,390,115, as against £36,167,681 for the previous year, an increase of £222,434. This amount includes £74,277 construction charges on lines already taken over from the Public Works Department, £160,323 on new works charged against capital account under "Additions to open lines," and £92,994 expended under the Railway Improvement Authorization Act, 1914.

The gross receipts for the year amounted to £5,752,487, as against £4,988,632 for the previous year, an increase of £763,855.

The net revenue, £1,647,420, is equal to a return of 4.53 per cent. on the capital invested in the lines open for traffic, and 4.12 per cent. on the capital invested in the opened and unopened lines.

The train-mileage for the year, 7,408,608 miles, was 68,975 miles less than the previous year, due to the curtailment of train services to economize coal-consumption.

Traffic in Otago District was seriously disorganized by floods and slips in July and August. On the 4th and 5th July traffic on the Outram Branch was blocked by floods. On the 4th July a slip occurred on the Otago Central Branch at Salisbury. From the 18th to the 22nd August traffic on the Outram Branch was suspended through flood. Traffic was suspended between Mosgiel and Milton on the 19th August through a flood. On the 20th August a flood interfered with the traffic between Mosgiel and Clinton. Between the 19th and 28th August traffic on the Otago Central Branch was interrupted through slips between Wingatui and Ranfurly.

In the Auckland District a flood between Hoteo and Wayby, on the North Auckland Railway interrupted traffic on the 27th March.

In addition to the above there were a number of smaller slips and washouts which caused delays to trains, but did not involve any actual suspension of traffic.

The following figures, which give the record of the late arrival of the principal trains during the year, indicate that, despite the difficulties experienced in connection with the shortage of coal and other unforeseen circumstances, the trains as a whole have run well up to time:—-

The number of ordinary passengers carried during the year was 12,760,814, an increase of 1,386,293.

Season tickets issued numbered 400,621, an increase of 49,497. Workers' weekly twelve-trip tickets numbered 83,365, and workers' weekly tickets issued on suburban lines 248,071, an increase over the preceding year of 9,093 twelve-trip and 33,917 workers' weekly tickets.

The improvement in passenger traffic of all classes is attributable to the restoration of Sunday trains and excursion fares, removal of restrictions on travel imposed during the later period of the war, and the greater facilities afforded by a return to approximately pre-war time-tables in December, 1919.

The passenger traffic for the year ended 31st March, 1919, was adversely affected by the influenza epidemic.

Although the increase of 1,386,293 ordinary passengers constitutes a record increase for any year in the history of the railways, the year's total of 12,760,814 shows a decline of 1,440,692 passengers compared with the 14,201,506 passengers carried in the year 1915–16.

The goods and live-stock tonnage was 6,000,279 tons, an increase of 388,541 tons. The increases were as follow:—

Consequent on the partial removal of congestion of frozen-meat works by shipping facilities for export of frozen meat, an impetus has been given to the movement of fat cattle and sheep for freezing. A considerable number of both cattle and sheep were also railed for depasturing as a result of shortage of feed in Hawke's Bay and Otago.