

The rolling-stock on order at the close of the year comprised fifty-five engines, thirty-six cars, eleven bogie brake vans, thirty bogie and 2,125 four-wheeled wagons.

Car, van, and wagon axles numbering 3,870, were replaced by modern steel axles, thus increasing the carrying-capacity of each vehicle by 2 tons.

The permanent-way, buildings, structures, and appliances have been well maintained, and a considerable number of improvements have been made in the accommodation at several stations. Forty-two and a half miles of track were relaid with new rails; 145,734 new sleepers and 173,911 cubic yards of ballast were placed in the track during the year.

Fixed signals were provided at two additional stations, and distant signals were erected at five stations in addition to the home signals previously installed. 302 stations are now equipped with fixed signals, and 100 stations interlocked.

The railway telegraph and telephone systems were extended, and now comprise 285 morse sets, 1,711 telephones, 320 electric bells, 7,286 miles of wire, and 2,635 miles of poles.

Electric lighting has been installed at a number of station buildings, yards, offices, goods-sheds, and dwellings.

REVENUE.

The gross revenue for the year amounted to £6,643,591, a decrease of £264,940 on the earnings of the previous year, and £606,409 less than the estimated revenue for the year. The particulars are as follows:—

	1922. £	1921. £
Passengers, ordinary	2,212,633	2,459,362
Season tickets	205,594	198,717
Parcels, luggage, and mails	339,482	335,753
Goods	3,646,594	3,676,665
Miscellaneous, rents, &c.	239,288	238,034
	<u>£6,643,591</u>	<u>£6,908,531</u>

The gross receipts per train-mile for all lines were 182·69d., against 177·99d. for the preceding year, an increase of 4·70d. per train-mile.

The North Island main line and branches produced 183·71d. per train mile as against 180·05d. for the previous year, an increase of 3·66d.

The South Island main line and branches gave a return of 179·22d., as against 173·15d. last year, an increase of 6·07d.

The earnings from the Lake Wakatipu steamers amounted to £8,019, a decrease of £970.

The net revenue, £405,864, was equal to a return of 1·07 per cent. on the capital invested in the lines open for traffic (£39,309,097), and 0·91 per cent. on the capital invested in the opened and unopened lines (£44,689,748).

EXPENDITURE.

The working expenditure for the year, including £1,339 the cost of working the Lake Wakatipu traffic, amounted to £6,237,727, an increase of £601,126 over the expenditure for the previous year. The ratio of expenditure to earnings was 93·89, as compared with 81·59 for the preceding year, an increase of 12·30.

	Expenditure.		Per Cent. of Revenue.	
	1921-22. £	1920-21. £	1921-22.	1920-21.
Traffic	1,703,049	1,712,376	25·66	24·82
Locomotive	3,134,164	2,656,812	47 23	38·51
Maintenance, signals, and electrical	1,184,227	1,053,049	17·85	15·26
Management	202,948	203,906	3·06	2·95
	<u>6,224,388</u>	<u>5,626,143</u>	<u>93·80</u>	<u>81·54</u>
Lake Wakatipu steamers	13,339	10,458	0·09	0·05
	<u>£6,237,727</u>	<u>£5,636,601</u>	<u>93·89</u>	<u>81·59</u>

Of the gross increase (£601,126) the sum of £220,026, equal to 36·60 per cent., represents the increased cost of wages, salaries, and conditions resulting from the granting of the forty-four hours' week to the Railway staff by the Wages Board in 1921. The balance, £391,814, or 65·18 per cent., represents the enhanced prices of stores and materials used during the year in carrying on the business of the Department. The cost of miscellaneous services decreased by £10,714, 1·78 per cent. of the total increase.

Of the increase in the Locomotive Branch salaries and wages absorb £148,361, or 31·08 per cent.; coal, oil, and other stores and materials £322,523, or 67·56 per cent.; and miscellaneous £6,468, or 1·36 per cent.

Maintenance increases are represented by salaries and wages, £56,038, or 42·72 per cent.; stores, £71,092, or 54·19 per cent.; and miscellaneous, £4,048, or 3·09 per cent.

The expenditure of the Traffic Branch shows a decrease of £9,327, and "Management" a decrease of £958.