

1931.
NEW ZEALAND.

RAILWAYS STATEMENT

BY THE MINISTER OF RAILWAYS, THE HON. W. A. VEITCH

MR. SPEAKER,—

In presenting the Railways Statement for the year ended 31st March, 1931, I have the honour to report that the gross income from all sources was £7,571,537, a decrease of £716,579 on that of the previous year, while the expenditure was £6,882,810, a decrease of £476,049.

On the 31st March, 1931, the capital invested in the lines open for traffic, including the steamers and plant on Lake Wakatipu and other subsidiary services, was £60,545,154, as compared with £57,787,671 on the 31st March, 1930, an increase of £2,757,483.

The increase in capital comprises £855,154, cost of the Eskdale-Putorino extension, 26 miles 74 chains, taken over on the 6th October, 1930, and £559,012 expended out of the vote for additions to open lines. This latter sum represents the provision of new rolling-stock, grade-casements between Crichton and Lovell's Flat, additional dwellings, improvements and extensions to buildings and plant, workshop equipment, rearrangement of station-yards, and other facilities.

Expenditure under the Railways Improvement Authorization Act, 1914, totalled £1,044,433. The new works carried out during the year included the completion of the new station and yard at Auckland, new goods-shed at Wellington, and reclamation for station-yard, Papatoetoe-Papakura duplication, reconstruction and strengthening of bridges, completion of Ravensbourne-Burkes Deviation, telegraph and telephone lines, safety appliances, and train-control.

A sum of £766,073 was charged against revenue for depreciation and provision of renewals, and the amount expended from this fund was £385,724 for assets written off. The accumulated credit balance in the Renewals and Depreciation Fund at the 31st March, 1931, was £2,067,910.

During the year ended 31st March, 1930, the cash resources of the Railways Department were exhausted as a result of the policy which required the Department to pay interest charges irrespective of the fact that the net earnings for the year were insufficient to meet the total interest debit. In order to meet this position a further amendment to the financial arrangements of the Department was made, and section 14 of the Finance Act, 1930 (No. 2), authorizes the Minister of Finance to reduce the interest charges on capital where the annual accounts of the Railways disclose that the full amount of interest cannot be paid out of the Working Railways Account.

The Finance Act, 1929, section 20, provided that interest will be charged on the total amount of capital moneys expended in respect of railways, reduced by the sum of £8,100,000. The interest charges computed in terms of the Finance Act, 1929, total £2,255,345, as against £2,132,324 for the year ended 31st March, 1930.

The sum actually paid for interest charges for the past year is £685,000. The net earnings totalled £688,727, which amount deducted from the total interest charge of £2,255,345 leaves a deficit on the year's operation of £1,566,618, an increase of £355,349 compared with the figures for the previous year.

Compared with the previous year, the net earnings show a decrease of £240,530. Revenue decreased by £716,579, or 8·7 per cent., while expenditure decreased by £476,049, or 6·5 per cent., notwithstanding an increase of £66,896 in the amount set aside to provide for depreciation and renewals.

In comparing the net revenue for 1931 with the results of previous years it is necessary to make due allowance for the variations in enactments, regulations, and policy applying to the finance of the Working Railways Account. It must also be borne in mind that since 1926 systematic provision has been made for depreciation in a manner which has not been adopted by the majority of State railways in other parts of the Empire, and which prior to that year had not been adopted in New Zealand.

Variations such as those referred to require to be taken into account in order that deductions drawn from comparisons will be correct and reliable.

During the year a comprehensive review of the train services was made, and decisions come to as are outlined in the General Manager's report which accompanies this Statement. The matter was further reviewed by the Royal Commission which investigated certain aspects of the Department's affairs during the year, and, generally speaking, the decisions that have been arrived at by the Department were concurred in.

Channels for economy in expenditure were also fully explored in every direction during the year, and the figures given above indicate the very large measure of success that was achieved in that connection, and there is no doubt that an even greater extent of reduction in the expenditure might have been achieved if the staff adjustments that were found possible had been rigorously pursued regardless of any other consideration than the reduction of expenditure within the Department. It was felt that, having regard to the general state of the labour-market and to the very great distress that was likely to be occasioned if a sudden and extensive reduction of staff had been decided upon, a steady process of more or less gradual reduction was justified, even though the Department were involved in some expense in so doing.

Consideration of the financial results for the year would, of course, not be complete without reference to the very severe trade depression that has been experienced during the period under review. For the first four months of the financial year the revenue held to about the same level as the previous year, but thereafter, as the trade depression intensified, the revenue dropped extremely rapidly. Services were, of course, adjusted as much as possible to the changing conditions, but it will be realized that in such a business as a railway, with its high proportion of fixed charges, the scope for making reductions of expenditure in immediate sympathy with a sudden drop in business is extremely limited. Keeping this in mind, it will be appreciated that the very great reduction of expenditure that was achieved during the year represents more a permanent lowering of the production costs of the Department rather than a temporary adjustment to the sudden drop in business that has been the result of the present stringent business conditions. In other words, so far as the financial position has been within the control of the Department—and this has particular reference to the expenditure side—the record of what was accomplished during the year stands out as a credit to the administration, while it must be equally recognized that the phenomenal drop of gross revenue which brought about the shrinkage in the net revenue was undoubtedly due to conditions which are affecting practically every other business in common with the railways, and which are quite beyond the control of the railway administration.

The Royal Commission, in pursuance of its order of reference, undertook a review of the railway tariff, and recommended a number of alterations therein, the principal of which were adopted as follows: Ordinary passenger fares increased by ½d. in the shilling or part of a shilling, holiday excursion and season tickets increased by 1d. in the shilling or part of a shilling, the scale for workers' weekly tickets increased, and a number of minor amendments made to other classes of tickets.

A number of the classified rates for commodities such as coal, grain, firewood, bricks, &c., were increased by 10 per cent., and the rates for fresh fruit and vegetables were also increased by approximately 10 per cent.

The practice of charging a higher rate for certain imported commodities was discontinued, and the classification of such lines was amended in conformity with the recommendation of the Royal Commission.

HAWKE'S BAY EARTHQUAKE.

I desire to place on record the Government's appreciation of the achievement accomplished by all ranks of the Service in meeting a difficult situation following the disastrous earthquake which occurred in the Hawke's Bay district on the 3rd February. The resources of the Department were placed entirely at the disposal of the relief organization without charge, and the expeditious manner in which the permanent-way was repaired enabled the Department to facilitate the removal of refugees from the stricken area, and at the same time convey foodstuffs and other important necessities which were urgently required in this area.

The cost of these services to the Department has been assessed at £23,000.

On the other hand, the Department, like all others in the earthquake area, suffered considerable damage to its property, the value of which has been estimated at approximately £55,400. The line between Napier and Putorino suffered most severely, and, in view of the extent to which the country through which the line passes was shattered by the earthquake, it is difficult to make an accurate assessment of the cost of restoring the line, and it is quite possible that the figure given above may be substantially exceeded before a full restoration of ordinary working-conditions is again reached.

BRANCH LINES AND ISOLATED SECTIONS.

The loss on branch lines and isolated sections was £780,299, as compared with £761,091 for the previous year. These figures include interest charges.

On branch lines the loss on working, exclusive of feeder value and interest charges, was £203,604, as compared with £218,483 in the previous year. Interest charges increased from £475,717 in 1930 to £485,512 in 1931, due to the Eskdale-Putorino extension being taken over on the 6th October, 1930. The revenue on branch lines decreased during the year under review by £16,826, or 4·2 per cent., while expenditure decreased by £31,697, or 5·1 per cent.

The working of the isolated sections, Kaihu, Gisborne, Nelson, and Picton resulted in a loss of £39,131, as compared with £35,649 in the previous year. These figures exclude interest charges.

The increased loss is due to the heavy decline in traffic on these sections, which in the case of the Gisborne and Nelson Sections amounted to 21 per cent. and 22 per cent. respectively.

Substantial economies were made in the operating of these sections, but the effect of these was not felt until a fair proportion of the financial year had passed. Further reductions have since been made in the services on these sections on account of the decreased traffic and also in an endeavour to reduce the expenditure to a minimum.

COAL-SUPPLIES.

During the year the policy of utilizing as large a proportion of New Zealand coal as possible was steadily pursued, and the result is shown in the fact that the proportion of New Zealand coal rose to the record figure of 90 per cent. It must be frankly admitted that on a basis of strict economy the Department would have been justified in preferring imported coal to some of the New Zealand coal at the prices at which the respective supplies could be obtained, and it will be appreciated that not only from the point of view of the high proportion of New Zealand coal that has been used, but also because of the circumstance I have mentioned, the policy of the Railways Department, as above mentioned, has been of very great benefit to the mining industry in the Dominion.

The past year has been a difficult one in dealing with coal-purchases, owing to the heavy decrease in traffic necessitating a reduction in our requirements. The Hikurangi Mine was flooded on the 29th July, 1930, and did not recommence operations again until January, 1931.

LANGER COMBUSTION APPLIANCE.

During the year tests were carried out with the Langer combustion appliance with a view to enabling a more extensive use to be made of run-of-the-mine New Zealand hard coals and of New Zealand soft coals more particularly—in the case of the soft coals—during the summer months, when such coals cannot be used on account of sparks. The tests which were carried out by the representative of the vendors of this appliance in association with the officers of the Departments of Railways and of Scientific and Industrial Research gave results which indicated that very substantial advantages could be obtained by the use of the appliance.

With a view to proceeding further with tests under ordinary running-conditions, it was decided to purchase twenty sets of this appliance. The sets have now come to hand, and ten sets have been fitted to locomotives in the North Island and ten sets are being fitted to locomotives in the South Island.

Tests of the appliance under general working-conditions are now in progress.

BRIDGE-STRENGTHENING.

During 1929 a comprehensive survey of the bridges throughout the Dominion was made, and a programme of bridge-strengthening and reconstruction work extending over five years was drawn up. The estimated cost of the five-year proposal for strengthening and reconstruction was £521,000, and satisfactory progress has been made with the work during the past year. The provision of new bridges at Ngaruawahia, Waikanae, Otaki, Oroua, and Whenuakura has been completed. A number of small bridges on the Thames and Rotorua Branches and the North Auckland line have been rebuilt, and on the North Island main line and branches a number of bridges have had a new superstructure of rolled-steel joists provided and in the case of others the floor-beams have been strengthened.

ELECTRIFICATION, WELLINGTON-PAEKAKARIKI.

In connection with the construction of the new line between Wellington and Tawa Flat the question of the tractive power to be utilized on this section called for consideration. The longer of the two tunnels by this route will be 2 miles 53 chains long, and the standard of transport service now demanded by the public renders it a practical impossibility to work such a length of tunnel by steam with any reasonable prospect of ensuring the public satisfaction. It is practically unavoidable, therefore, to adopt electric traction for this section of the line. In considering the length of line to be electrified the question of working the Pukerua grade came under review, and it was found that by the adoption of electric traction the economic disadvantage of this grade in the working of the traffic between Wellington and Palmerston North would be very substantially nullified, inasmuch as the electric locomotives would be able to take over the grade a load approximating that which our present standard steam locomotives can work between Paekakariki and Palmerston North. The Pukerua grade is the ruling grade in the Wellington-Palmerston North area, and for some years it has been realized that eventually something would require to be done in connection with the easing of this grade in order to enable this very busy section of the railway to be satisfactorily worked. The adoption of electrification will postpone the necessity of anything being done in this direction for an indefinite period. For these reasons it has been decided to carry the electrification from Wellington to Paekakariki. Another aspect of this question is that the electrification will reduce to a minimum the number of steam locomotives which will require to be stationed at the locomotive-depot at Wellington, and this will, of course, have a direct bearing on the conditions which will exist in the neighbourhood of that depot so far as the same are affected by the smoke that will arise therefrom.

Tenders have already been called for a portion of the overhead gear, and specifications for the balance of the requirements are in hand and are expected to be finalized at an early date.

AUCKLAND NEW STATION.

The new station at Auckland was officially opened on the 24th November, 1930, and, notwithstanding the complicated nature of the working of this station, the staff are to be complimented for the manner in which they so readily and efficiently adapted themselves to the new conditions.

The original estimate, including the station-yard, as set forth in D.-2A, 1924, was £550,000, exclusive of £325,459 cost of the reclamation of the site for the yard and buildings, and work performed in connection with the erection of and alterations at the locomotive depot prior to 1924. The actual cost of the work at 31st March, 1931, was £1,230,645, which includes the station-buildings, construction of yard, goods-sheds, interlocking, and signalling, &c. The estimate in 1924 was based on old designs that had been in existence for many years. After the estimate had been framed the whole design of the yard was investigated and recast. The original plans provided for two stations, one on a high level and one on a low level. In order to effect economies in operating-expenses and provide more suitable facilities, it was decided to provide only one station, at an intermediate level, this necessitating a complete recast of the design to meet the altered conditions. At the time the estimate was made no design for the station had been finalized, but £100,000 had been allowed for this. The contract price for the station building as erected, which was enlarged to provide district offices, dining-rooms, &c., was £328,000. The fact that the station had to be erected on reclaimed ground caused the cost of foundations to be extremely heavy, and materially added to the cost of the building. The original estimate did not provide for power-locking and signalling to meet modern requirements, costing approximately £84,000. Additional car-repair facilities were found to be required, which had not been included in the original estimate.

AUCKLAND-WESTFIELD DEVIATION.

The completion of this work synchronized with the completion of the Auckland Station. The estimated cost of this work in the 1924 D.-2A was £450,000. The final cost to complete amounts to £770,000.

Since the preparation of the original estimate the following alterations to the scheme had to be made :—

- (1) It was found that the original level of formation across Judge's Bay and Hobson Bay was not sufficiently high to escape damage by storms, and consequently the banks had to be raised, involving heavy increase in earthwork and stone protection-works.
- (2) Owing to the settlement of the embankment on the unstable mud-flats of the Orakei Basin, heavy additional expense was incurred in making up continual subsidences.
- (3) Owing to faulty ground being met with in the Purewa double-line tunnel, considerable additional expense was incurred in the false-work in the tunnel and in providing a concrete invert.
- (4) The work was carried out by the Public Works Department. According to the Government policy at the time, hutments and other amenities had to be provided for the workmen free of all charges, which involved heavy expense.
- (5) Automatic signalling was installed, which was not included in the original estimate.

The unit costs adopted in the original estimate were too low in many cases to meet the conditions that were found to exist when the work was carried out.

ROYAL COMMISSION.

The Royal Commission referred to in my last Statement duly completed its investigation into the possibilities of increasing the revenue and decreasing the

expenditure of the New Zealand Railways, and its comprehensive report and recommendations were embodied in D.—4, which was presented to the House during the emergency session earlier in the year.

The Government has given effect to most of the Commission's recommendations. The effect of the economies brought about will be more evident as the business improves. At present there is a definite indication of expenditure being reduced, but the steady decline in revenue prevents a true perspective being shown of what is being achieved on the expenditure side of the Department's operations.

RAILWAY BOARD OF DIRECTORS.

One of the Royal Commission's recommendations was "That the Department be depoliticalized, and the railways be administered by a Board of Directors, with full powers to control the operations and staff, and be responsible for the results obtained."

The Government decided to give effect to this recommendation, and provision was made in the Government Railways Amendment Act, 1931, passed last session, for the constitution of a Government Railways Board.

The following personnel was subsequently selected :—

Colonel James Jacob Esson, C.M.G. (Chairman).

Sir James Henry Gunson, C.M.G., C.B.E.

Mr. Edward Newman, C.M.G.

Mr. Daniel Reese.

Mr. George Walter Reid, B.Com., F.P.A. (N.Z.).

The appointment of Sir James Gunson and Mr. Reese is for three years, and that of Mr. Newman and Mr. Reid for two years. Colonel Esson's appointment is temporary, and on the retirement of Mr. H. H. Sterling as General Manager, in September next, he will assume the chairmanship of the Board.

The action of Mr. Sterling in offering to sever his contract with the Government and to submit his willingness to be retired under the terms of the Finance Act of last session, and thereby subject himself to a personal sacrifice, is to be commended. The Government is fortunate in that it will continue to have the services of Mr. Sterling after his retirement, when he becomes Chairman of the Board.

GARRATT LOCOMOTIVES.

I have to record the fact that the three Garratt locomotives which were imported into New Zealand had not shown up to the end of the financial year any marked improvement in mechanical reliability, but that since then it has been seen that the modifications made to two of these engines have made them fit for regular service. Unfortunately, the falling off in traffic during recent months has mitigated against their being loaded to their full capacity, and it has therefore been impossible to take advantage of their maximum potentiality.

Previously the main source of trouble in operation has been their mechanical unreliability under service conditions. The difficulties have, unfortunately, not made themselves apparent within a limited time of the engines being first put on the road, but have from time to time during the working of the units brought home to us the necessity of some modification to rectify weakness in design and correction of detail to suit local operating-conditions.

The capital cost of these engines was in each case £18,143 (including £674 cost of raising loan), and to date modifications and repair-costs to the three engines have been as follows :—

					£
Modifications	..	..	..	..	817
Shop repairs	..	..	..	..	2,131
Depot repairs	..	..	..	..	1,450
Shop-work for depots	..	..	..	..	146

The foregoing charges do not include modifications and repairs to one of these locomotives—viz., “G” 99—now being undertaken at Hutt shops. It is estimated that the charges in respect to this engine will be £400 for modifications and £1,400 for repairs.

The matter of the continued operation of the Garratt engines has been carefully considered, and it has been decided, in view of the expenditure that has already been incurred, to continue working them for a further period of, say, twelve months with a view to giving them a thorough try-out, and more particularly in order to ascertain to what extent the latest modifications improve the operating results.

CONCLUSION.

As the direct responsibility of administration of the Department will in future devolve upon the Board, I desire to take this opportunity of placing on record my personal appreciation of and gratitude to all members of the Service for their co-operation in the conduct of the various phases of the Department's operations during a period of unparalleled difficulty. Considering the climatic and geographical conditions in New Zealand, which vitally affect the running of our trains, it is highly creditable that the Service has been able to maintain a safe and reliable means of transport throughout the country for so many years.

The unwavering efficiency and devotion to duty of the entire staff which, although called upon to make sacrifices in common with all other sections of the people, is the chief hope for the future success of the Department. These factors will prove to be the mainstay of the Board in its difficult task of directing the Service in the interests of the people as a whole and at the same time stabilizing the railway finances.

I would also like to take this opportunity of acknowledging the assistance which as Minister of Railways I have received from members of Parliament. The full and constructive criticism which has been forthcoming has materially helped in the administration of this important Department of State.

RESULTS OF WORKING.

The following is a statement of the results of working for the past five years:—

PARTICULARS.	Year ended 31st March,				
	1931.	1930.	1929.	1928.	1927.
Total miles open for traffic	3,322	3,287	3,287	3,180	3,164
Average miles open for year	3,303	3,287	3,254	3,178	3,157
Capital cost of opened and unopened lines	£68,679,025	£65,526,089	£62,276,214	£58,797,458	£56,028,477
Capital cost of open lines	£60,545,154	£57,787,671	£56,568,598	£51,187,376	£49,183,916
Capital cost per mile of open lines ..	£18,226	£17,581	£17,210	£16,097	£15,545
Gross earnings	£7,571,537	£8,279,914	£8,747,975	£8,524,538	£8,434,654
Working-expenses	£6,882,810	£7,358,859	£6,849,383	£6,685,123	£6,490,880
NET EARNINGS	£688,727	£921,055	£1,898,592	£1,839,415	£1,943,774
Interest charges	£2,255,345	£2,132,324	£2,331,335	£2,130,867	£2,043,433
Appropriation for betterments .. ..	..	..	..	..	..
Unappropriated surplus .. ..	..	..	..	..	..
Deficit	£1,566,618	£1,211,269	£432,743	£291,452	£99,659
PERCENTAGE OF TOTAL WORKING-EXPENSES TO GROSS EARNINGS	90·90	88·88	78·30	78·42	76·95
PERCENTAGE OF NET EARNINGS TO CAPITAL INVESTED	1·16	1·61	3·45	3·64	3·99
Railway operating earnings	£6,781,388	£7,473,993	£7,524,864	£7,343,845	£7,423,472
Railway operating expenses	£6,406,143	£6,848,026	£6,374,579	£6,302,119	£6,158,283
NET RAILWAY OPERATING EARNINGS	£375,245	£625,967	£1,150,285	£1,041,726	£1,265,189
PERCENTAGE OF RAILWAY OPERATING EXPENSES TO EARNINGS	94·47	91·62	84·71	85·81	82·96
Operating earnings per average mile open	£2,053	£2,274	£2,312	£2,310	£2,351
Operating expenses per average mile open	£1,939	£2,083	£1,959	£1,983	£1,951
NET OPERATING EARNINGS PER AVERAGE MILE OPEN	£114	£191	£353	£327	£400
Operating earnings per train-mile ..	d. 144·26	d. 149·21	d. 162·50	d. 162·62	d. 166·14
Operating expenses per train-mile ..	136·28	136·71	137·66	139·55	137·82
NET OPERATING EARNINGS PER TRAIN-MILE	7·98	12·50	24·84	23·07	28·32
Passengers, ordinary	7,288,674	8,498,441	9,074,993	9,299,157	10,305,065
Season tickets	600,440	667,432	656,169	632,763	585,094
Total passenger journeys	22,813,708	25,413,621	25,574,843	25,379,665	26,002,137
Goods tonnage	6,409,831	7,233,295	7,086,680	6,854,865	6,833,436
Live-stock tonnage	556,498	566,407	535,951	511,897	475,013
Train-mileage	11,281,898	12,022,043	11,113,482	10,838,594	10,723,864
Engine-mileage	15,618,776	16,735,624	16,150,146	15,383,051	15,212,086

For the current year I anticipate the revenue will reach £7,151,000, and the expenditure £6,223,528.

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

The Hon. the Minister of Railways.

New Zealand Government Railways,
Head Office, Wellington,

10th August, 1931.

SIR,—

I have the honour to report on the working of the railways for the financial year 1930-31.

FINANCIAL.

On the 31st March, 1931, the capital invested in the lines open for traffic, including the steamers and plant on Lake Wakatipu and other subsidiary services, was £60,545,154, as compared with £57,787,671 on the 31st March, 1930, an increase of £2,757,483.

The total route mileage increased from 3,287 to 3,322, an increase of 35 miles. The new lines taken over from the Public Works Department were Eskdale to Putorino, 26 miles 74 chains, on 6th October, 1930, and Auckland to Westfield, 9 miles 40 chains, on 16th November, 1930. A portion of the Fernhill Branch in the Dunedin district, 1 mile 39 chains, was taken up during the year. The principal items in the capital expenditure during the year were £855,154, cost of Eskdale-Putorino extension; £1,044,433 expended under the Government Railways Authorization Act, 1914; and £559,012 under "Additions to Open Lines."

	Year ended 31st March, 1931.	Year ended 31st March, 1930.	Variation.
	£	£	£
Gross revenue	7,571,537	8,288,116	-716,579
Gross expenditure	6,882,810	7,358,859	-476,049
Net revenue	688,727	929,257	+240,530
Credit for developmental lines .. .. .	..	Dr. 8,202	..
Interest charges	2,255,345	2,132,324	+123,021
Deficit	1,566,618	1,211,269	+355,349

The gross earnings for the year were £7,571,537, a decrease of 8·7 per cent. compared with the previous year. The gross expenditure totalled £6,882,810, a decrease of 6·5 per cent.

The interest charges, which show an increase of £123,021, due to the increase in capital, have been computed on the total sum expended on the railways, less £8,100,000. This is in terms of the Finance Act, 1929, section 20, which provided that the interest charges were to be computed on the capital moneys expended in respect to railways reduced by the sum mentioned above.

In my report for the year ended 31st March, 1930, I referred to the fact that our cash resources had been exhausted by the payments which had required to be made to the Consolidated Fund to meet interest. An amendment to the financial arrangements was embodied in section 14 of the Finance Act, 1930 (No. 2), which authorizes the Minister of Finance to reduce the interest charges should the annual accounts of the railways disclose that the full amount of interest cannot be paid out of the Working Railways Account. The sum actually paid for interest during the year under review was £685,000, being approximately the amount of the net revenue.

Until August the revenue was slightly in excess of the figures for the previous year, but from the August period to the end of the financial year the decrease in revenue increased month by month until at the end of the year a total decrease of £716,579 resulted.

Prior to the decrease in revenue setting in the Department had put in hand a comprehensive review of the train services of the Dominion, and the reduced train services which were made effective enabled substantial economies to be made in operation. Close attention was paid to expenditure in all branches, and from the analysis made in this report it will be seen that the expenditure in all branches of the Department's activities was reduced.

The operation of branch lines and isolated sections resulted in a loss, including interest charges, of £780,299 for the year as compared with a loss of £761,091 in the previous year. The working of these lines continues to be a burden on the Department's financial position, and a fuller review of this matter is given in a subsequent portion of this report.

REVENUE.

The income in respect of railway operation under the main headings and the percentage under each heading to total income compared with the previous two years are as follow :—

	1931.	Per Cent. of Operating Revenue.	1930.	Per Cent. of Operating Revenue.	1929.	Per Cent. of Operating Revenue.
	£		£		£	
Passengers, ordinary ..	1,531,376	22·58	1,733,512	23·19	1,868,048	24·82
Season tickets ..	247,349	3·64	262,415	3·51	256,699	3·41
Parcels, luggage, and mails	359,277	5·30	386,792	5·18	378,141	5·05
Goods ..	4,487,357	66·18	4,904,324	65·62	4,846,125	64·40
Labour, demurrage, &c...	156,029	2·30	186,950	2·50	175,851	2·34
Totals ..	6,781,388	100·00	7,473,993	100·00	7,524,864	100·00

The passenger earnings for the year have decreased by 10·88 per cent. as compared with the previous year, while the goods earnings have decreased by 8·50 per cent.

The operating earnings per average mile open and per train-mile are as follow :—

			Per Average Mile open. £	Per Train- mile. d.
1931 ..	..	..	2,053	144·26
1930 ..	..	..	2,274	149·21
1929 ..	..	..	2,312	162·50

The railway operating receipts (exclusive of subsidiary services) from the North and South Island Main Lines and Branches shown separately are as follow :—

	North Island Main Line and Branches.			South Island Main Line and Branches.		
	1931.	1930.	1929.	1931.	1930.	1929.
	£	£	£	£	£	£
Passengers, ordinary ..	985,510	1,110,392	1,195,259	530,796	602,190	644,118
Season tickets ..	166,107	174,781	171,034	77,327	83,430	81,478
Parcels, luggage, and mails	231,546	249,955	241,009	119,577	128,359	128,486
Goods ..	2,505,212	2,685,577	2,721,384	1,818,372	2,026,066	1,938,634
Labour, demurrage, &c.	79,160	91,493	93,300	66,835	80,263	69,389
Totals ..	3,967,535	4,312,198	4,421,986	2,612,907	2,920,308	2,862,105

The operating earnings for the North and South Island Main Lines and Branches separately per average mile open and per train-mile are as follow :—

Year.	North Island Main Line and Branches.		South Island Main Line and Branches.	
	Per Average Mile open.	Per Train-mile.	Per Average Mile open.	Per Train-mile.
	£	d.	£	d.
1931	2,776	140·69	1,606	147·87
1930	3,052	144·53	1,794	154·23
1929	3,202	158·27	1,760	167·72

EXPENDITURE.

The total expenditure for the year ended 31st March, 1931, was £6,882,810, a decrease of £476,049 as compared with the previous year's figures.

	1930-31.	1929-30.	1928-29.
	£	£	£
Expenditure on train operation ..	6,406,143	6,848,026	6,374,579
Subsidiary services ..	476,667	510,833	474,804
	<u>£6,882,810</u>	<u>£7,358,859</u>	<u>£6,849,383</u>

Operating Expenditure.

	1930-31.	Per Cent. of Operating Revenue.	1929-30.	Per Cent. of Operating Revenue.	1928-29.	Per Cent. of Operating Revenue.
	£		£		£	
Maintenance—Way and works	1,150,329	16.97	1,146,014	15.33	1,111,229	14.77
Maintenance—Signals ..	104,464	1.54	117,577	1.57	112,206	1.49
Maintenance—Rolling-stock ..	1,502,698	22.16	1,680,919	22.49	1,424,165	18.93
Examination, lubrication, and lighting of vehicles	77,646	1.15	82,711	1.11	67,023	0.89
Transportation—Locomotive ..	1,517,026	22.38	1,672,498	22.38	1,583,770	21.05
Transportation—Traffic ..	1,798,490	26.52	1,883,918	25.21	1,825,965	24.26
General charges ..	87,700	1.29	96,466	1.29	80,943	1.07
Superannuation subsidy ..	167,790	2.47	167,923	2.25	169,278	2.25
Totals	6,406,143	94.48	6,848,026	91.63	6,374,579	84.71

The sum charged against revenue for depreciation and provision for renewals was £766,073, and the amount expended from the Depreciation and Renewals Fund was £385,724, for assets written off or renewals effected during the year. The accumulated credit balance in this fund at 31st March, 1931, was £2,067,910.

The position in regard to the undermentioned equalization funds is as follows :—

	Credit Balance brought forward from 1930.	Contributions, 1930-31.	Expenditure, 1930-31.	Credit Balance at 31st March, 1931.
	£	£	£	£
Slips, Floods, and Accidents Fund ..	17,220	21,671	Cr. 9,965	48,856
Workers' compensation	15,502	42,267	45,539	12,230
Insurance	33,911	15,829	6,391	43,349
Totals	66,633	79,767	41,965	104,435

The following table shows the principal items charged against working-expenses in respect of the various funds tabulated below for the six years ended 31st March, 1931 :—

	£
Reserves accumulated for renewals and depreciation	2,067,910
Reserves against fire, flood, accident, compensation, and insurance ..	104,435
Old and obsolete rolling-stock, buildings, and equipment written off ..	872,499
Superannuation Fund subsidies	1,078,330

Maintenance of Way and Works.

Increase, £4,314.

While a decrease was shown under the majority of the headings of the expenditure of this Branch an increase of £34,607 is shown under Structures. This increase is due to the fact that the contribution of £10,000 per annum to the Renewals Fund in respect of bridges was found to be insufficient, and the annual amount was increased to £44,000 from 1st April, 1930.

The position is that, while the total debit for the current year increased by £4,314, the renewals and insurance contributions increased by £46,144, and there is therefore an actual decrease of £41,830 in the cash expenditure during the year, principally due to the introduction of economy measures.

Taking 1926 as the standard, and fixing the index figure for that year as 100 for the expenditure on maintenance of way and works and the average mileage of line worked, the undermentioned summary shows the position over the past six years :—

Total expenditure (including contribution to renewal and depreciation fund)	1926.	1927.	1928.	1929.	1930.	1931.
Average mileage of line	100	94	100	97	100	101
	100	102	102	105	106	107

Maintenance of Signals and Electrical Appliances.

The expenditure under this heading for the year totalled £104,463, a decrease of £13,114 as compared with the previous year. The principal decrease is in signals and interlocking, £8,486, due to the replacing of mechanical appliances by automatic power and the effect of economy measures.

Maintenance of Rolling-stock.

The expenditure under this heading totalled £1,502,699, a decrease of £178,220, or 10·60 per cent., compared with the previous year. During the year ended 31st March, 1930, the amount of repair work dealt with in the shops was still in excess of what might be regarded as normal, owing to the repair work falling in arrears during the workshops reorganization. In my report of last year I dealt with the question of this accumulation of repair work, and I need only point out at this stage that just as the necessity for undertaking additional work to meet the accumulated arrears of maintenance of rolling-stock did not arise in one year, but was a cumulative process, so also it is not to be expected that the *status quo* can be reached at once, but must be a process of overtaking the requirements, the proportion of additional work decreasing as the normal is approached.

A review under the various headings is as follows :—

Locomotive Repairs.

Decrease, £99,319 = 12·92 per cent.

During the year 529 engines passed through the shops as compared with 579 in the previous year. Of this total, 207 received a complete overhaul in 1931 as compared with 240 in 1930, a decrease of 13·7 per cent. The total number of complete overhauls and heavy repairs for the past year was 234, which is slightly in excess of the average total of such overhauls and repairs for the past five years. The accumulated arrears were not overtaken until August of the year under review, and it was not until this date that the question of engine-repair work requiring to be done came near the line of the average for the past five years.

Maintenance of Carriages and Wagons.

The total expenditure for the repairs and painting of carriages and vans increased by £1,069, or 0·39 per cent. Carriage repairs decreased by £5,461, but increases in conversion and alteration and betterment work and increased contributions to Renewal Fund resulted in the total debit for the year being slightly in excess of the previous year.

During the past year the painting of carriages and vans received particular attention, and the number of carriages and vans painted increased by 34 per cent. and 17 per cent. respectively. In New Zealand, where tunnels are numerous, the appearance of our rolling-stock rapidly deteriorates, and, apart from improving the appearance of the vehicles, careful attention to painting is necessary in order to preserve the stock.

The expenditure on maintenance of wagons decreased by £75,282. During the past year 19,972 wagons passed through the workshops, of which number 13,618 received heavy repairs. The number of wagons passing through the shops decreased by 902, while the number of heavy repairs decreased by 1,199.

Examination and Lubrication and Lighting of Coaching and Wagon Stock.

The total expenditure under this heading decreased by £5,065. The cost of lubricating vehicles declined by £2,154, chiefly due to the fact that during the previous year it was found necessary to incur additional expenditure to bring the lubrication up to an efficient standard, and the action which was taken in this connection has resulted in the number of hot boxes being reduced by 46·3 per cent. The expenditure on lighting of coaching-vehicles decreased by £2,911. During the past year the lighting of vehicles by Pintsch gas was discontinued, and the vehicles were fitted to burn coal-gas, which is obtained from gasworks at the various centres. The change-over enabled the Department to close down the Pintsch-gas works previously maintained for the supply of gas, thus enabling a saving in expenditure to be made.

The cost of electric lighting of carriages has increased by £1,358 owing to the larger number of carriages now equipped with electric light, and also to the fact that a number of the lighting sets fell due for overhaul.

Locomotive Transportation.

The expenditure under this heading totalled £1,517,025, a decrease of £155,473, or 9·30 per cent., compared with the previous year. The heavy decrease in traffic during the past year necessitated a reduction in train services, and, after a careful review of the position, economy proposals were given effect to. Engine-mileage totalled 15,618,776 miles, a decrease of 1,116,848 miles, or 6·67 per cent., compared with the previous year.

This reduction in train services is reflected in the cost of engine-drivers' and firemen's wages, which decreased by £42,550, or 7·38 per cent. In view of the urgent need for economy, every effort was made to keep the overtime down to an absolute minimum, and the rosters were rearranged as was found possible and effective to this end.

The tonnage of fuel consumed by locomotives was 411,002 tons, a decrease of 35,220 tons compared with the previous year, and the cost was £680,257 as compared with £779,930 in 1930. While the larger proportion of the reduction in cost is due to the smaller engine-mileage run, a reduction in the cost of coal was responsible for a decrease of approximately £38,000.

The following statistical figures in connection with locomotive transportation costs may be of interest :—

Averages.	1931.	1930.	1929.	1928.
Cost per engine-mile	23·31d.	23·98d.	23·49d.	24·52d.
Cost per train-mile	31·72d.	32·79d.	34·20d.	35·42d.
Cost per engine-hour	233·98d.	237·31d.	232·44d.	240·18d.
Cost per 1,000 gross ton-miles	160·71d.	163·97d.	163·35d.	173·08d.
Engine-miles per engine-hour	10·04	9·90	9·90	9·80
Gross ton-miles per engine-hour	1,456	1,447	1,423	1,388

The foregoing figures show a very satisfactory trend—namely, that more work is being performed at a lower cost.

Fuel.	Consumption.			Cost.		
	1931.	1930.	1929.	1931.	1930.	1929.
	lb.	lb.	lb.	d.	d.	d.
Per engine-mile	58·94	59·7	56·7	10·45	11·18	10·77
Per engine-hour	591·64	590·9	561·2	104·92	110·66	106·61
Per thousand gross ton-miles	406·37	408·3	394·4	72·07	76·47	74·92

Traffic Transportation.

The costs under this heading decreased by £85,429, or 4·53 per cent.

Shortly after taking control of the railways I initiated a comprehensive investigation of our business, with a view to collating data to serve as a reliable basis for a complete review of our services. The necessary inquiries and collation of these data necessitated a considerable amount of research and investigation, it being essential that, while every effort should be made to effect economies, due consideration should be given to the traffic requirements of the country as a whole. This embraced consideration not only of the business which the Railway Department was actually securing, but also of the field of possibility that might be explored as regards transport business which was being served by other means of transport. The investigation was completed during the year and the contemplated review of the services was made. A very extensive rearrangement of the services resulted, and the principal alterations were brought into operation in July, 1930. Since that time the review has been continuously carried on, with the result that a number of additional alterations have been made from time to time since that date, all designed to secure a due balance of economy and efficiency.

The matter is dealt with in more detail under the appropriate heading later in this report, but I would mention at this stage that the proposals showed a prospective reduction of the train mileage by 750,000 miles for the balance of the year, and it is satisfactory to note that the mileage was actually reduced by 763,511 miles.

Taking the traffic transportation costs for 1926 and the train-miles as the standard, and fixing the index figure at 100, the position regarding these two items is as follows :—

	1926.	1927.	1928.	1929.	1930.	1931.
Transportation costs	100	101	101	105	108	103
Train-miles	100	104	105	108	116	109

General Charges.

The expenditure under this heading totalled £255,492, a decrease of £8,897.

All items under this heading show a decrease, the largest being Head Office, which showed a decrease of £4,893.

Subsidiary Services.

Subsidiary Service Revenue.—The revenue from subsidiary services amounted to £790,149, as compared with £814,123 for the previous year, and an analysis of the figures is as follows :—

	1930-31.	1929-30.	1928-29.
	£	£	£
Lake Wakatipu steamers	9,166	11,447	10,941
Refreshment service	120,563	132,301	123,382
Advertising service	49,941	53,532	53,984
Departmental dwellings	116,256	109,649	105,897
Leases bookstalls, &c.	20,022	21,405	19,455
Road-motor services	103,348	105,702	102,385
Miscellaneous	370,853	380,087	308,131
	<u>£790,149</u>	<u>£814,123</u>	<u>£724,175</u>

Subsidiary Services Expenditure.—The particulars of the expenditure in connection with subsidiary services are as follow :—

	1930-31.	1929-30.	1928-29.
	£	£	£
Lake Wakatipu steamers	14,064	18,374	17,425
Refreshment service	116,506	125,230	116,391
Advertising service	48,692	53,151	50,720
Departmental dwellings	178,410	187,816	170,073
Leases bookstalls, &c.	9,804	9,144	8,483
Road-motor services	109,191	117,118	111,712
	<u>£476,667</u>	<u>£510,833</u>	<u>£474,804</u>

Analyses of the above variations are contained under the appropriate heading for each of these services as set out later in this report.

PASSENGERS.

An analysis of the passenger revenue is as follows :—

—	1931.	1930.	Variation.	Per Cent.
Passenger journeys—				
Ordinary	7,265,912	8,469,038	—1,203,126	14·21
Season	15,521,144	16,911,076	—1,389,932	8·22
Total	22,787,056	25,380,114	—2,593,058	10·22
Revenue—	£	£	£	£
Ordinary	1,531,376	1,733,512	—202,136	11·66
Season	247,349	262,415	—15,066	5·74
Total	1,778,725	1,995,927	—217,202	10·88
Passenger train-miles	4,874,650	5,037,775	—163,125	3·24
Revenue—	£	£	£	£
Per mile of line	539	607	—68	11·2
Per train-mile	87·58d.	95·08d.	—7·50d.	7·8

The variations exclusive of season tickets were distributed as follow :—

—	1931 compared with 1930.		1930 compared with 1929.	
	Journeys.	Revenue.	Journeys.	Revenue.
Ordinary	—754,377	£ —222,108	—454,773	£ —70,084
Suburban	—367,794	—15,451	—163,580	—8,352
Holiday excursion	+43,636	+56,354	—224,635	—80,203
Other reduced fares	—224,591	—20,931	+265,759	+24,105
Total	—1,203,126	—202,136	—577,229	—134,534

The principal decrease for the year was in ordinary passengers, £222,108; the revenue in first- and second-class passengers under this heading decreased by 25·5 per cent. and 16·6 per cent. respectively as compared with 1930.

The increase in holiday-excursion traffic was due to the fact that the Easter holidays for 1930 were late in April and were included in the figures for the year under review. A large proportion of advance bookings for Easter, 1931, are also included in the passenger returns for the past year.

The bookings for the Christmas issue of holiday-excursion tickets from 15th December, 1930, to 15th January, 1931, show a decrease of £13,500 as compared with the previous year, while the ordinary issues in the same period decreased by £13,250.

The Royal Commission on Railways recommended an increase in the ordinary, holiday-excursion, season tickets, and workers' weekly fares, and these increases were brought into operation on 16th November, 1930. In a period of depression such as has existed in the Dominion for some time past it is difficult to estimate what effect this increase has had on the issues for the various classes of tickets.

The picnic traffic and special week-end issues were also affected by the economic situation, while the fact that in a large number of cases picnics were cancelled in order that the expenses in connection therewith should be donated to the Hawke's Bay Earthquake Fund also contributed to the decrease under this heading.

Compared with the year ended 1930 the season-ticket revenue decreased by £15,066, or 5·74 per cent., while the passenger journeys under this heading decreased by 1,389,932, or 8·22 per cent. The principal decreases under this heading were in all-lines and sectional annual tickets, which decreased by £5,381, and tourist tickets, which decreased by £2,741. The balance of the decrease is spread over the remaining classes of season tickets.

The following tables show the decline in passenger revenue since 1921, in which year the total passenger journeys was the highest recorded, and the revenue the second highest. For the five-year period 1921-26 the total journeys and revenue decreased by 4·06 and 4·37 per cent. respectively. Between 1926 and 1931 the total journeys and revenue decreased by 17·52 and 29·89 per cent. respectively.

Year.	Total Number of Journeys.	Increase or Decrease, Five-year Period.		Revenue.	Increase or Decrease, Five-year Period.		Average Revenue per Journey.
		Journeys.	Per Cent.		Amount.	Per Cent.	
ORDINARY.							
1921	..	15,291,452	..	£ 2,454,438	£ ..	..	d. 38·5
1926	..	11,787,723	−3,503,729	2,271,498	−182,940	− 7·45	46·2
1931	..	7,265,912	−4,521,811	1,531,376	−740,122	−32·58	50·5
SEASON.							
1921	..	13,506,143	..	198,497	..	..	3·5
1926	..	15,840,034	+2,333,891	265,549	+ 67,052	+33·78	4·02
1931	..	15,521,144	− 318,890	247,349	− 18,200	− 6·85	3·82
TOTALS.							
1921	..	28,797,595	..	2,652,935	..	..	22·1
1926	..	27,627,757	−1,169,838	2,537,047	−115,888	− 4·37	21·9
1931	..	22,787,056	−4,840,701	1,778,725	−758,322	−29·89	18·7

It will be noted that the decrease is heaviest in the more profitable ordinary passengers. Comparing 1931 with 1921, ordinary passenger journeys have decreased by 52·4 per cent. and revenue by 37·6 per cent.

Comparing 1931 with 1921, the total journeys and revenue for season tickets have increased by 14·9 per cent. and 24·6 per cent. respectively. For the five-year period 1926-31 the season-ticket revenue decreased slightly, but not in the same proportion as the ordinary revenue.

The number of passengers carried at season-ticket rates was 47 per cent. of the total in 1921, 57 per cent. in 1926, and 68 per cent. in 1931, while the season-ticket revenue for the corresponding years was 7 per cent., 10 per cent., and 13 per cent. respectively.

The passenger-train mileage increased from 3,875,332 in 1921 to 4,155,773 in 1926 and to 4,874,650 in 1931. The mileage of track in the three years referred to was 3,018, 3,138, and 3,303 miles respectively, and, while a proportion of the increased mileage is due to the provision of services on the new lines taken over, additional express services were introduced during the past few years in order to meet competitive conditions and enable the Department to retain a fair share of the business.

The standards of passenger-accommodation have been considerably improved, resulting not only in a constant increase in capital cost, but also in the heavier tare weight of the carriages and reduced carrying-capacity.

A review of the figures in the above table indicates the serious decline in the passenger traffic on the railways, the principal cause of which has undoubtedly been the private motor-car.

PARCELS, LUGGAGE, AND MAILS.

The receipts under this heading totalled £359,277, a decrease of £27,515, or 7·11 per cent., as compared with the previous year.

An analysis of the revenue is as follows:—

	1931.	1930.	Variation.
	£	£	£
Parcels	189,482	212,670	—23,188
Excess luggage	12,259	13,230	—971
Left luggage, luggage checks, bicycles, and dogs	40,934	44,714	—3,780
Mails	116,602	116,178	+424
Totals	359,277	386,792	—27,515

From 1st April to 11th October the parcels revenue had decreased by £3,668, while for the remaining five periods to 28th February the decrease totalled £18,257. For the last four-weekly period of the financial year the traffic decreased by £1,263. The substantial decrease of £18,257 is principally due to the prevailing depression.

In March, 1931, the rates charged by the Postal Department for parcels were increased and the limit of weight of postal parcels was reduced, and these alterations are having the effect of increasing the volume of parcel business received by the railway.

The decline in luggage receipts is a reflection of the decreased passenger traffic during the past year.

GOODS AND LIVE-STOCK.

The revenue from goods and live-stock was £4,487,357, as compared with £4,904,324 for the previous year, a decrease of £416,967, or 8·50 per cent. A comparison of the total revenue and tonnage of this year's traffic with that of the previous year is as follows :—

	1931.	1930.	Variation.	Per Cent.
Revenue	£4,487,357	£4,904,324	—£416,967	8·50
Tonnage	6,957,709	7,788,973	— 831,264	10·67

A comparison of the tonnage of goods and live-stock carried, together with the revenue from the same for the past six years, is as follows :—

Year.	Tonnage.				Variation as compared with Previous Year in each Case.	
	Tons.				Tons.	Per Cent.
1926	7,256,142	+222,683 3·17
1927	7,308,449	+ 52,307 0·72
1928	7,358,388	+ 49,939 0·68
1929	7,613,445	+255,057 3·47
1930	7,788,973	+175,528 2·31
1931	6,957,709	—831,264 10·67

	Revenue.				Per Cent.	
	£				£	
1926	4,499,160	+381,414 9·28
1927	4,596,166	+ 97,006 2·15
1928	4,680,135	+ 83,969 1·83
1929	4,846,125	+165,990 3·55
1930	4,904,324	+ 58,199 1·20
1931	4,487,357	—416,967 8·50

A comparison with 1930 of the tonnage of commodities under the six main headings is as follows :—

	1931. Tons.	1930. Tons.	Variation.	
			Tons.	Per Cent.
Agricultural products	592,853	686,594	— 93,741	13·6
Animals and their products	1,170,036	1,138,835	+ 31,201	2·7
Products of mines	2,623,123	2,879,231	—256,108	8·8
Products of forests	526,239	724,785	—198,546	27·39
Benzine, cement, and manures	791,109	908,420	—117,311	12·9
General goods and miscellaneous	1,254,349	1,451,108	—196,759	13·5
Totals	6,957,709	7,788,973	—831,264	10·67

In agricultural products the principal decreases are in grain (51,000 tons) and root crops and fodder (24,000 tons) due to a fall in production.

Animals and their products increased by 31,201 tons. The principal decreases are in wool (6,000 tons), due to clips being held on account of low prices and also to road competition, which is particularly severe for that commodity. Frozen meat increased by 18,000 tons, and butter and cheese by 10,000 and 15,000 tons respectively, due to increased production. The increase in butter and cheese was in the North Island, the tonnage carried in the South Island being normal.

In products of mines the principal variations are as follow :—

Agricultural lime decreased 14,000 tons. The tonnage of this commodity has increased of recent years, and the figure (171,777 tons) for 1930 was the highest recorded. The average tonnage for the five years ended 1929 was 115,000 tons, and the tonnage carried during the past year is well above the average, despite the depression existing in the farming industry.

During 1929–30 New Zealand bituminous coal was in demand owing to the strike in New South Wales mines, and the tonnage was in excess of normal. Supplies of Australian coal now being available, the New Zealand coal is not in the same demand. The decrease for the whole Dominion was 146,000 tons, of which tonnage 122,000 was on the Westport Section.

Road-metal decreased by 179,000 tons. The traffic in this commodity has also increased considerably of recent years, due to the extensive roadmaking works in progress throughout the Dominion, and the tonnage for 1929–30 (413,551 tons) was the highest to date. The financial depression during the past year has had the effect of restricting the money available for roadmaking, and with a number of large contracts completed the tonnage of this commodity has decreased correspondingly.

New Zealand soft coal increased by 40,000 tons, which was due principally to the breakdown of the Arapuni power scheme, necessitating the steam plant at Auckland being brought into operation. The tonnage in the South Island decreased slightly.

Imported coal increased by 32,000 tons, due to supplies of Australian coal again being available. The tonnage carried for the previous year was 5,700, and, as the average tonnage for the five years ended 31st March, 1929, was 87,000, it will be seen that the figures for the past year are less than half the tonnage previously carried in normal years.

In products of forests all the three commodities under this heading—namely, imported timber, New Zealand timber, and firewood—show decreases. Imported timber decreased 3,000 tons compared with 1930, and 13,000 tons compared with the average for the past five years. The heavy consignments of poles for Power Boards which were imported during the past years have decreased considerably, and this has materially contributed to the decline in this traffic.

New Zealand timber decreased by 168,000 tons, which is the lowest tonnage carried for the past seven years. The decline in the South Island was 102,000 tons, which is due in a measure to the falling-off in the building trade and also to the decrease in exports to Australia, owing to the depression in trade in that country. The decline in the North Island is 66,000 tons, the major portion of which is due to the decline in the building trade.

The tonnage of benzine and cement is normal, while the tonnage in artificial manures has decreased by 118,000 tons, due to the depressed state of the farming industry during the past year. The traffic in this commodity has increased considerably since the reduced prices and railway rates for artificial manures became effective towards the end of 1926. Prior to that time the average tonnage per annum was 280,000 tons, and, as the quantity carried during the year under review was 563,417 tons, it will be seen that despite the economic depression in the Dominion the tonnage of fertilizers is being well maintained.

The miscellaneous group includes all commodities not scheduled under the previous five groups, and shows a decline of 196,759 tons. It comprises the higher-rated commodities in the tariff such as general merchandise, &c., and ships' goods on port lines. The decrease is a reflection of the decreased import trade and the general depression in commercial circles in the Dominion.

STATISTICS.

GOODS AND LIVE-STOCK.

The following are some of the statistics dealing with the operation of goods traffic:—

	1931.	1930.	Variation.	Per Cent.
Goods revenue	£4,487,357	£4,904,324	—£416,967	8·50
	Number.	Number.	Number.	Per Cent.
Goods tonnage	6,957,709	7,788,973	—831,264	10·67
Revenue net ton-miles	467,109,468	511,830,508	—44,721,040	8·74

The heaviest decreases in goods traffic have been in low-rated commodities such as manures, road-metal, and timber, with the result that the goods revenue has not declined in the same ratio as the tonnage. An increase in the average haul of a number of commodities has resulted in the average haul for all traffic increasing by one mile, which is reflected in the smaller percentage decrease in revenue net ton-miles as compared with the goods tonnage.

	1931. Number.	1930. Number.	Variation.	Per Cent.
Total gross ton-miles revenue freight	1,497,272,997	1,646,376,841	—149,103,844	9·06
Goods-vehicle miles (loaded) ..	120,416,484	133,574,967	— 13,158,483	9·85
Goods-vehicle miles (empty) ..	64,029,035	68,712,303	— 4,683,268	6·82
Total goods-vehicle miles ..	184,445,519	202,287,270	— 17,841,751	8·82

The decreases under these headings are a reflection of the decrease in goods traffic. The proportion of empty-wagon haulage has not declined in the same ratio as the loaded-wagon mileage, due largely to the haulage of empty wagons to the various coalfields, the general decline in goods traffic having resulted in decreased loading to stations in the mining areas, with a consequent proportionate increase in empty haulage to meet the demand for empty wagons, and also to the fact that as a result of the earthquake damaging the freezing-works in the Hawke's Bay area the live-stock for this area was forwarded to works in other districts, necessitating a considerable amount of empty haulage.

Averages: Revenue, Freight Traffic.

Per Mile of Line:—	1931.	1930.	Variation.	Per Cent.
Goods revenue	£1,359	£1,492	—£133	8·91
Total tonnage	2,106	2,370	—264	11·14
Net ton-miles	141,420	155,714	—14,294	9·18
Gross ton-miles	453,307	510,875	—57,568	11·27

These figures are a reflection of the decreased revenue and freight tonnage.

	1931.	1930.	Variation.	Per Cent.
Goods revenue per train-mile	14s. 0·09d.	14s. 0·53d.	—0·44d.	0·26
Train-load, gross tons ..	234	236	—2·00	0·85
Train-load, net tons ..	72·90	73·28	—0·38	0·52
Number of vehicles (loaded) ..	18·79	19·13	—0·34	1·78
Number of vehicles (empty) ..	9·99	9·84	+0·15	1·52

Having regard to the heavy decrease in traffic, it is pleasing to note that the revenue per train-mile was not materially reduced, thus indicating that the volume of traffic in relation to train-mileage was carefully watched to avoid unnecessary running. The factor is further borne out by the minor decrease in the gross and net train-load.

<i>Per 1,000 Gross Ton-miles—</i>	1931.	1930.	Variation.	Per Cent.
Revenue	£2·997	£2·979	+£0·018	0·60
Net ton-miles	312	311	+1	0·35

The slight increase in the revenue per 1,000 gross ton-miles is due to the fact that revenue has not declined in the same ratio as the tonnage.

<i>Wagon User :—</i>	1931.	1930.	Variation.	Per Cent.
Revenue per ordinary goods vehicle	£161	£183	—£22	12·02
Revenue per live-stock vehicle ..	£161	£176	—£15	8·52
Average wagon-load	3·88	3·83	+0·05	1·31
Average miles per wagon per day..	21·13	24·02	—2·89	12·03
Average net ton-miles per wagon per annum (ordinary goods) ..	17,525	20,874	—3,349	16·04
Average net ton-miles per wagon per annum (live-stock) ..	11,462	11,836	—374	3·16

The decreases shown under these headings are a reflex of the trade depression.

THROUGH BOOKING OF PARCELS AND GOODS BETWEEN NORTH AND SOUTH ISLANDS.

The volume of traffic conveyed by the Department's through-booking system continues to increase, and during the past year 16,542 tons were dealt with, an increase of 2,093 tons on the tonnage for the previous year. This service was instituted in May, 1925, and the tonnage conveyed for the year ended 31st March, 1926, was 5,183 tons.

It is satisfactory to note that, despite the reduction in goods and parcels traffic during the past year, the volume of traffic carried by the inter-Island through-booking system has increased.

ADVERTISING SERVICE.

	1931.	1930.	Variation.	Per Cent.
Revenue	49,941	53,532	—3,591	6·71
Expenditure	48,692	53,151	—4,459	8·39
Net profit	<u>£1,249</u>	<u>£381</u>	<u>+£868</u>	<u>227·82</u>

An analysis of the revenue for the year under review is as under :—

	1931.	1930.	Variation.
Outdoor advertising	44,781	44,497	+284
Publications	2,514	2,823	—309
Printing	1,442	3,641	—2,199
Miscellaneous	1,053	2,352	—1,299
Buses	151	219	—68
Total	<u>£49,941</u>	<u>£53,532</u>	<u>—£3,591</u>

New business written up during the last four years is as under :

	1931.	1930.	1929	1928
	£	£	£	£
Outdoor advertising	47,948	63,706	72,230	44,454
Publications	3,338	4,595	4,597	2,079
Printing	1,442	3,641	2,633	2,802
Miscellaneous	904	2,351	1,534	1,063
Buses	151	219	1,019	874
Total	<u>£53,783</u>	<u>£74,512</u>	<u>£82,013</u>	<u>£51,272</u>

Owing to the depressed state of trade in the Dominion during the past year there has naturally been a disinclination on the part of firms to develop poster advertising, and the new business under this heading declined by £15,758 during the past year.

The reduced revenue is a reflection of the decline in business during the past two years, and also of the fact that in a number of cases contracts have been cancelled.

The reduction in expenditure is due to the results obtained from an overhaul of this Branch of the Department's activities, to which I referred in my report last year, and the results obtained must be considered satisfactory having regard to the decrease in revenue.

The expenditure figures include the amount debited to this Branch for rent for land and buildings, right to display advertisements on railway premises, commission on cash collected by other Branches, and interest on capital employed in the business—which totals £15,210, and represents earnings of the Advertising Branch. The total financial benefit which accrued to the Department from the operations of this Branch during the year was therefore £16,459.

REFRESHMENT SERVICE.

	1931.	1930.	Variation.	
	£	£	£	Per Cent.
Revenue	116,665	131,342	—14,677	11·17
Expenditure	113,324	124,361	—11,037	8·87
Net profit	<u>£3,341</u>	<u>£6,981</u>	<u>—£3,640</u>	<u>52·14</u>

Revenue.—An analysis of receipts discloses the following variations :—

	1931.	1930.	Variation.	
	£	£	£	Per Cent.
Dining-rooms	20,865	25,198	—4,333	17·20
Counter-rooms	93,225	103,319	—10,094	9·77
Miscellaneous	2,575	2,825	—250	8·85
Total	<u>£116,665</u>	<u>£131,342</u>	<u>—£14,677</u>	<u>11·17</u>

During the past year the new station at Auckland was opened, and the public facilities (dining-rooms, bookstall, bath-rooms, hairdresser's shop, &c.), were taken over in November, 1930.

As a result of the late Easter in 1930 and the tour of the British Rugby football team, the revenue up to August was satisfactory, but thereafter the effect of the depression and the decline in passenger traffic generally resulted in a substantial falling-off in business in the Refreshment Branch. The Christmas and New Year holiday traffic was disappointing, and resulted in a decrease in revenue of approximately 27 per cent. as compared with the previous year.

Although considerable reductions were made in expenditure, it was impossible to keep pace with the decline in revenue. Stores and provisions, which comprised over 40 per cent. of the total expenditure, declined by slightly more than the decreased rate shown by revenue, thus indicating that a close watch was kept on this item. Salaries and wages, fuel, &c., show substantial decreases, the rate of decline being very similar in all three items.

A reduction in the charge for meals served in the departmental dining-rooms from 2s. 6d. to 2s. was made effective on 1st March, 1931, by way of experiment, but the returns to date show that such reduction has not caused any increase in the number of passengers patronizing the dining-rooms, and the net revenue from the Branch has suffered accordingly.

The expenditure figures for this Branch include the amount debited for rent of rooms, commission on cash collections, railage on stores, and interest on capital employed in the business—which total £15,558. The total financial benefit which accrued to the Department from the operations of the Refreshment Branch during the year was therefore £18,899.

The number of cushions hired during the year totalled 109,626, as compared with 111,240 in the previous year. The decrease is due to the heavy decline in passenger traffic.

ROAD MOTOR SERVICES.

The year's operations resulted in a loss of £5,842, being a decrease of £5,594 as compared with the previous year. Details of the loss and fluctuations in revenue and expenditure are set out hereunder.

	1930-31.	1929-30.	Decrease.
	£	£	£
Revenue	103,348	105,702	2,354
Expenditure	109,190	117,118	7,928
Loss	<u>5,842</u>	<u>11,416</u>	<u>5,574</u>

VARIATION WITH PREVIOUS YEAR.

Service.	Revenue.	Expenditure.	Loss.
	£	£	£
Napier-Hastings	874 <i>Dec.</i>	5,046 <i>Dec.</i>	4,172 <i>Dec.</i>
Hutt-Wellington	3,589 <i>Dec.</i>	5,553 <i>Dec.</i>	1,964 <i>Dec.</i>
Christchurch-Midland	774 <i>Dec.</i>	1,183 <i>Dec.</i>	409 <i>Dec.</i>
Oamaru-Tokarahi	56 <i>Dec.</i>	202 <i>Dec.</i>	146 <i>Dec.</i>
Dunedin - Port Chalmers (new service)	2,939 <i>Inc.</i>	4,056 <i>Inc.</i>	1,117 <i>Inc.</i>
Total	<u>£2,354 <i>Dec.</i></u>	<u>£7,928 <i>Dec.</i></u>	<u>£5,574 <i>Dec.</i></u>

After making allowance for the Dunedin - Port Chalmers service, which was inaugurated during the financial year under review, revenue fell by £5,293, due to the competition of taxi services, the economic depression, and the dislocation of the Napier-Hastings service by the earthquake.

Another factor which has had material effect on the revenue side is the operation of pirate taxi services on three of our licensed routes. I referred to this matter in my report last year; and although a conviction was secured against the taxi services operating between Hastings and Napier an appeal has been lodged, and, pending a decision in this matter, the services are still operating. It is manifestly unfair that an omnibus service licensed over a route and capable of dealing with the passenger requirements of that area should have its potential traffic interfered with by unlicensed

services which are not capable of dealing with the total traffic offering. The purpose of a taxi-cab is to provide transport at a fixed meter charge on a mileage basis, but the position has developed that these vehicles now carry passengers at a rate competing directly with licensed omnibus services which have to conform to the regulations regarding vehicles, routes, and fares. Taxi services are not so regulated, and the position is such that the financial condition of the licensed omnibus services is being weakened by the pirate operators, who are under no obligation to maintain time-tables, and who continue in operation only when and so long as it suits them. We have pirate taxi services now operating in opposition at Hastings-Napier, Hutt Valley, and Dunedin-Port Chalmers, and in reviewing the position I can but state that the unfairness of the position is such as to call for immediate action by the Legislature. Unless some definite steps are taken in this direction at an early date it will be a difficult matter for the licensees of bus services to continue to maintain satisfactory services on an economic basis.

It is to be noted in viewing the figures regarding the bus services that the amount shown as profit or loss (as the case may be) is arrived at *after* interest has been charged on the balance of capital remaining after depreciation has been allowed for. Such interest would, of course, be included in the dividend or owner's profit if these services were operated by private enterprise. In other words, the profit (or loss) shown in each case therefore represents the surplus or deficiency *after* debiting an investor's return (by way of interest) on the money for the time being invested in the business.

NAPIER-HASTINGS.

			1931.	1930.	Variation.
			£	£	£
Revenue	..	..	12,505	13,379	—874
Expenditure	..	..	16,258	21,304	—5,046
Loss	..	..	<u>£3,753</u>	<u>£7,925</u>	<u>—£4,172</u>

For the first nine periods of the year the passenger journeys in this service had increased from 241,990 in 1930 to 262,775 in 1931, an increase of 20,785 journeys, but after the earthquake the passenger traffic decreased for the remaining months, and the final figures showed a decrease of 18,915 as compared with the previous year. The earthquake interfered seriously with our passenger traffic in this area, and the twenty-minute service which was previously in operation has been reduced to a thirty-minute service.

During the earthquake the Department's fleet performed a considerable amount of running for the Relief Committee in transporting casualties to the hospital and other general transport work.

It will be seen that, notwithstanding the continued opposition of the taxi services and the adverse effect of the earthquake, the loss last year of £7,925 has been reduced to less than half. We were officially informed by the secretaries of the taxi services after the accounts for the previous year had been published that the revenue of pirate taxi services for that year had been considerably greater than the amount of our loss on the bus services—namely £7,925—and from this it may be readily deduced that had it not been for those services our returns for the past year would have shown a substantial profit.

HUTT VALLEY.

			1931.	1930.	Variation.
			£	£	£
Revenue	..	..	82,203	85,792	—3,589
Expenditure	..	..	81,054	86,607	—5,553
Profit or loss	..	..	<u>£1,149 Profit</u>	<u>£815 Loss</u>	<u>—£1,964</u>

Notwithstanding a decrease in revenue of £3,589, the operations of this service during the past year have resulted in a profit of £1,149 as against a loss last year of £815. The decrease in expenditure of £5,553 is principally due to a reduction in maintenance and repair charges of £3,643, owing to the new vehicles placed in this service requiring less maintenance, &c., than the older vehicles which are gradually being scrapped. Running-expenses decreased by £2,712 due to the reduced mileage run. The expenditure, in addition to the usual charges for depreciation and interest, includes an amount of £3,300 written off as "goodwill" paid for the vehicles taken over from the previous owners of this service. The nature of this "goodwill" payment has been fully explained in my previous reports.

The passenger journeys in this service totalled 2,671,511, a decrease of 176,795 on the figures for 1930, which decrease is due to the depression. In the early months of the financial year the passenger journeys in this area showed an increase over the figures for the preceding year, but, as a result of the depression and acute unemployment, the figures have decreased consistently for the remaining months of the year.

In these circumstances every effort was made to adjust the services to the shrinking business, and by time-table revisions it was possible to reduce the mileage by 114,753 miles.

This service has now been brought up to quite a high standard by the provision of new and up-to-date buses and it is regrettable that the people of the district should afford their patronage to the pirate taxi services which can only have the effect of weakening the capacity of the Department to give a still higher quality of service. So far as the past year's operations are concerned, it is very satisfactory to know that, in spite of the opposition of the taxi services and the general depression, which must have been a material factor contributing to the drop in the passenger traffic, it has been found possible to show a profit on the year's operations.

CHRISTCHURCH—MIDLAND.

				1931.	1930.	Variation.
				£	£	£
Revenue	..	..	..	3,497	4,271	—774
Expenditure	..	..	..	5,648	6,831	—1,183
Loss	..	..	..	<u>£2,151</u>	<u>£2,560</u>	<u>—£409</u>

This service was one which was originally taken over to protect the Department's business in this area, and at the same time to enable economies in train services to be made.

In order to obviate the loss on these services it was decided during the year to try the experiment of leasing them to a private firm at a nominal rental, and this was duly arranged. A measure of control by the Department to enable the services to be co-ordinated with the railway services was retained. The arrangement dated from 3rd February, 1931, so that the figures for 1930-31 did not include quite a whole year, and this requires to be borne in mind in comparing them with the figures for the previous year.

OAMARU—TOKARAHI.

				1931.	1930.	Variation.
				£	£	£
Revenue	..	..	..	2,205	2,261	—56
Expenditure	..	..	..	2,173	2,375	—202
Profit	..	..	..	<u>£32</u>	<u>..</u>	<u>+£146</u>
Loss	..	..	..	<u>..</u>	<u>£114</u>	<u>..</u>

The number of passengers carried by the service during the past year was 39,104, a decrease of 3,328 compared with the previous year. The small decline in revenue was more than balanced by a reduction in expenditure of £202, which resulted in a loss in the previous year being turned into a profit.

DUNEDIN—PORT CHALMERS.

					1931.
					£
Revenue	..	..	..	..	2,939
Expenditure	..	..	..	..	4,056
Loss	..	..	..	..	<u>£1,117</u>

This service was brought into operation on 2nd June, 1930, in order to protect the Department's interests which were being threatened by private enterprise and to enable the Department to effect economies in train services in this area. The revenue has been adversely affected by the newness of the service, the acute unemployment and general depression, and by the operation of a pirate taxi service. The expenditure was somewhat higher than normal owing to major engine trouble developing in one of the buses, necessitating a heavy overhaul.

LAKE WAKATIPU STEAMERS.

LAKE WABATONIC STEAMERS.					Variation.	
			1931.	1930.	Amount.	Per
			£	£	£	Cent.
Revenue	..	..	9,166	11,447	2,281	19·93
Expenditure	..	..	14,064	18,374	4,310	23·46
Net loss			£4,898	£6,927	£2,029	

The variations in revenue for the year ended 31st March, 1931, as compared with the previous year, under their respective headings, are as follow :—

					£
Passengers	..	..	..	..	852 Decrease.
Parcels, &c.	..	..	..	..	64 Decrease.
Goods	..	..	..	..	1,331 Decrease.
Miscellaneous	..	..	..	..	34 Decrease.
					<u>£2,281 Decrease.</u>

In common with other services the economic depression has affected the traffic on the Lake steamers, but not to the full extent of the loss, as last year goods revenue was higher than usual due to heavy consignments of pipes being forwarded for irrigation-works at Arrowtown.

The decrease in expenditure was principally under the following headings :—

	£
Wages and expenses	336
Fuel	208
Stores	232
Repairs, steamers	2,259
Repairs, wharves	975

The steamer mileage decreased from 27,810 in 1930 to 26,124 in 1931.

In my previous two reports I have dealt fully with the position regarding this service, and from the results obtained during the past year it is evident that any increase in capital by way of purchasing a new steamer to replace the "Mountaineer" and "Ben Lomond" would only result in increased loss.

The Royal Commission on Railways, which investigated this service, considered that, provided the road from Kingston to Queenstown was not further proceeded with, the purchase of a new steamer would be justified.

Prior to the review by the Royal Commission the Department had reviewed this service and submitted proposals for an adjustment of rates with a view to reducing the loss. Discussions took place with representatives of local interests and the matter became complicated by the question of the completion of the road between Kingston and Queenstown which was commenced, as I understand, as an unemployed-relief work. Eventually the matter of the Queenstown Borough Council taking over the services came into the discussions, but up to the present finality has not been reached.

There is no doubt that the business offering cannot support two systems of transport—indeed it can scarcely support one on an economic basis—and, as reports indicate that local interests intend to agitate strenuously for the completion of the road, it can certainly not be expected that further capital expenditure should be incurred on the Lake steamer service.

DEPARTMENTAL DWELLINGS.

	1931.	1930.	Variation.	
	£	£	Amount.	Per Cent.
Revenue	116,256	109,649	+6,607	6·03
Expenditure	178,410	187,816	—9,406	5·01
Net loss	<u>£62,154</u>	<u>£78,167</u>	<u>—£16,013</u>	<u>20·49</u>

REVENUE.

The carrying-out of the recommendation of the Royal Commission to increase rentals, which took effect from 1st February, increased the revenue by approximately £6,000. The remainder of the increase is due to a small increase in the number of houses.

The average rental per dwelling per annum for the past two years was—1931, £32 1s. 3d. ; 1930, £30 6s. 6d.

EXPENDITURE.

The following is an analysis of the dwellings expenditure :—

	1931.		1930.		Total Variation.	Variation per Dwelling.
	Total.	Per Dwelling.	Total.	Per Dwelling.		
	£	£ s. d.	£	£ s. d.	£	£ s. d.
Maintenance ..	47,647	13 2 10	62,376	17 5 1	—14,729	—4 2 3
Depreciation ..	37,340	10 5 11	36,434	10 1 6	+ 906	+0 4 5
Interest ..	88,522	24 8 3	84,224	23 5 10	+ 4,298	+1 2 5
Insurance ..	4,901	1 7 0	4,782	1 6 5	+ 119	+0 0 7
	<u>178,410</u>	<u>49 4 0</u>	<u>187,816</u>	<u>51 18 10</u>	<u>— 9,406</u>	<u>—2 14 10</u>

Maintenance-costs were cut to the lowest possible figure, owing to the need for economy, and the reduction under this heading totalled £14,729.

Interest charges increased by £4,298, due to the raising of the rate from £4 2s. 6d. to £4 5s. per cent.

SICK BENEFIT FUND.

The operations of the New Zealand Government Railway Employees' Sick Benefit Fund for the past year shows a surplus of £4,545, as compared with a loss of £644 last year, when the influenza epidemic in the winter of 1929 threw a heavy strain on the fund. The receipts totalled £29,566, including the annual subsidy of £8,000, and sick-benefit payments amounted to £25,021. The total membership on 31st March, 1931, was 12,230, as compared with 13,290 on 31st March, 1930, a decrease of 1,060, which decrease is due to reductions in the number of staff employed.

SUGGESTIONS AND INVENTIONS COMMITTEE.

The Suggestions and Inventions Committee dealt with 1,042 suggestions during the year, as compared with 1,414 during the previous year. Of these, 106 suggestions were recommended for adoption, either wholly or partially; 301 referred to heads of branches were already in operation or related to policy matters; 583 were not recommended for adoption; and 56 are under trial or investigation, and have been carried forward for future consideration.

Where a suggestion has been wholly or partially adopted due acknowledgment by monetary award or otherwise, as the circumstances appeared to justify, has been made to the person responsible for the suggestion.

As in previous years, a number of suggestions received from the Australian railways were dealt with, and several suggestions adopted in New Zealand were forwarded to the Australian systems for consideration. In the latter connection one suggestion forwarded from New Zealand was adopted by one of the Australian systems and a monetary award remitted to the person who made the suggestion.

Of the 106 suggestions recommended for adoption 14 were in connection with improvements to rolling stock; 12 were in connection with workshop equipment, 19 referred to matters connected with the Way and Works and Signals Branches, 25 related to traffic operation, while the balance dealt with general matters in connection with railway working.

In connection with the functioning of the Suggestions and Inventions Committee, I desire to make it clear that the name of the person submitting any suggestion is never made known to the Committee. This procedure ensures that suggestions received from employees in the lowest ranks of the Department will receive the same consideration as suggestions that may be submitted from any other employee however high he may be in the service.

STORES BRANCH.

The amount expended in connection with the purchase of stores and material during the year was £2,345,239 14s. 9d., and the expenditure was divided as follows:—

	£	s.	d.
To merchants, manufacturers, and others in New Zealand ..	853,055	13	2
Through High Commissioner, London	330,566	0	11
Material manufactured in railway workshops	349,853	10	9
Coal and coke	669,785	17	8
Stationery	38,789	9	0
For manufactured and used material recovered from other railway branches	103,189	3	3
	<u>£2,345,239</u>	<u>14</u>	<u>9</u>

The value of stores held at 31st March, 1931, was £867,636, as compared with £901,472 at the end of the previous year.

There was a net decrease in this year's expenditure as compared with the previous year of £225,117 18s. 5d., the following variations being shown:—

	Increase.			Decrease.		
	£	s.	d.	£	s.	d.
To merchants, manufacturers, and others in New Zealand ..	10,362	16	9	..	..	..
Through High Commissioner, London .. ..	..	..	..	99,067	17	0
Material manufactured in railway workshops	21,151	11	6	..	..	..
Coal and coke .. ..	..	..	..	161,693	18	10
Stationery .. ..	..	..	..	4,712	12	7
For manufactured and used material recovered from other railway branches	8,842	1	9	..	..	..
	<u>£40,356</u>	<u>10</u>	<u>0</u>	<u>£265,474</u>	<u>8</u>	<u>5</u>

The work of reorganizing the main stores throughout the system has proceeded steadily during the year. The change-over to the new buildings at Addington and Hillside was completed during the year, and the completion of the new buildings at Woburn has enabled substantial progress to be made with the amalgamation of the Signals and Maintenance Branch stores with the general store. The transfer of the stores from Newmarket to the new building at Otahuhu was ready to be undertaken soon after the close of the year.

COAL-SUPPLIES.

The average consumption of coal per week during the year ended 31st March, 1931, was 8,327 tons, which was a decrease of 832 tons per week compared with the previous year. A comparison of the purchases of New Zealand and imported fuel for five years ended 31st March, 1931, is as follows:—

Year.	New Zealand. Tons.	Per Cent. of Total.	Imported. Tons.	Per Cent. of Total.	Total. Tons.
1924-25	94,351	23.16	313,107	76.84	407,458
1925-26	85,393	23.49	278,076	76.51	363,469
1926-27	187,793	49.30	193,163	50.70	380,956
1927-28	288,646	65.50	152,025	34.50	440,671
1928-29	356,724	84.25	66,675	15.75	423,399
1929-30	355,214	74.59	121,037	25.41	476,251
1930-31	367,686	90.00	40,827	10.00	408,513

WORKSHOPS.

AMALGAMATION OF WORKSHOPS.

A matter that has received further attention through the year now that the main workshops are completed has been the amalgamation of the various workshops attached to the Maintenance Branch and the Signal and Electrical Branch into the reorganized Locomotive workshops.

The amalgamation of the Signal and Electrical Branch workshops at Wellington and the Maintenance Branch workshops at Kaiwarra with the Hutt workshops has been completely carried out.

The amalgamation of the Locomotive shops, Maintenance Branch shops, and Stores Branch facilities at Greymouth has been vigorously pursued, and is now nearing completion. In carrying out this work the whole of the combined requirements of these branches have been located at Elmer Lane on the same site as the recently completed locomotive running-shed.

The preliminary work in connection with amalgamating the Penrose workshops of the Maintenance Branch with Otahuhu workshops was taken in hand. The general plans for amalgamating the Maintenance shops with the Locomotive workshops at East Town (Wanganui) and Invercargill have been made.

Work on these projects, however, has not been proceeded with during the past year, principally owing to the necessity for restricting new expenditure.

STAFF.

The staff situation, particularly with regard to the main workshops, has been very difficult throughout the year, and there have been many occasions when work has had to be adjusted to suit the staff when, for the most economical operation, the staff itself should have been adjusted to suit the volume of work.

The following tabulation shows the staff variation for the past six years :—

Year.	Permanent Employees.	Casuals.	Term Casuals	Emergency Casuals.	Total.
1926	2,332	494	687	16	3,529
1927	2,355	475	674	33	3,537
1928	2,241	389	653	44	3,327
1929	2,211	413	643	383	3,650
1930	2,330	461	664	761	4,216
1931	2,317	458	565	333	3,673

The total staff employed at all workshops as at 31st March, 1931, was, it will be noticed, 543 less than the preceding year.

In general terms, it must be stated that the staff situation has not been satisfactory from an economical viewpoint, because the conditions that obtain when there is surplus staff can never be akin to efficient and economical working. It is anticipated that on account of the general depression the requirements from the workshops can be met with still less staff than that now employed. The reduced volume of capital work in the main workshops will also necessitate further staff reduction in due course.

In conclusion, on the question of staff in the workshops, I would emphasize that up to the present no employee on the permanent staff has been paid off in connection with the reduction of staff, only employees whose tenure was temporary being affected. We, of course, require to take on temporary employees from time to time to supplement the permanent-staff establishment in order to meet the fluctuations in the volume of work requiring to be done by the shops that are inevitable in our business. When these employees are taken on they are aware that they are not being placed on the permanent staff of the Department, and it is difficult to see how their retention can be justified when the work which required their employment in each case has been finished, and there is no other work at which they can be employed. Quite obviously if the staff is not to be adjusted to the fluctuations in the volume of work, then we would have to carry sufficient staff to deal with the maximum quantity of work that would require to be dealt with at any period of the year, even although the peak volume may last for but a comparatively short time. The impracticability of such an arrangement will be at once apparent, and much as we regret having from time to time to pay temporary employees off as the necessity for their employment ceases, it is impossible to see how, under present conditions, such action can be avoided if the business of the Department is to be run on economic lines. Other phases of this question are touched on in the portion of the report dealing with staff generally.

OUTPUT OF NEW ROLLING-STOCK.

The year ended 31st March, 1931, represented the second year of the programme of new and replacement rolling-stock that has been formulated, and can be said to constitute a record so far as output from the New Zealand Railway Workshops is concerned. While the volume of work undertaken during the year in question was high, partly on account of the accumulation of the previous year's unfinished programme, which year was spent in bringing the arrears of repairs up to date rather than in the completing of new rolling-stock, it has demonstrated the capacity of the workshops to meet the Department's requirements.

A comparison with previous years' output of new construction is given hereunder :—

Year.					Locomotives.	Cars.	Vans.	Wagons.
1926	..	..	..	..	.. 6	46	18	367
1927	..	..	..	..	.. 12	6	6	216
1928	..	..	..	..	.. 2	4	21	252
1929	..	..	..	..	.. ..	10	6	497
1930	..	..	..	..	.. ..	11	3	399
1931	..	..	..	..	.. 12	48	24	1,436

In addition to the above, 15 new boilers, 405 new tarpaulins, and 10 new motor-bus bodies were constructed in the workshops. Also for public bodies and oil companies 10 20-ton tip-wagons and seven rail tank-wagons were constructed.

In addition to the foregoing, the workshops have fabricated for the Maintenance Branch a considerable number of girders in connection with bridge-strengthening programmes which they have in hand. Otahuhu delivered 223 tons of girders and Hutt workshops delivered 621 tons completely fabricated, ready for erection.

NEW LOCOMOTIVE CONSTRUCTION.

During the year twelve C Class shunting-locomotives were completed in our workshops, leaving twelve yet to be finished to finalize the original order. These engines are being built to replace obsolete shunting-locomotives, and their building permits a permanent stopping and writing-off of some very old locomotives, which were deficient in power for existing conditions and which were costly as regards maintenance. The engines already on the track have amply proved their usefulness, as they handle shunting operations with more marked despatch than was formerly the case.

During the year a survey was made of the general efficiency of all our locomotive stock, from both an operating and a maintenance point of view. This survey indicated that it was essential to take definite steps in the commencement of a renewal programme, so that the elimination of our obsolete and low-powered units could be effected as rapidly as financial circumstances would permit.

The design of a suitable general-service main-line locomotive was therefore put in hand, and the drawings in connection therewith are well advanced. The proposed locomotive will be of such power that the elimination of considerable "assisting" mileage will be possible. Apart from this factor, modern practice is being followed and ruggedness in construction aimed at.

COAL-GAS FOR CAR-LIGHTING.

Towards the end of the financial year a completion was made with the change-over from Pintsch gas to coal-gas for car-lighting purposes. The new system is functioning satisfactorily; but to obtain still better results minor modifications are being made to the apparatus.

A comparison of the expenditure for car-lighting during the latter portion of the year as against the corresponding portion of the previous year shows that with the use of coal-gas a saving of approximately £1,000 per four-weekly period is being obtained.

This saving is in line with the estimates initially made, and shows that the change-over was justified.

COAL-HANDLING APPLIANCES.

During the year consideration has been given to the question of employing more economical methods at the respective locomotive depots as regards the handling of coal for locomotives, the idea being to reduce costs by the elimination of manual handling as far as is possible. As the schemes for each depot are completed and as finance is available, such mechanical plant will be installed. To date proposals for several depots have been completed and the plant required is actually on order.

RECLAMATION OF OLD MATERIALS.

The Reclaim Department in each of the main workshops is now working on a satisfactory basis, and the reclaim operations, which commenced on the 1st April, 1930, have, as a result of the first year's operating, clearly demonstrated the need for the inclusion of such a department in the workshops organization. The work has principally been confined to the handling of the scrap from shops and depots, sorting and classifying same, the recovery and reconditioning of reclaimable material, and the issue of same as required for use in place of new materials.

During the year 27 obsolete locomotives and 12 condemned boilers were scrapped and completely handled by the Reclaim Departments at Hutt and Hillside. In addition, recoveries were generally made from various branches of the Department and from other Government Departments.

MAINTENANCE OF LOCOMOTIVES.

The output of locomotives overhauled in the two main locomotive workshops was 234, which number was considered reasonable to meet the traffic requirements and have due regard to the finance available.

Comparison of the output with previous years shows that this output figure compares favourably with that of former years, and the work on the engines overhauled generally has been heavier, as the engines individually have been called upon to run a greater mileage between overhauls.

Particulars are given hereunder of the mileage run by locomotives before being overhauled in the year 1926 and the year 1931 :—

	North Island.		South Island.	
	1926.	1931.	1926.	1931.
Total number of locomotives overhauled	155	135	95	99
Mileage run since last overhauled	8,496,541	10,338,004	5,005,097	6,980,436
Average miles run by locomotives overhauled	54,816	76,577	52,685	70,509
Increased mileage run per engine (per cent.) .. ..	..	39	..	33

The expenditure on the maintenance of locomotives for the past year was much less than that of the preceding year. The reduction for the year ended 31st March, 1931, actually amounted to £99,319.

RAILWAY PUBLICITY BRANCH.

The keen competition of the road motor-vehicle in the matter of services and rates, and the extensive advertising campaigns carried on by the various road transport interests, have been an indication of the tremendous effort made by the motor industry to capture a large share of the land transport of this Dominion.

An analysis of the various advertising and propaganda media used by motor and allied interests disclosed the fact that quite large sums of money were being spent in order to create a definite public feeling in favour of road transit and the road motor-vehicle. The cumulative effect of this effort has been very great, and has no doubt affected adversely our business during the year. As an offset to the efforts of motor interests and in order to attract and retain as far as possible our legitimate business, a comprehensive scheme of advertising covering the whole of the press of New Zealand has been in operation.

Whilst the money available did not permit any large advertising campaign to be undertaken, yet the advantages of rail transport have been kept steadily before the public. With increasing competition on every hand the importance of the Publicity Branch maintaining its activities is apparent, and the necessity for continuous effort to place the many advantages of rail transport before prospective patrons cannot be too firmly stressed. Apart from intensive and probably expensive publicity campaigns carried on in its favour, the ubiquity of the road motor-vehicle keeps it continually before the eyes of the public, and this helps it, to a large extent, to advertise itself; whilst the railway, which can offer excellent service, but is confined to its own three thousand miles of track, is liable to be overlooked unless its claims on public patronage are kept prominently before the people by judicious advertising.

With the object of encouraging travel to New Zealand's many health and holiday resorts, a series of folders giving brief descriptions of the attractions of the country and the advantages of rail travel have been distributed. The folder depicting the "Spiral" on the North Island Main Trunk Line between Raurimu and National Park Station, and the one setting forth the beauties of Otira, have been in particularly keen demand, while our large contour maps, entitled "Seeing New Zealand by Rail," are still selling freely to the public, although first published over two years ago. A small reproduction of these maps is now included with the Pocket Guide and helps to add to the informative interest of the latter publication.

Special posters prepared and distributed by the Branch during the year included those for spring and autumn school vacations; Christmas and Easter holidays; Labour Day week-end; the British Rugby football tour; winter sports at Chateau Tongariro and Hermitage; round trips by rail (Rotorua, National Park, Mount Cook, and Queenstown); agricultural and pastoral shows; and "Lake Wanaka."

The new Rotorua expresses were well featured by photographs which we supplied to the principal papers in the Dominion, framed composite photographs exhibited in the principal hotels in the districts served by the Rotorua express, and publicity matter distributed through the High Commissioner.

The Branch ran an exhibit, including a mechanical display, at the Winter Shows of the agricultural and pastoral associations at Invercargill, Hamilton, Palmerston North, Hawera, Wellington, and Christchurch.

Joint advertising on the screen and tram-cars, and through the press, in association with travel and sports organizations for particular events or objectives, has been successfully carried out on several occasions during the year, and time-table advertising as a convenient service to the general public has been maintained in several of the principal newspapers, and the assistance of our organization has been available for district advertising.

A useful feature of reciprocal service between the railways of various countries has been the adoption of an exchange system of posters. This system has developed rapidly, and is now an important aid to the stimulation of travel interest. Of any two railways included under the arrangement each agrees to exhibit a number of posters at stations equivalent to the number of its own poster, it sends to the other railway. We now have such an arrangement with the following: Indian State Railways, South Rhodesian Railways, South African Railways, Railways of each Australian State, Belgian Railways, and the London, Midland, and Scottish Railway.

NEW ZEALAND RAILWAYS MAGAZINE.

In the course of its sixth year of active service, the *New Zealand Railways Magazine*, the Department's official publication, is vigorously fulfilling the important mission for which it was founded. As a medium of advice and explanative information and instruction between the management and the employees, and a very helpful link between the railways and the public, the *Magazine* has thoroughly justified its existence. As time goes on the importance of both of these functions will increase.

In addition to a wide range of purely railway subjects, the *Magazine* is concerned with the national life and colour of New Zealand. With bright illustrated articles on the rail-served tourist, health, and sporting resorts and other interesting matter, the *Magazine* appeals to the whole of the public, and has an appreciable general-publicity value to the Dominion.

The monthly circulation of the *Magazine* is now twenty thousand copies. Approximately two-thirds of this total is distributed free to members throughout the service, the balance being circulated amongst the principal newspapers, commercial institutions, hotels, boardinghouses, and public libraries in the Dominion. Moreover, for the purpose of advertising New Zealand overseas, copies are sent to the High Commissioner's Office in London, and to Europe, Canada, the United States, South Africa, and Australia. From all of these countries unsolicited tributes to the *Magazine* have been received, and information has been sought concerning the facilities for travel and sport in the Dominion—a fact which demonstrates the publicity value of the *Magazine* beyond the Dominion.

The press of the Dominion, ever friendly towards the *Magazine*, gives prominence to the official pronouncements each month, and commends the general excellence of the publication.

In accordance with the indication given in my last annual report, substantial economies in the cost of the publication to the Department have been effected, with the result that the outlay for this sixty-eight-page magazine of twenty thousand circulation will work out at about 1½d. per copy in the current year. This represents a very moderate expenditure for the departmental and publicity usefulness of this enterprise. Moreover, it is anticipated that the increased advertising activity, recently planned, will still further reduce the cost of the *Magazine* and, whilst still maintaining the free circulation amongst the staff and business houses, eventually bring it close to the self-supporting stage.

Altogether, the *Magazine*, which serves an indispensable purpose in the successful working of the far-reaching railway system, is one of the cheapest forms of publicity available to the Department.

In connection with the *Magazine*, an economical standardization principle has been adopted by the Publicity Branch for the production of "Travel by Rail" folders. These are produced in Crown quarto (the same size as the *Magazine*) so that suitable matter (illustrations or letterpress) can be moved from the *Magazine* into a folder or *vice versa*.

SUPERANNUATION FUND.

The report of the Superannuation Fund Board for the year ended 31st March, 1931, shows the position to be as follows:—

Payments that required to be made on account of annual allowances totalled £299,489. These payments were in respect of 1,614 retired members, 523 widows, and 397 children, making a total of 2,534 persons actually on the fund at 31st March, 1931.

Members' contributions to the fund totalled £170,686, and interest that accrued to the fund from investment totalled £80,049.

At 31st March, 1931, the liabilities to contributors in respect of amounts	£
paid in was	1,741,008
The total accumulated fund was	1,488,566

The amount standing in the Investment Account in the balance-sheet is represented by the following securities:—

	£
Mortgages	870,604
Local bodies' debentures	215,415
Government securities	285,700
Rural-advances bonds	67,000
In hand awaiting investment	842
	<hr/>
	£1,439,561

The average rate of interest on securities held on the 31st March, 1931, was 5·744 per cent. The average rate of interest earned on the mean funds was 5·737 per cent.

TRANSPORTATION.

As I have mentioned earlier in this report, we were able during the year to bring to finality our investigation into and review of the train services. A special investigation was made into the working of each branch line and each zone of our main lines throughout the Dominion, with the object of reducing the operating expenditure to the lowest limits consistent with giving an adequate service to the community, and also with the object of taking remedial measures where necessary and practicable to meet the changing conditions of our business arising out of competition and other circumstances. The traffic for the year ended 31st March, 1930, had constituted a record for our railway system, and, apart from other considerations, the rapid falling-off in the traffic and revenue during the year ended 31st March, 1931, owing to the trade depression and financial stress throughout the country, necessitated a complete and rapid readjustment of our services to permit of a reduction in our operating expenditure to meet the falling revenue. The detailed information that had been obtained in connection with the special investigation referred to above enabled us to make the review on a sound basis of ascertained and correlated facts, and to bring the necessary economy measures into operation promptly and with a minimum of inconvenience to our clients.

On the transportation side the aim was to reduce train-mileage by approximately 750,000 train-miles below the previous year's figures to permit of substantial economies in locomotive and traffic transportation costs, while at the same time conserving the revenue as much as possible. This reduction in train-mileage and operating-costs was duly attained, the total saving in revenue train-miles for the year being 740,145, and in departmental train-miles 23,366, making a total reduction of 763,511 train-miles. On the expenditure side the working-expenses were reduced as follows :—

						Reduced by
						£
Traffic transportation costs..	..	..	..	..	..	85,428
Locomotive transportation costs	..	..	..	..	..	155,472
Total reduction	..	..	..	..	..	<u>£240,900</u>

The train-mileage for the year, exclusive of shunting and departmental mileage, was 11,281,898, as against 12,022,043 for the previous year, a decrease of 740,145 miles. Of the total train-mileage run 4,874,650 were passenger-miles and 6,407,248 were goods-miles, a decrease of 163,125 and 577,020 respectively as compared with the previous year.

The particulars of the mileage run in the various sections of railway are as follow :—

Section.	1930-31.	1929-30.	Decrease.
Kaihu	16,955	17,606	651
Gisborne	67,862	75,863	8,001
North Island Main Line and Branches	6,767,998	7,160,801	392,803
South Island Main Line and Branches	4,240,893	4,544,438	303,545
Westport	88,440	90,330	1,890
Nelson	48,224	60,661	12,437
Picton	51,526	72,344	20,818
	11,281,898	12,022,043	740,145

The Royal Commission appointed on 16th June, 1930, to inquire and report as to the possibilities of increasing the revenue and decreasing the expenditure of the New Zealand Railways duly reported on 17th September, 1930. The recommendations of the Commission, in so far as the transportation side was concerned, followed closely on the proposals which we had already formulated and which were put into operation after receiving Government approval.

A résumé of the proposals put into operation is given hereunder :—

EXPRESS AND MAIL TRAIN SERVICES.

North Island.

North Auckland Line.—The daily express service between Opuā and Whangarei was reduced to a thrice-weekly service, while still maintaining the daily service between Whangarei and Auckland.

Tauranga-Tāneatua Line.—The Auckland-Tāneatua express trains were reduced from daily to thrice weekly between Tāneatua and Tauranga.

Under further economy measures introduced later the expresses between Tāneatua and Tauranga were cancelled, and “mixed” trains substituted, these latter trains making suitable connections at Tauranga to and from the Auckland-Tauranga expresses.

Main Trunk Line.—The “Daylight Limited” express trains between Auckland and Wellington were eliminated as daily trains, and their running confined to the holiday periods of Christmas, New Year, and Easter.

New Plymouth-Wellington Line.—The thrice-weekly night expresses between New Plymouth and Wellington, which were inaugurated in March, 1930, were also cancelled as an economy measure.

South Island.

Christchurch-Invercargill.—The daily through express services between Christchurch and Invercargill were reduced to three days per week.

Christchurch-Dunedin-Invercargill.—The local mail trains between Christchurch and Dunedin and between Dunedin and Invercargill were reduced from daily to three days per week.

The running of the night express between Christchurch and Invercargill on three nights per week was confined to the Christchurch-Dunedin area, with the exception that on Sunday nights the “Up” night express starts from Invercargill instead of from Dunedin.

Gore-Kingston Line.—The daily fast passenger service catering for the Lake district was reduced from daily to thrice weekly throughout the year, instead of a daily service during the summer months and a thrice-weekly service during the winter months as had formerly been run.

BRANCH LINES.

North Island.

Kaikōhe Branch.—Construction work on the extension of this line from Okaihau (the present terminus) to Rangiahua, was stopped by the Government during the year. As regards the open portion of this branch line the Royal Commission found that the services were at a minimum and that it appeared impossible to operate this branch other than at a considerable loss. It also recommended that the working of the branch should be closely reviewed from time to time, and if it was found that the people of the district did not support the railway the advisability of closing the branch should be considered. This recommendation is being followed to the extent that the working of the branch is being continued in the meantime, and will be reviewed in due course along the lines mentioned by the Royal Commission.

Kirikopuni Branch.—The Government also stopped construction work on this line after the Public Works Department had completed the line to Tangowahine. The terminus on this branch in so far as the Working Railways Department is concerned is Kirikopuni, the line between Kirikopuni and Tangowahine being operated by the Public Works Department. Our proposals regarding this branch included a reduction in the staff and the cancellation of some of the local services for which the traffic had fallen below payable quantity.

Waiuku Branch.—The train services on this branch were considerably reduced and a reduction made in the staff.

Paeroa-Tāneatua Line.—In addition to the reduction in the Auckland-Tāneatua expresses already referred to, the local services in this area were also considerably reduced.

Opunake Branch.—Economies were effected on this branch under the heading of "Maintenance," the comparatively sparse traffic handled and the relatively slow speeds permitting of a lowering of the standard of maintenance to a goods-line standard.

Greytown Branch.—The train services and the operating costs on this branch were reduced to a minimum and reductions were made in staff.

Raetihi Branch.—The train services were reduced and economies effected in track-maintenance.

Napier-Putorino Line.—The Eskdale-Putorino portion of this line (26 miles 74 chains) was opened on the 6th October, 1930. During the previous part of the year this portion of line was under the control of the Public Works Department, the Railway Department operating only the Napier-Eskdale Section (11 miles 67 chains). As a result of the severe earthquake in February last, the permanent-way, bridges, and structures over the whole portion of this line beyond Napier suffered considerable damage, and it will take some months to effect the necessary repairs to permit of the resumption of traffic.

South Island.

Rangiora-Oxford Line and Kaiapoi-Bennetts Line (Eyreton Branch).—Our original economy proposals contemplated closing the Eyreton Branch and working all the traffic of this area over the Rangiora-Oxford line. The proposal to close the Eyreton Branch was strongly resisted by the local interests in that area, and after lengthy negotiations with the various interests concerned it was agreed to keep the Eyreton line open and to work only restricted goods services on each of the two branches. The passenger services were abandoned under these arrangements and the locomotive depots at Oxford West and Bennetts were both closed and the crews transferred elsewhere, the services on the two branches being worked by main-line trains. This rearrangement permitted of substantial savings being effected in this area.

Oxford West-Sheffield Line.—This portion of line (distance 11 miles 50 chains) was closed down as from the 14th July, owing to the operating and maintenance costs being out of all proportion to the revenue obtained. Negotiations are at present in hand with the Highways Board and the local bodies concerned regarding the future maintenance of the combined road and rail bridge over the Waimakariri River between Sheffield and Bexley.

Waipara-Parnassus (Cheviot Branch).—A reduction was made in the train services in this area, the unprofitable Wednesday sale-day trains being eliminated owing to lack of support.

Waipara-Waiatu.—The train services were reduced in this area to meet the altered conditions. The locomotive depot and train crews were transferred from Culverden to Waikari and the running of the morning and evening Culverden-Christchurch trains confined to the Waikari-Christchurch area, except on Wednesdays, on which day these trains commence and terminate their journey at Hawarden.

Southbridge Branch.—The train services in this area were reduced.

Springburn Branch.—Our economy proposals had in view the closing of the portion of this branch between Mount Somers and Springburn (about 4 miles) owing to the small quantity of traffic offering and the limited possibilities of any increase. It was, however, decided by the Government, upon assurances being given by the settlers of future support, to defer action as regards closing the Mount Somers-Springburn portion of the line for another year, the position to be reviewed then in the light of the support afforded the branch by the settlers in the meantime.

Fairlie Branch.—We had for some years past maintained fast passenger services on this branch in an endeavour to attract the passenger traffic, but, in view of the meagre support that was afforded these trains, their running was discontinued as an economy measure, and mixed train services were reverted to.

Waimate Branch.—During the year considerable adjustments in the train services have been made on this branch with a view to reducing the operating-costs. Passenger traffic between Waihao Downs and Waimate (distance 8 miles 21 chains) had fallen to such negligible proportions that it was decided to abandon the passenger facilities in this area, and this section of line is now worked for goods traffic only. Between Waimate and Studholme Junction the passenger traffic by rail was also discontinued,

and this section of line worked for goods traffic only, the locomotive depot and train crews being transferred from Waihao Downs to Waimate to permit of more economical operation. As we still have a fair amount of passenger traffic between Waimate and main-line stations we inaugurated a bus service between Waimate and Studholme, this bus making suitable connections with the main-line trains.

Kurow Branch.—Our economy recommendations to the Government regarding this branch included the cancellation of the purely passenger services (which were not being sufficiently supported by the public) and working the line with "mixed" trains, and also provided for that portion of the branch from Kurow to Hakataramea—comprising 1 mile 20 chains—being closed owing to the very heavy cost of maintaining the two combined bridges over the Waitaki River.

The Government approved of the closing of the line beyond Kurow, and this portion has not been worked for traffic since the 14th July, 1930. Negotiations are under way between the Department, the local bodies, and the Highways Board regarding the bridges between Kurow and Hakataramea.

There was a considerable increase in the revenue on this branch for the financial year just closed. This, however, is mainly due to the heavy importation of material in connection with the construction of the Waitaki Hydro-electric Works, and cannot be taken as indicative of the normal earnings of the branch.

Ngapara-Livingstone Branches.—The Windsor-Tokarahi portion (distance 11 miles 66 chains) was closed down owing to the poor traffic and the meagre possibilities of the line. The Royal Commission in reporting on this portion of line recommended that it should not be reopened.

Waikemo Branch (Dunback).—The Commission recommended that the services on this branch be maintained provided the patronage continued, and we agreed with this recommendation. We had, however, during the year effected certain economies by reduction of maintenance staff, the withdrawal of the traffic staff from Dunback, and the elimination of car-haulage on the branch.

Otago Central Line.—Our proposals in connection with this line provided for a reduction in the train services. In previous years we had run what was known as a "summer" and a "winter" time-table—that is, during the summer months the passenger services were augmented to cater for the tourist traffic to and from the Cold Lakes District. With a view to economy the summer time-table was not introduced this year and the winter time-table has been maintained throughout the year. Other adjustments later made in the goods services permitted of additional economies being effected.

Outram Branch.—The Commission recommended abandoning passenger traffic and working the line for goods traffic only. As the loss of the passenger traffic would have offset any savings possible under this system of working, alternative proposals were introduced curtailing the services on the branch to one return service per day, while at the same time conserving the major portion of the passenger revenue. The branch-line engine and crew are now utilized to work a regular shunting service on the main line between Dunedin-Burnside and Mosgiel, replacing shunting services in that area and thus permitting of substantial savings in operating-costs.

Roxburgh Branch.—The train services and staff on this line have been considerably reduced.

Tapanui Branch, Waikaka Branch, Switzers Branch.—Owing to the passenger traffic on the Switzers and Waikaka Branches having fallen below payable quantity, the passenger facilities were abandoned on these two lines and the branches worked for goods traffic only. This permitted of a substantial saving in maintenance and operating costs, the standard of maintenance for a purely goods line being considerably less than for lines that have to carry passenger traffic. On the Tapanui Branch the services were also considerably reduced, but these services cater for both passenger and goods traffic.

Glenham Branch.—That portion of the Glenham Branch between Wyndham and Glenham was closed down in February last owing to the lack of support afforded the line and the poor prospects of developing additional traffic. This portion of the line for some years past had been worked on only two days per week for goods traffic. Between Wyndham and Edendale passenger facilities were also abandoned, and this portion of line worked for goods traffic only with main line services. The locomotive depot at Wyndham was closed down and the train crews transferred elsewhere, this permitting of a substantial reduction in the operating-costs of the branch.

Seaward Bush Branch.—Owing to a falling-off of traffic on this line, the services were reduced from six return mixed trains per week to four return mixed trains per week.

Tuatapere—Oravia Extension.—Our proposals contemplated closing this portion of line. The settlers, however, gave an assurance of their full support in future, and the Government decided to defer closing the line for another year after which period the position is to be again reviewed. The earnings on this extension are the lowest in New Zealand, being approximately £81 per mile per annum.

Mararoa Branch (Mosburn Branch).—Our proposals contemplated closing down this branch also, owing to the meagre possibilities of the line. The settlers, however, gave definite assurances of their full support to the line in future, and the question of closing it down was deferred for another year, when the position will be again reviewed.

Forest Hill Branch (Hedgehope Branch).—A substantial saving was effected on this branch during the year by closing down the locomotive depot at Hedgehope, transferring the crew to Invercargill, and working the branch with an Invercargill service for goods traffic only on three days per week. The passenger traffic, owing to the inroads of motor opposition services, had fallen to such an extent that there was no further justification for catering for it.

ISOLATED SECTIONS.

Kaihu Section.—The services hitherto maintained on this line consisted of one return service per day. Owing to the low traffic having fallen away to negligible proportions, the services were recently curtailed from six to four return services per week, and the surplus staff transferred elsewhere.

Gisborne Section.—The Ngatapa Branch of the Gisborne Section, comprising 11 miles 33 chains, was closed down. This branch formed part of the old inland route in connection with the extension of the line from Gisborne southwards towards Napier. With the abandonment of the inland route

for the coastal route the necessity for maintaining the Ngatapa Branch disappeared. Practically the whole of the traffic from this branch was metal from the Repongaere quarry and this traffic was quite insufficient to support a railway.

Additional economies on the Gisborne Section included the curtailment of the main line services between Gisborne and Motuhora, permitting of a reduction in staff and in working-expenses. A second review was recently made, owing to another sharp decline in the traffic, and further curtailments in the trains have been introduced.

Nelson Section.—A curtailment in the train services and a reduction in the personnel of the staff was found necessary during the year to meet the conditions arising from the falling off in business.

Picton Section.—A curtailment of services was effected on this section permitting of a substantial saving in staff and in working-costs.

Cape Foulwind Line.—This line, between Westport and Omau, was closed down in pursuance of our review of services as from 14th July last, and negotiations are in hand for the Marine Department to take the line over. The operation of this line is justified only through the fact that the Marine Department requires it for the purpose of obtaining stone from the Cape Foulwind stone-quarries for harbour-works at Westport. Negotiations are in hand with the local bodies and the Highways Board regarding the maintenance of the Buller combined road and rail bridge which forms a portion of this line.

* SUNDAY SUBURBAN SERVICES.

For many years the Department has maintained Sunday suburban services in the following areas :—

- Between Auckland—Swanson and Helensville ;
- Between Auckland and Papakura ;
- Between Thorndon and Paekakariki ;
- Between Lambton and Upper Hutt ;
- Between Christchurch and Lyttelton ;
- Between Dunedin and Mosgiel ;
- Between Dunedin and Port Chalmers ; and
- Between Invercargill and Bluff.

In past years the patronage afforded these trains had made their running reasonably profitable. In more recent years, however, owing to the inroads into our suburban traffic due to the general use of private motor-cars and the operation of opposition road services, our Sunday suburban traffic has fallen much below payable quantity, and it became necessary to review the whole position in connection with these services. After a close investigation into the circumstances in the individual areas affected, it was decided to discontinue the running of all Sunday suburban trains as from 28th September, 1930, with the exception of those services in the Christchurch—Lyttelton and Invercargill—Bluff areas.

As distinct from the regular Sunday suburban services the Department has in recent years catered for a very substantial Sunday excursion traffic between main-line centres by providing a low fare and obtaining the traffic in substantial train loads. Experience has shown that there is a very substantial public demand for services of this nature, and the trains are very well patronized.

GENERAL.

Auckland—Westfield Deviation.—The Auckland—Westfield deviation was brought into operation for goods traffic only on the 11th May, 1930. With the opening of the Auckland new station on the 16th November, 1930, passenger traffic was also worked over the Auckland—Westfield deviation and a service commensurate with the needs of this area was introduced.

Steam-heating of Trains.—Steam-heating of the more important passenger trains was further extended during the year.

Train-control.—The train-control system was further extended during the year to include the Addington—Culverden section of line.

Middleton Shunting-yard.—Owing to the heavy falling-off of traffic due to the depression, it was possible to close down the Middleton shunting-yard as from September last, and to concentrate the shunting-work at Christchurch, thereby permitting of saving in the shunting-costs in this area.

Electric-power Shortage—Lake Coleridge.—Owing to a shortage of electric power from the Lake Coleridge Hydro-electric Works in September it was necessary to discontinue electric traction on the Lyttelton electrified line (except through the Lyttelton tunnel) and to revert to steam working. Normal supplies of power were not available until the beginning of November. This shortage of power involved considerable increase in our working-expenses on the Port line.

Observation Cars.—Observation cars were introduced on the Auckland—Rotorua express service and maintained throughout the summer months. There was, however, no general demand for this type of car, and the patronage afforded it was very disappointing. Owing to lack of support, the cars were withdrawn again at the close of the summer tourist traffic.

Crichton Bank-grade Easement.—The Crichton bank-grade easement* between Lovells Flat and Milton was completed and brought into operation early in January last. This grade-easement will permit of a substantial increase in the train-loading in the Balclutha—Dunedin area with consequent substantial economies in train-working.

Papatoetoe—Papakura Duplication.—The Papatoetoe—Papakura duplication was completed on the 29th March thereby* providing for double-line* working right through from Auckland to Papakura. With the opening of the duplication an accelerated suburban time-table was possible, and this was introduced.

Hawke's Bay Earthquake.—A very severe earthquake occurred about 10.50 a.m. on the morning of Tuesday, 3rd February, involving a heavy death-roll and destruction of property in the Hawke's Bay area. Extensive damage was caused to our telegraph-lines, permanent-way, bridges, and structures, but, fortunately, without involving any casualties so far as our staff or passengers were concerned.

Prompt arrangements were put in hand to restore our communications and the line was made safe for traffic through to Napier by 9.0 p.m. on 5th February and from Napier to Port Ahuriri on 12th February. The work that was done in this connection reflects the very greatest credit on the engineers and other employees who were concerned therein.

The line from Napier to Putorino was very extensively damaged, and rail traffic has not yet been restored in this area.

Excellent transport work was also performed by our transport officers in this area, the evacuation of the refugees, including numerous cot cases, and the transport of large quantities of camp and hospital equipment, bedding and mattresses, foodstuffs and medical supplies being carried out expeditiously.

The whole of the frozen meat from Pakipaki Freezing-works, which were practically destroyed, also considerable quantities from the works at Tomoana and Whakatu (a total of approximately 105,000 carcasses) required to be transported to Waingawa and Wellington at short notice, and the freezing and shipping interests expressed satisfaction at the expeditious manner in which this work was carried out.

As the works at Pakipaki, Tomoana, and Whakatu were unable to carry on freezing operations, it became necessary to transport fat stock from Hawke's Bay to works located in other districts.

The transport of the refugees, frozen meat, and fat stock from Hawke's Bay, the conveyance of large quantities of camp and hospital equipment, foodstuffs, medical supplies, &c., to Hawke's Bay, and the assembling of engine-power, passenger-cars, frozen-meat vans, and stock-wagons entailed the running of numerous special trains at short notice.

The density of traffic and the restricted speed in the earthquake area resulted in the time-keeping of trains in the Hawke's Bay District being adversely affected, and this in turn reflected on the punctuality of connecting trains over a wide area.

Improved Car Services.—During the year new *de luxe* day-cars were completed and placed in service on the Rotorua "Limited" express trains and also on the Christchurch-Invercargill expresses. These cars represent a very substantial improvement in the standard of our passenger accommodation, and they have been the subject of many eulogistic references from experienced travellers. The cars released from these services were in turn utilized to improve the accommodation on less important trains.

Improved Car-seating and Electric Lighting of Cars.—In pursuance of our policy the replacement of longitudinal seats in second-class cars with chair seats, also the fitting of cars with electric light, was proceeded with as far as the funds allocated for this work would allow.

The following are the leading features of the traffic in the various districts in comparison with the previous year. The revenue figures shown are from transport-operating services only and are exclusive of bus services. The non-operating services such as advertising, refreshment-rooms, rent, &c., are not included.

Kaihu.—Revenue, £5,426; decrease, £842. Passengers decreased 3,457. Parcels, &c., increased £20. Sheep increased 90. Timber increased 21 tons. All other goods decreased 809 tons.

Gisborne.—Revenue, £25,078; decrease, £6,966. Passengers decreased 11,084. Parcels, luggage, &c., decreased £181. Cattle increased 367 and sheep 42,843. Timber decreased 1,573 tons, and all other goods 16,044 tons.

North Island Main Line and Branches.—Revenue, £3,967,536; decrease, £344,662. The principal items of traffic were: Passengers 3,759,220; decrease, 713,188. Season tickets, 435,598; decrease, 52,767. Parcels, luggage and mails revenue, £231,546; decrease, £18,409. Live-stock 5,745,866; increase, 58,444. Goods tonnage, 2,829,412; decrease, 241,166 tons. Timber decreased 66,809 tons. All other goods decreased 174,357 tons. The revenue per mile of railway decreased from £3,052 to £2,776 and per train-mile from 144.53d. to 140.69d.

Northern District.—Revenue, £1,899,117; decrease, £151,949. Passengers, 1,615,734; decrease, 332,968. Season tickets, 193,181; decrease, 35,508. Parcels, luggage, &c., decreased £13,621. Cattle increased 5,475, and sheep 14,911. Timber decreased 21,118 tons, and all other goods 93,855 tons.

Middle District.—Revenue, £418,578; decrease, £80,381. Passengers decreased 53,162, and season tickets 141. Parcels, luggage, &c., decreased £1,347. Cattle increased 2,454, and sheep 31,760. Timber decreased 43,541 tons, and all other goods 20,018 tons.

Western District.—Revenue, £448,245; decrease, £13,162. Passengers decreased 51,156, and season tickets 24. Parcels and luggage decreased £998. Cattle increased 30,273, and sheep 12,106. Timber increased 802 tons, and all other goods increased 1,135 tons.

Southern District.—Revenue, £1,201,596; decrease, £99,170. Passengers decreased 275,902, and season tickets 17,054. Parcels and luggage decrease, £2,443. Cattle increased 17,802, and sheep decreased 56,337. Timber decreased 2,952 tons, but all other goods decreased 61,619 tons.

Picton.—Revenue, £34,292; decrease, £4,448. Passengers decreased 14,235, and season tickets 47. Cattle decreased 355, and sheep 682. Timber increased 612 tons, and all other goods decreased 9,644 tons.

Nelson.—Revenue, £20,423; decrease, £5,960. Passengers decreased 16,982, and season tickets 74. Cattle decreased 537, and sheep 865. Timber decreased 531 tons, and all other goods 988 tons.

Westport.—Revenue, £115,726; decrease, £22,326. Passengers increased 3,140, and season tickets decreased 49. Parcels, luggage, &c., increased £211. Cattle increased 28, and sheep decreased 474. Timber decreased 821 tons, and all other goods decreased 116,295 tons.

South Island Main Line and Branches.—Revenue, £2,612,906 ; decrease, £307,402. The principal items of traffic were : Passengers, 3,314,021 ; decrease, 447,320. Season tickets, 162,950 ; decreased 14,025. Parcels, luggage, and mails revenue, £119,577 ; decrease, £8,782. Live-stock, 4,941,258 ; decrease, 56,478. Timber, 176,324 tons ; decrease, 101,884. All other goods, 2,732,966 tons ; decrease, 332,415 tons. The revenue per mile of railway decreased from £1,795 to £1,606, and decreased from 154·23d. per train-mile to 147·87d.

The variations of traffic in the individual districts in the South Island were approximately as follow :—

Northern District.—Revenue, £1,156,801 ; decrease, £140,015. Passengers decreased 210,986, and season tickets 3,646. Parcels, luggage, &c., decreased £3,318. Cattle decreased 6,220, and sheep 95,964. Timber decreased 79,015 tons, and all other goods 153,845 tons.

Middle District.—Revenue, £902,174 ; decrease, £92,139. Passengers decreased 175,922, and season tickets 9,931. Parcels, luggage, &c., decreased £3,720. Cattle decreased 5,704, and sheep 2,902. Timber decreased 4,203 tons. All other goods decreased 104,184 tons.

Southern District.—Revenue, £553,931 ; decrease, £75,248. Passengers decreased 60,412, and season tickets 448. Parcels, luggage, &c., decreased £1,744. Cattle decreased 11,065, but sheep increased 63,377. Timber decreased 18,666 tons, and all other goods 74,386 tons.

Lake Wakatipu.—Revenue, £9,166 ; decrease, £2,281. Passengers decreased 6,641. Sheep decreased 4,613. Timber decreased 120 tons. All other goods decreased 1,807 tons.

TRAIN SERVICES.

The following table shows the average late arrivals of the express, mixed, and suburban trains for the year :—

AVERAGE LATE ARRIVAL OF TRAINS, YEAR ENDED 31ST MARCH, 1931.

Year ended		Period ended													Average for Year in Minutes
		April.	May.	June.	July.	August.	Sept.	Oct.	Nov.	Dec.	Jan.	Jan.	Feb.	March	
<i>Express and Mail Trains.</i>															
1931 ..	..	8·07	4·90	6·06	5·19	4·17	5·86	1·77	2·08	2·25	5·93	4·41	7·70	4·07	4·80
1930 ..	..	8·19	7·17	11·48	7·49	3·23	4·57	2·41	2·13	2·23	7·86	7·67	4·01	4·66	5·62
<i>Long-distance Mixed Trains.</i>															
1931 ..	..	8·94	8·84	7·72	7·40	6·96	6·70	4·35	4·50	3·99	5·38	4·67	10·37	6·49	6·64
1930 ..	..	12·32	10·47	9·13	8·22	5·58	6·34	4·42	6·67	4·91	7·28	6·32	9·25	10·08	7·77
<i>Suburban Trains.</i>															
1931 ..	..	0·77	0·72	0·81	0·56	0·73	0·38	0·31	0·42	0·49	0·55	0·65	0·63	0·43	0·57
1930 ..	..	1·00	1·04	1·20	0·86	0·55	0·55	0·46	0·41	0·44	0·47	0·61	0·52	0·70	0·68

These figures include delays arising from all causes, including slips, floods, washouts, earthquakes, engine and other mechanical failures, and traffic delays at stations.

It will be seen from the foregoing tabulation that the punctuality of the train services improved very substantially during the year, notwithstanding the earthquake in the Hawke's Bay District which, as already mentioned in this report, caused much late running of trains which was in the circumstances unavoidable.

WAY AND WORKS BRANCH.

The following are the principal features connected with the operations of the Way and Works Branch during the year :—

<i>Permanent-way.</i> —The relaying done during the year was as follows :—	Miles.
Main line and branches 53 lb., 55 lb., 56 lb., 65 lb., and 70 lb. relaid with 70 lb. material	52½
Main line and branches 40 lb., 53 lb., 55 lb., and 56 lb. relaid with 55 lb. material	6
Main line and branches relaid with second-hand 53 lb., 55 lb., 56 lb., and 70 lb. material recovered from main line	4½
	63

Sleepers.—The number of new sleepers placed in track during the year was 240,096.

Ballasting.—There were placed on the track 207,279 cubic yards of ballast.

Slips, Floods, &c.—Slips on the East Coast Main Trunk line at 20 m. 17 ch. (near Athenree), 34½ m. (near Aongatete), 40 m. (near Pahoia), and between 43½ m. and 43¾ m. (near Te Puna) on 21st June, 1930, caused delay to traffic. On the same date a washout between 43½ m. and 43¾ m. (near Te Puna) caused train delays. Slips which occurred on the same line at 34 m. 20 ch. (near Aongatete), 38 m. 40 ch. and 39 m. 75 ch. (near Pahoia) on 7th July, 1930, also caused delay to traffic. A rock slip occurred at 131 m. 60 ch., Main Trunk line (near Puketutu) on 28th June, 1930, and was run into by the Wellington–Auckland express, resulting in the engine, two cars, and postal van being damaged.

A heavy fall of snow occurred in the Ohakune district on 28th July, 1930. Traffic was not seriously affected by it, however, until the morning of the 29th, when a high wind across the Waimarino Plains caused the snow to drift and fill some of the cuttings between National Park and Erua. A train stalled in one of the drifts and was not freed for several hours. Various trains between Raurimu and Mataroa were delayed due to difficulty in shunting in the snow and in operating points, but only one train was actually held up by the snow.

A slip of considerable dimensions occurred on the morning of 24th November, 1930, at about 254 m. 52 ch., main line (between Ngaurukehu and Mataroa), completely blocking the line and causing considerable delay to trains.

On the 28th December, 1930, a large slip of hard papa came down on track in cutting at 257 m. 65 ch. (between Ngaurukehu and Mataroa), and derailed the leading bogie of engine of a mixed train.

On 26th and 27th November, 1930, the Otaki River was in heavy flood. The main line from 46 m. 16 ch. to 46 m. 60 ch. (near Otaki) was under water to a depth of approximately 2 ft. Apart from 22 chains of ballast being washed out, no damage was done, and there were no train delays.

A severe earthquake occurred in the Hawke's Bay District on the 3rd February, 1931, and considerable damage was done to the track, bridges, dwellings, station-buildings, and water services between Dannevirke and Putorino, completely blocking traffic north of Otane. Traffic was resumed to Napier about 9 a.m. on the 5th February, 1931, and on the Napier—Port Ahuriri line about 5 p.m. on the 12th February, 1931. The line between Napier and Putorino has not yet been restored. The damage done to the property of the Department has been assessed at approximately £55,400.

On the 23rd April, 1930, a slip of about 12 tons of rock occurred on the Rewanui line, damaging the rails and causing delay to traffic.

Two washouts occurred on the Hokitika line on the 8th October, 1930, causing traffic delays.

A slip occurred at 2 m. 79 ch., Reefton line (near Kamaka), on the 15th January, 1931, causing delay to traffic.

On the 16th January, 1931, a small slip occurred on the Otira line at 47 m. (between Aitkins and Otira), causing derailment of and damage to engine of train.

On several occasions throughout the year traffic was suspended on the Outram Branch owing to floods.

Buildings.—Buildings have been maintained in good repair. Houses at Waiotira, Taumarere, Kaipara Flats, Karioi, Erua, and Kopuranga were totally destroyed by fire and a house at Otahuhu badly damaged. The boiler-house attached to the wood-mill at Otahuhu workshops was gutted and the Pintsch-gas works, Wellington, considerably damaged by fire.

Railway Improvements.—The expenditure under the Railways Improvements Authorization Account for last year was £561,016, as against £620,913 for the previous year. This amount does not include the expenditure under this account on the Auckland—Westfield and Tawa Flat deviations carried out by the Public Works Department, which amounted to £307,321; Signal Branch charges, £144,639; and Locomotive Branch charges, £32,885.

The principal works are as follow:—

Auckland New Station Building and Yard.—The new station building was completed, and plant and equipment were transferred from the old station building and, together with new equipment, were erected. The building was opened for traffic on the 16th November, 1930.

Good progress was made during the year with the platelaying and ballasting of the new yard. The whole of the yard, except that portion abutting on to Beach Road, which area has until recently been occupied by car-sidings required for operating the old station, being completed. The platelaying on this area is being pushed forward with expedition, and will be completed about the end of June, 1931.

Concreting of road access to the new station was completed, and the concreting of roads in the inwards yard was put in hand. The road approaches to the Campbell's Point Bridge were completed.

The Auckland—Westfield deviation was completed, and opened for traffic on the 16th November, 1930, and the Papatoetoe—Papakura duplication was completed and the change-over from single- to double-line working was made on the 29th March, 1931. Work on the Ravensbourne—Burkes duplication is nearing completion, and the change-over from single- to double-line working will take place early in the new financial year.

New stores buildings have been completed at Otahuhu, Woburn, and Hillside. At Palmerston North a new locomotive depot and stockyards have been provided, and extensive siding alterations and extensions carried out. The new goods-shed was completed at Wellington, and the constructional work for the combined workshops and store at Elmer Lane is almost finished.

Bridge Reconstruction Work.—The provision of new bridges at Ngaruawahia, Waikanae, Otaki, Oroua, and Whenuakura has been completed.

Several bridges on the Thames Branch, Rotorua Branch, and North Auckland line have been rebuilt, and a number of bridges on the Main Line and Branches have had a new superstructure of rolled-steel joists provided and in others the floor beams have been strengthened.

Bridge No. 185, North Auckland line, has been replaced with twin concrete culvert.

Additions to Open Lines.—The expenditure under this account was £19,140, and the works carried out consisted of general improvements at railway settlements, station-buildings, alteration to sidings, and additions to stockyards, &c.

Expenditure.—The expenditure for the year in the Way and Works Branch was as follows: Maintenance (charged to working-expenses), £1,150,329; new works (charged to capital), £757,679.

The maintenance expenditure charged to working-expenses amounted to £346 per mile, as compared with £347 in 1929–30, £340 in 1928–29, £359 in 1927–28, £338 in 1926–27, £369 in 1925–26.

Mileage.—The mileage open for traffic on the 31st March, 1931, was 3,319 miles 7 chains. The Auckland—Parnell loop, Auckland—Westfield loop, and Eskdale—Putorino extension were opened for traffic during the year.

Portions of the Oxford Branch, Tileries—Fernhill Branch, and Glenham Branch were closed during the year.

SIGNAL AND ELECTRICAL BRANCH.

The following is a summary of the principal activities of the Signal and Electrical Branch during the year:—

SIGNALLING.

Westfield Loop-line.—On this line, Auckland—Westfield, 9 miles 14 chains, double-line automatic signalling has been installed, and the following stations on the line have been fitted with power

interlocking with colour-light signals : Auckland, Glen Innes, and Panmure. Automatically controlled switch-locked sidings have been fitted at Orakei, Tamaki, and Sylvia Park.

Papakura Duplication.—Between Papatoetoe and Papakura, 8 miles 22 chains, double-line automatic signalling has superseded single-line automatic signalling, and power interlocking with colour-light signals has been fitted at Wiri and Manurewa. An automatically controlled switch-locked siding was installed at Takanini.

Main Trunk.—Signalling and interlocking with electrical-point movements and fouling-protection have superseded fixed signals at Hunterville and Rata.

AUCKLAND NEW STATION.

The work at Auckland Station, which included electro-pneumatic signalling, communications, lighting, and power, has been completed. The signalling of the station is the largest individual work which has yet been carried out by this Branch, the whole of the yard being controlled by one main cabin, with one subsidiary cabin in the goods-yard. The change-over from the old to the new station was successfully carried out.

GENERAL.

Alterations and additions to existing signalling and interlocking have been carried out at Dunedin, Frankton Junction, Papatoetoe, Lepperton Junction, Petone, Palmerston North, Waiareka Junction, Christchurch, Port Chalmers, Middleton, and Greymouth. Penrose Junction has been converted to a special switch-out station with colour-light signals for main-line working.

Home and distant signals with Woods locks have been installed at Makerua, and removed from Hunterville, Rata, Belgrove, Hikutaia, Puriri, Kopu, Te Karaka, Motupiko, Waikino, and Iadbrooks owing to their being superseded by other methods of signalling or being no longer required.

Additional fixed signals have been provided at Rangiora Junction, Southbrook, Kaiapoi, and Thornbury Junction.

The total number of signalling installations is as follows :—

Miles of single-line automatic signalling	..	..	..	188 m. 16 ch.
Miles of double-line automatic signalling	..	..	..	61 m. 36 ch.
Automatic crossing-loops	..	..	..	33
Automatic switch-locked sidings	..	..	..	34
Power interlockings	..	..	..	26
Mechanical interlockings	..	..	..	96
Interlocked tramway crossings	..	..	..	7
Mechanical fixed signal and Woods locked stations	..	..	..	315
Tablet-locked sidings	..	..	..	269

The following works are in hand : Automatic signalling between Ravensbourne and Sawyer's Bay. Signalling and interlocking with electric-point movements and fouling-protection at Pokaka, Horopito, Raurimu, Porootarao, and Hihitahi. These works will be completed early in the near future.

Block-working.—The present position in regard to block-working is as follows :—

Total mileage equipped with tablet instruments	..	..	..	1,648
Number of tablet instruments in use	..	..	..	856
Number of tablet stations	..	..	..	356
Number of tablet exchangers	..	..	..	320
Mileage of double line worked by lock and block	..	..	..	15
Number of stations	..	..	..	12
Number of instruments	..	..	..	26

Telegraph and Telephone Facilities.—The reconstruction of communication pole lines and wires has been vigorously pushed ahead during the year, and the communication system considerably improved. New methods have been introduced to give a maximum number of services with the lines available, and this work will be continued during the forthcoming year.

In the North Island over 80 miles of pole-line have been rebuilt, and 7 miles of new pole-line erected, and in the South Island 95 miles were erected. All wires on these new pole-lines other than the tablet-system wire and local Morse wires have been run in copper wire. The strengthening of a further 50 miles of pole-line was carried out, and, in addition to the new wire replacing old iron wire, 306 miles of copper wire were erected.

The metallic circuiting of existing telephone-lines has been carried out on the following sections : Invercargill to Winton and Rakaia to Rakaia Bridge.

The lines have been rearranged with Morse services superimposed over the telephone-lines on the Wellington-Napier, Wanganui-Frankton Junction, Christchurch-Culverden, Christchurch-Dunedin, and Dunedin-Invercargill Sections. This work has improved the telephone facilities and enabled economies of Morse services and the relinquishing of rented lines.

Train-control-selector telephone systems have been completed and brought into use between Marton and Wanganui and between Christchurch and Culverden. A further section, Dunedin-Oamaru, will be completed in April, and during the forthcoming year other sections in both Islands will be completed.

At the Auckland new station and yard a full automatic telephone exchange was brought into operation with 125 local lines connected, and all district lines terminated on a manual board. The telegraph system was modernized to a universal-battery system, and the services simplified. A local distribution-cable network was also completed in the Auckland area.

In Wellington, to anticipate yard alterations, a telephone-cable was laid from Lambton to Thorndon and a 100-number manually operated switchboard has been installed to provide full inter-communication.

A commencement has been made with the erection of special telephone circuits for long-distance communication, and these services will be made available as the pole-lines are rebuilt; already the Christchurch to Rolleston Section has been completed.

The position in regard to communication facilities is tabulated below :—

Morse instruments	265
Telephones	2,414
Miles of wire	12,226
Miles of poles	3,052
Public-exchange connections	609
Railway exchanges—	
Automatic	5
Manual	5

Level-crossing Alarms.—Warning-signals have been installed at thirteen level crossings during the past year. A number of existing level-crossing alarms have been equipped with modern appliances and in some instances changed from bells to flashing lights. The total number of level crossings now fitted with warning-devices is 122.

Electrical Reticulation.—During the year a number of motor installations were completed at various workshops and locomotive depots. The installation of electric lighting was completed at fifty-eight stations, and twelve smaller installations were carried out at signals-cabins, offices, &c.

The Napier earthquake, which occurred on the 3rd February, 1931, damaged the communication services of the Department very considerably. Fortunately, some construction staff was in the district, and steps were immediately taken to endeavour to establish communication. Telephone communication Napier to Woodville was restored at 8.30 p.m. on Wednesday, 4th idem, and tablet completely restored on Thursday, 5th idem. Following this, as additional communication was required, it was decided to endeavour to rearrange the Morse circuits, and, by superimposing, it was found possible to give an additional direct line between Wellington and Napier; and this was brought into use during the afternoon of the 10th February. This additional communication proved of great value at the time, and has continued to give excellent service under normal working-conditions.

COMMERCIAL BRANCH.

Dealing with the activities of the Department on the commercial side, I would say, firstly, that the year has been a most difficult one. This has been due principally to the general depression and to the increased and increasing pressure of competition.

The adverse conditions being experienced throughout the Dominion, due to the world-wide depression and more particularly the decline in our primary-produce prices, have occasioned all classes of the community to seek reduced costs, and transport costs have felt the full effect of this tendency. This feature has resulted in the primary producer, manufacturer, merchant, and retailer adopting to a greatly increased degree the procedure of bargaining for prices. The effect has been that rail transport in its endeavours to hold its position has been compelled to make substantial reductions in its rates, to a greater extent than heretofore.

The result has been a substantial extension of our system of local rates for fixed lines of traffic between specified points. Apart from these measures, which in the aggregate are considerable, the extension of local rates for merchandise traffic from the principal trading centres to the inland towns served therefrom has similarly been extended, and it may now be said that local rates radiate from all centres carrying on a trade of any volume with other places distant up to 200 miles. In addition to the institution of local rates for the merchandise traffic, it has been necessary to provide for delivery services at the majority of the principal inland towns.

Reviewing the position in respect of the local rates provided to retain and secure the general merchandise traffic over the principal routes, I desire to say that a comparison of figures with the previous year's traffic would not substantiate any observation, favourable or otherwise, as to the general result accruing from such rates, as the general trade depression has obviously been affecting the three forms of transport—rail, road, and sea. We do know that there has been a heavy decline in traffic, but to what extent this is due to the trade depression on the one hand or to increased competition on the other would not be practicable to determine with any degree of precision. It can be said, however, that local rates have been effective in holding and regaining a volume of traffic, but, on the other hand, it is known that the intensive competition is responsible for a considerable portion of traffic being lost. The fluctuation in transport is inevitable under the conditions obtaining, due to the increasing competition of road-users not only with the railways, but also between themselves. Much of this competition is quite uneconomic, and I cannot foresee any improvement in the position unless some legislative method of control of transport is enacted and the principle of making the user pay adopted.

In conjunction with the introduction of local rates has been the establishment of local delivery services now in operation at thirty-five inland towns.

The delivery services have been instituted by reason of the increasing demand for a better transport service to the customer and to give equality, in a part measure at least, to that of the road motor service, otherwise a large volume of business would have been irretrievably lost.

The efforts made to combat road competition over the principal trading routes have had the effect of diverting the attention of the road operators towards the transport of a portion of the low-rated traffic, and, in consequence of this, together with economic conditions prevailing, the result has been that competition in the transport of the lower-rated commodities is now facing the railways. Whereas a few years ago it was generally concluded that road transport would not interfere with the conveyance of low-rated commodities, the circumstances have completely changed during the past two years, due to the rapidly changing economic conditions. The flow of these classes of traffic is principally to the

centres, and in order to minimize operating-costs the road-haulier will convey by way of back-loading practically any class of traffic offering, and can command therefor a slightly higher rate than rail itself, due to the collection and delivery costs being taken into account.

In connection with the transport of dairy-produce, we have been successful in retaining the greater portion of the business, and our figures show an increase of 24,500 tons over last year for butter and cheese. In every district serious attempts have been made by opponents to capture this class of traffic, but although in many instances it has again been necessary to substantially reduce rates the result has been that we are still holding the bulk of the business. In the Bay of Plenty district we have lost the Tauranga and the Rangitaiki Dairy Companies' output (3,500 tons) to sea, and in one or two instances in Taranaki and Upper Wairarapa districts the outputs of factories are conveyed by road. The tendency is, however, in the direction of our having to reduce rates due to the lower market prices for the products occasioning dairy companies seeking cheaper means of carriage and the increasing activities of road operators in attempts to secure the work.

The conveyance of wool during this year has had a marked decline, the decrease being 6,165 tons, or 30,825 bales, as compared with the previous year, which, compared with 1929 figures, dropped 17,079 tons, or 85,395 bales. Certainly a large portion of this year's clip is being held over in anticipation of a more favourable market price being obtained—the quantity so held being estimated in the annual review of one of the leading stock and station companies operating in the Dominion at nearly 210,000 bales—but our experience in the handling of this year's clip has shown that there is a greater tendency towards road transport being adopted. In practically every wool-growing area we have had to contend with increased competition and provide competitive rates shed to store, and action is being taken to guard our future interests as far as practicable in this respect.

Evidence that the facility provided by our inter-Island through-booking system is being appreciated lies in the fact that increased returns are shown on the previous year's figures, the increase in business being 2,000 tons freight; revenue increase, £4,281. During the year we effected an extension of the system to North and South Island ports additional to the service already established between Wellington and Lyttelton.

The through-booking system for goods traffic between Christchurch and Kaikoura has proved beneficial, and has resulted in the cessation of sea competition between Lyttelton and Kaikoura. Intensive road competition still exists over this route.

We have extended our system of through booking by arrangement with road carriers, and now provide a similar service between Inangahua and Westport and between Putorino-Wairoa and Gisborne. The dislocation of the line between Napier and Putorino by the recent earthquake has disturbed the arrangement with our road contractors over this route.

Reviewing the passenger side of our activities, it must obviously be concluded that the circumstances have been adverse to development of this class of traffic. Previous summers we have obtained very satisfactory results from the promotion of special week-end excursion trips between the principal centres and attractive resorts, but the conditions prevailing this year, together with the Napier earthquake disaster, have compelled us to restrict these excursions considerably. Those promoted, although not supported to the same extent as in previous years, have resulted satisfactorily.

The promotion of farmers' excursions, which had in previous winters developed to a considerable magnitude, had last winter to be abandoned on account of the adverse circumstances being experienced by the farming community. Similarly, this coming winter it is not considered advisable to attempt a revival of these tours.

During last winter we promoted a successful farmers' party tour to Australia, the object being to induce a reciprocal visit, and although an attempt was made to organize a farmers' party in Australia for a tour of New Zealand this winter the efforts made did not meet with sufficient inducement to justify the tour being proceeded with.

Attempts made to organize parties for travel to resorts have met with poor response, and similarly the travel at holiday periods, and that of pleasure and picnic parties and similar classes of traffic, have all been curtailed on account of prevailing conditions.

The visit of Lord and Lady Baden Powell and their association with the Boy Scout and Girl Guide movements occasioned the travel of large numbers of children to the principal centres; similarly the visit of the British Rugby Football team, which we conducted throughout its tour, was a means of inducing considerable traffic to all the centres at which matches were played.

The only overseas tourist party of any note handled during the year was the "Malolo" American cruise party of 180 persons, and in the conduct of their short tours we were associated with the Tourist Department. The travel arrangements for the overseas wool-buyers party during the Dominion wool sales season were again carried out by the Department.

It is estimated that overseas tourist traffic has decreased approximately 25 per cent. this season, and, considering the conditions in Australia at the present time and also in other countries, the prospects for an immediate increase in overseas visitors are not propitious.

Booking agencies established at the various centres now number forty-nine, inclusive of the Tourist Department's offices other than those at Wellington and Auckland. The agencies generally are providing a desired public facility, and are a means of attracting a certain amount of business to rail.

Reviewing the conditions which have obtained during the past year in respect of transport generally, and at the same time having regard to the fact that circumstances do not indicate that an improvement can be anticipated in the immediate future, the prospects for the incoming year from a business point of view indicate that it is likely to be a difficult one. The natural tendency in trade is to ease expenditure largely by restricting operations, consequently transport returns must be affected thereby, and with the slackness in trade urging road operators to maintain their position increased competition will result. Indications are that more frequently irresponsible people are attempting to make a livelihood from road carrying-operations, this in turn forcing established road carriers to reduce their costs to a minimum, which again must seriously reflect upon rail transport.

The efforts made to combat road competition have been effective to a certain extent only, inasmuch that the system of reducing rates and providing increased facilities has enabled us to hold a portion of the transport business, but, with the increasing competition being encountered from day to day, and the absence of any control of the situation generally, the position will obviously tend to become more acute, and this position will be intensified so long as the railways are faced with subsidized road competition.

STAFF.

The total number of staff employed on the 31st March, 1931, including those engaged on works chargeable to capital, was 17,806, as compared with 19,926 the previous year; and the average number actually at work throughout the year was 18,840, as compared with 19,410 the previous year. Of the average number of staff at work during the year, 13,612 were permanent and 5,228 were casual employees. The average number of men engaged on works chargeable to capital was 1,435, as against 1,382 last year.

Twenty-seven members of the Second Division were promoted to the First Division, 17 were transferred to other Government Departments, 113 resigned, 187 retired on superannuation, 56 died, 51 members were dismissed, and 112 engaged.

The sum of £45,539 was paid under the Workers' Compensation Act during the year to members of the Second Division who suffered injury in the course of their employment.

The decline in traffic during the year, due to circumstances over which we had no control—the general depression, &c.—placed us in the position that we were carrying a substantial surplus staff both permanent and temporary (the latter principally in the workshops). The extent to which any industry should be called upon to carry a surplussage of staff must, of course, have reasonable limits, as, if carried on indefinitely, the surplus places on the industry a financial burden which (as in the case of the Railway Department) it may not be in a position to bear.

I do not say that there are not any circumstances which would justify the Railway Department itself carrying surplus staff for a limited period. For instance, humane considerations, coupled with the desirability of keeping a certain minimum organization fairly intact, may well afford such a justification, but this in turn must be subject to a reasonable prospect of the whole quantum of staff, including the surplus, being again required within a reasonable time. If this condition is not present, then the position must be regarded as involving a more or less permanent reduction of the staff establishment, and this is a position which must call for adjustment. Even in such a case considerations of humanity would justify spreading the process of adjustment over a period rather than throwing a large number of men suddenly on to the labour-market. This policy has been pursued as far as possible in connection with the staff adjustments which circumstances have shown to be necessary in the Department, and wherever it was possible to avoid reductions or to take steps to minimize the hardships that were involved in the process of adjusting the staff every reasonable opportunity has been taken to act along this line. One line of action that has been taken in this connection has involved the retirement of a number of employees on superannuation after they had completed thirty-five years' service and before they had completed forty years' service, which latter term is that which entitled an employee to the maximum proportion of his rate of pay by way of pension. The basis of this action has been the conclusion that it was much more humane to retire those employees who would have some income from the industry to sustain them rather than to throw out of employment employees who would be entirely dependent on the (at present) doubtful chance of what they could earn. Fears have been expressed that this action might place an undue burden on the Superannuation Fund, but an examination of the position does not seem to afford any substantial basis for such fear. It must be remembered that the employees receive a smaller pension than they would have done had they completed forty years of service, and according as the period the employee continues on the fund lengthens the adverse effect on the fund is by comparison reduced.

Another phase of the retirement of employees at thirty-five years is the question of the efficient working of the Department. This is being carefully watched in determining the retirement of employees, and while, of course, these retirements will inevitably involve some loss of valuable experience, it is assured in each case that suitable arrangements can be made to carry on the work up to a satisfactory standard of efficiency.

The work of our staff administration during the year has been of an extremely heavy character and has involved many great difficulties. The matter of the adjustment of the staff and the difficulties associated therewith has been dealt with above. It need only be further mentioned in relation to the staff work that it involved an enormous amount of investigation and the working-out of arrangements to avoid hardship as much as possible, and this placed a very great strain on the staff section. Another very large work that was undertaken during the year was a comprehensive review of our permanent establishments. As pointed out in my report last year, we had, during that year, a general regrading of positions and had contemplated initiating the review of staff establishments previous to the regrading, but, as the regrading work had to be undertaken in pursuance of the statute in that behalf, the review of the establishments had necessarily to be postponed. The work was, however, diligently carried on during the year, with the result that many adjustments were found possible with substantial resulting economies. In many cases the adjustments caused members of the permanent staff to become surplus, and as none of these has yet been retrenched, and the process of absorption by resignations, retirements, &c., is necessarily a comparatively slow one, the full advantage of the work that has been accomplished in connection with the review of establishments has not yet accrued. The economies that have been made possible by the review and consequent adjustments are, however, of a permanent or quasi-permanent nature, and so represent a definite lowering of our working-costs. Every opportunity has been taken to utilize the surplus permanent staff to the best advantage. Some have been absorbed by the adoption of the policy of retirements on thirty-five years' service; others have been placed temporarily or otherwise with other Government Departments; and opportunity has been taken to utilize the services of surplus staff to overtake

arrears of annual leave due to the staff. The review was not completed at the close of the year, but is being carried on assiduously with a view to making the necessary adjustments to suitably meet the fluctuating conditions and obtain the consequent economies as soon as possible.

During the year the conduct of the staff has been good, and our industrial relationships have been quite satisfactory.

ROYAL COMMISSION.

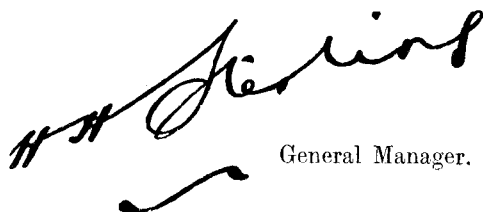
A matter of considerable importance in connection with the work of the past year was the investigation by the Royal Commission. The report of the Commission has already been published. As, however, the matter contained therein had reference to conditions under the form of administration which was functioning at the time of the Royal Commission's investigation, and as also a radical change along the lines recommended by the Commission in that connection has been made since that time, it appears to me that no good purpose would be served by detailed comment on the Royal Commissioner's report at this stage. The Commission made some very valuable recommendations on matters of vital import to the Department, such as the system of control of the Department, the Department's financial structure, and the system of staff control. The first matter has already been dealt with by legislation, and the others, as well as the remaining subjects of the Royal Commission's report, will, so far as they may still require further action, no doubt be brought under review by the new administration in due course.

CONCLUSION.

Since the close of the year alterations have been made in the constitution of the Department by the setting-up of the Government Railways Board, and, as the arrangements provide for my taking over the chairmanship of that Board, this will be the last annual report that I will make in my present capacity. Considerations of time and space prevent my making a complete review of the last three years, but the main phases of our activities have been dealt with in the annual report that I have rendered each year. I would only say that a great deal of spade-work has been done both in the direction of improving our standard of service and of reducing costs, the effect of which is now being felt, and which, I feel confident, will continue to be felt in the coming years. This has entailed a large volume of work in the face of very great difficulties. In this latter connection I need only mention that since the period my general managership commenced—on 1st June, 1928—up to the time of writing there have been no less than three changes in the Ministerial control, a fourth change in the form of control by the constitution of the Government Railways Board, and a full overhaul of the Department by a Royal Commission. These circumstances alone were sufficient to very materially curtail the amount of time that could be devoted to fresh work and the amount of thought that could be given to new ideas. As I have previously had occasion to point out, the side of the Department's work that the management is most particularly concerned with is expenditure, and as regards that aspect I would emphasize the thought conveyed above—namely, that the ground-work which we were able to accomplish has already made itself substantially felt and will continue to do so. The Department has had the misfortune, as has practically every other kind of business, of having been faced with a serious trade depression, while the position regarding competition and the conditions in the transport industry generally have created a state of affairs, from a revenue point of view, that could only be described as difficult in the extreme. We have, however, maintained an unceasing vigilance as regards competition, and, as regards the condition of affairs in the industry, we have endeavoured, where possible, to secure co-ordination by voluntary effort, and as to the conditions which could not be met in that way we have endeavoured to bring to the public a view of the position in proper perspective. I feel sure that the result has been to help towards the position that is undoubtedly developing—namely, that public opinion is crystallizing in the direction of a realization of the necessity for something effective being done to rationalize the transport industry.

In concluding my term of office of General Manager I desire to thank my executive officers and the staff generally for the loyal support that has been given to me. I have had the benefit of much helpful suggestion from all ranks of the Service, and I feel a measure of pride in the fact that employees in even the lowest ranks have not been diffident in discussing matters of interest to the Department's business with me as I have moved about the system. I also desire to thank the press and the public generally for the help and patient consideration that they have extended to me. Here, also, I have had the benefit of many suggestions which have assisted me materially in carrying on the business of the Department. I have appreciated much friendly criticism, and I feel that it has been helpful not only from the point of view of the substantive points made therein, but from the fact that criticism, especially of a constructive character, serves an excellent purpose in keeping the organization up to a high standard of alertness.

This report has been made as brief as possible in deference to the wishes of the Economy Committee that reports should be curtailed in order to minimize expense. For this reason, also, a number of statements and graphs that have hitherto been published with the annual report are omitted for the reason that it was considered that their value was not commensurate with the cost of their compilation and publication.


General Manager.

Mr. E. T. L. Spidy, Superintendent of Workshops, and Mr. P. R. Angus, Assistant Chief Mechanical Engineer, have certified that the rolling-stock, machinery, and tools have been maintained in good working-order during the year.

Mr. F. C. Widdop, Chief Engineer, has certified that the track, structures, buildings, and appliances have been maintained in good order during the year.

Mr. G. W. Wyles, Signal and Electrical Engineer, has certified that all signalling and power installations and apparatus have been maintained in good order and condition during the year.

Mr. E. J. Guinness, Comptroller of Stores, has certified that the value of stores, material, and plant (purchased under Railway vote) on hand at 31st March, 1931, at the various stores, depots, and saw-mills amounted to £956,858 17s. 4d., as against £1,033,310 15s. 10d. on 31st March, 1930 ; and that the whole of the stock is in good order, has been systematically inspected, and is value for the amount stated.

South Island Main Line and Branches.—Revenue, £2,612,906 ; decrease, £307,402. The principal items of traffic were : Passengers, 3,314,021 ; decrease, 447,320. Season tickets, 162,950 ; decreased 14,025. Parcels, luggage, and mails revenue, £119,577 ; decrease, £8,782. Live-stock, 4,941,258 ; decrease, 56,478. Timber, 176,324 tons ; decrease, 101,884. All other goods, 2,732,966 tons ; decrease, 332,415 tons. The revenue per mile of railway decreased from £1,795 to £1,606, and decreased from 154·23d. per train-mile to 147·87d.

The variations of traffic in the individual districts in the South Island were approximately as follow :—

Northern District.—Revenue, £1,156,801 ; decrease, £140,015. Passengers decreased 210,986, and season tickets 3,646. Parcels, luggage, &c., decreased £3,318. Cattle decreased 6,220, and sheep 95,964. Timber decreased 79,015 tons, and all other goods 153,845 tons.

Middle District.—Revenue, £902,174 ; decrease, £92,139. Passengers decreased 175,922, and season tickets 9,931. Parcels, luggage, &c., decreased £3,720. Cattle decreased 5,704, and sheep 2,902. Timber decreased 4,203 tons. All other goods decreased 104,184 tons.

Southern District.—Revenue, £553,931 ; decrease, £75,248. Passengers decreased 60,412, and season tickets 448. Parcels, luggage, &c., decreased £1,744. Cattle decreased 11,065, but sheep increased 63,377. Timber decreased 18,666 tons, and all other goods 74,386 tons.

Lake Wakatipu.—Revenue, £9,166 ; decrease, £2,281. Passengers decreased 6,641. Sheep decreased 4,613. Timber decreased 120 tons. All other goods decreased 1,807 tons.

TRAIN SERVICES.

The following table shows the average late arrivals of the express, mixed, and suburban trains for the year :—

AVERAGE LATE ARRIVAL OF TRAINS, YEAR ENDED 31ST MARCH, 1931.

Year ended		Period ended												Average for Year in Minutes	
		April.	May.	June.	July.	August.	Sept.	Oct.	Nov.	Dec.	Jan.	Jan.	Feb.		March
<i>Express and Mail Trains.</i>															
1931 ..	..	8·07	4·90	6·06	5·19	4·17	5·86	1·77	2·08	2·25	5·93	4·41	7·70	4·07	4·80
1930 ..	..	8·19	7·17	11·48	7·49	3·23	4·57	2·41	2·13	2·23	7·86	7·67	4·01	4·66	5·62
<i>Long-distance Mixed Trains.</i>															
1931 ..	..	8·94	8·84	7·72	7·40	6·96	6·70	4·35	4·50	3·99	5·38	4·67	10·37	6·49	6·64
1930 ..	..	12·32	10·47	9·13	8·22	5·58	6·34	4·42	6·67	4·91	7·28	6·32	9·25	10·08	7·77
<i>Suburban Trains.</i>															
1931 ..	..	0·77	0·72	0·81	0·56	0·73	0·38	0·31	0·42	0·49	0·55	0·65	0·63	0·43	0·57
1930 ..	..	1·00	1·04	1·20	0·86	0·55	0·55	0·46	0·41	0·44	0·47	0·61	0·52	0·70	0·68

These figures include delays arising from all causes, including slips, floods, washouts, earthquakes, engine and other mechanical failures, and traffic delays at stations.

It will be seen from the foregoing tabulation that the punctuality of the train services improved very substantially during the year, notwithstanding the earthquake in the Hawke's Bay District which, as already mentioned in this report, caused much late running of trains which was in the circumstances unavoidable.

WAY AND WORKS BRANCH.

The following are the principal features connected with the operations of the Way and Works Branch during the year :—

<i>Permanent-way.</i> —The relaying done during the year was as follows :—	Miles.
Main line and branches 53 lb., 55 lb., 56 lb., 65 lb., and 70 lb. relaid with 70 lb. material	52½
Main line and branches 40 lb., 53 lb., 55 lb., and 56 lb. relaid with 55 lb. material	6
Main line and branches relaid with second-hand 53 lb., 55 lb., 56 lb., and 70 lb. material recovered from main line	4½
	63
	==

Sleepers.—The number of new sleepers placed in track during the year was 240,096.

Ballasting.—There were placed on the track 207,279 cubic yards of ballast.

Slips, Floods, &c.—Slips on the East Coast Main Trunk line at 20 m. 17 ch. (near Athenree), 34½ m. (near Aongatete), 40 m. (near Pahoia), and between 43½ m. and 43¾ m. (near Te Puna) on 21st June, 1930, caused delay to traffic. On the same date a washout between 43½ m. and 43¾ m. (near Te Puna) caused train delays. Slips which occurred on the same line at 34 m. 20 ch. (near Aongatete), 38 m. 40 ch. and 39 m. 75 ch. (near Pahoia) on 7th July, 1930, also caused delay to traffic. A rock slip occurred at 131 m. 60 ch., Main Trunk line (near Puketutu) on 28th June, 1930, and was run into by the Wellington–Auckland express, resulting in the engine, two cars, and postal van being damaged.

A heavy fall of snow occurred in the Ohakune district on 28th July, 1930. Traffic was not seriously affected by it, however, until the morning of the 29th, when a high wind across the Waimarino Plains caused the snow to drift and fill some of the cuttings between National Park and Erua. A train stalled in one of the drifts and was not freed for several hours. Various trains between Raurimu and Mataroa were delayed due to difficulty in shunting in the snow and in operating points, but only one train was actually held up by the snow.

A slip of considerable dimensions occurred on the morning of 24th November, 1930, at about 254 m. 52 ch., main line (between Ngaurukehu and Mataroa), completely blocking the line and causing considerable delay to trains.

On the 28th December, 1930, a large slip of hard papa came down on track in cutting at 257 m. 65 ch. (between Ngaurukehu and Mataroa), and derailed the leading bogie of engine of a mixed train.

On 26th and 27th November, 1930, the Otaki River was in heavy flood. The main line from 46 m. 16 ch. to 46 m. 60 ch. (near Otaki) was under water to a depth of approximately 2 ft. Apart from 22 chains of ballast being washed out, no damage was done, and there were no train delays.

A severe earthquake occurred in the Hawke's Bay District on the 3rd February, 1931, and considerable damage was done to the track, bridges, dwellings, station-buildings, and water services between Dannevirke and Putorino, completely blocking traffic north of Otane. Traffic was resumed to Napier about 9 a.m. on the 5th February, 1931, and on the Napier—Port Ahuriri line about 5 p.m. on the 12th February, 1931. The line between Napier and Putorino has not yet been restored. The damage done to the property of the Department has been assessed at approximately £55,400.

On the 23rd April, 1930, a slip of about 12 tons of rock occurred on the Rewanui line, damaging the rails and causing delay to traffic.

Two washouts occurred on the Hokitika line on the 8th October, 1930, causing traffic delays.

A slip occurred at 2 m. 79 ch., Reefton line (near Kamaka), on the 15th January, 1931, causing delay to traffic.

On the 16th January, 1931, a small slip occurred on the Otira line at 47 m. (between Aitkins and Otira), causing derailment of and damage to engine of train.

On several occasions throughout the year traffic was suspended on the Outram Branch owing to floods.

Buildings.—Buildings have been maintained in good repair. Houses at Waiotira, Taumarere, Kaipara Flats, Karioi, Erua, and Kopuranga were totally destroyed by fire and a house at Otahuhu badly damaged. The boiler-house attached to the wood-mill at Otahuhu workshops was gutted and the Pintsch-gas works, Wellington, considerably damaged by fire.

Railway Improvements.—The expenditure under the Railways Improvements Authorization Account for last year was £561,016, as against £620,913 for the previous year. This amount does not include the expenditure under this account on the Auckland—Westfield and Tawa Flat deviations carried out by the Public Works Department, which amounted to £307,321; Signal Branch charges, £144,639; and Locomotive Branch charges, £32,885.

The principal works are as follow:—

Auckland New Station Building and Yard.—The new station building was completed, and plant and equipment were transferred from the old station building and, together with new equipment, were erected. The building was opened for traffic on the 16th November, 1930.

Good progress was made during the year with the platelaying and ballasting of the new yard. The whole of the yard, except that portion abutting on to Beach Road, which area has until recently been occupied by car-sidings required for operating the old station, being completed. The platelaying on this area is being pushed forward with expedition, and will be completed about the end of June, 1931.

Concreting of road access to the new station was completed, and the concreting of roads in the inwards yard was put in hand. The road approaches to the Campbell's Point Bridge were completed.

The Auckland—Westfield deviation was completed, and opened for traffic on the 16th November, 1930, and the Papatoetoe—Papakura duplication was completed and the change-over from single- to double-line working was made on the 29th March, 1931. Work on the Ravensbourne—Burkes duplication is nearing completion, and the change-over from single- to double-line working will take place early in the new financial year.

New stores buildings have been completed at Otahuhu, Woburn, and Hillside. At Palmerston North a new locomotive depot and stockyards have been provided, and extensive siding alterations and extensions carried out. The new goods-shed was completed at Wellington, and the constructional work for the combined workshops and store at Elmer Lane is almost finished.

Bridge Reconstruction Work.—The provision of new bridges at Ngauruwahia, Waikanae, Otaki, Oroua, and Whenuakura has been completed.

Several bridges on the Thames Branch, Rotorua Branch, and North Auckland line have been rebuilt, and a number of bridges on the Main Line and Branches have had a new superstructure of rolled-steel joists provided and in others the floor beams have been strengthened.

Bridge No. 185, North Auckland line, has been replaced with twin concrete culvert.

Additions to Open Lines.—The expenditure under this account was £19,140, and the works carried out consisted of general improvements at railway settlements, station-buildings, alteration to sidings, and additions to stockyards, &c.

Expenditure.—The expenditure for the year in the Way and Works Branch was as follows: Maintenance (charged to working-expenses), £1,150,329; new works (charged to capital), £757,679.

The maintenance expenditure charged to working-expenses amounted to £346 per mile, as compared with £347 in 1929–30, £340 in 1928–29, £359 in 1927–28, £338 in 1926–27, £369 in 1925–26.

Mileage.—The mileage open for traffic on the 31st March, 1931, was 3,319 miles 7 chains. The Auckland—Parnell loop, Auckland—Westfield loop, and Eskdale—Putorino extension were opened for traffic during the year.

Portions of the Oxford Branch, Tileries—Fernhill Branch, and Glenham Branch were closed during the year.

SIGNAL AND ELECTRICAL BRANCH.

The following is a summary of the principal activities of the Signal and Electrical Branch during the year:—

SIGNALLING.

Westfield Loop-line.—On this line, Auckland—Westfield, 9 miles 14 chains, double-line automatic signalling has been installed, and the following stations on the line have been fitted with power

interlocking with colour-light signals : Auckland, Glen Innes, and Panmure. Automatically controlled switch-locked sidings have been fitted at Orakei, Tamaki, and Sylvia Park.

Papakura Duplication.—Between Papatoetoe and Papakura, 8 miles 22 chains, double-line automatic signalling has superseded single-line automatic signalling, and power interlocking with colour-light signals has been fitted at Wiri and Manurewa. An automatically controlled switch-locked siding was installed at Takanini.

Main Trunk.—Signalling and interlocking with electrical-point movements and fouling-protection have superseded fixed signals at Hunterville and Rata.

AUCKLAND NEW STATION.

The work at Auckland Station, which included electro-pneumatic signalling, communications, lighting, and power, has been completed. The signalling of the station is the largest individual work which has yet been carried out by this Branch, the whole of the yard being controlled by one main cabin, with one subsidiary cabin in the goods-yard. The change-over from the old to the new station was successfully carried out.

GENERAL.

Alterations and additions to existing signalling and interlocking have been carried out at Dunedin, Frankton Junction, Papatoetoe, Lepperton Junction, Petone, Palmerston North, Waiareka Junction, Christchurch, Port Chalmers, Middleton, and Greymouth. Penrose Junction has been converted to a special switch-out station with colour-light signals for main-line working.

Home and distant signals with Woods locks have been installed at Makerua, and removed from Hunterville, Rata, Belgrove, Hikutaia, Puriri, Kopu, Te Karaka, Motupiko, Waikino, and Ladbrooks owing to their being superseded by other methods of signalling or being no longer required.

Additional fixed signals have been provided at Rangiora Junction, Southbrook, Kaiapoi, and Thornbury Junction.

The total number of signalling installations is as follows :—

Miles of single-line automatic signalling	..	..	..	188 m. 16 ch.
Miles of double-line automatic signalling	..	..	..	61 m. 36 ch.
Automatic crossing-loops	..	..	..	33
Automatic switch-locked sidings	..	..	..	34
Power interlockings	..	..	..	26
Mechanical interlockings	..	..	..	96
Interlocked tramway crossings	..	..	..	7
Mechanical fixed signal and Woods locked stations	..	..	..	315
Tablet-locked sidings..	..	..	..	269

The following works are in hand : Automatic signalling between Ravensbourne and Sawyer's Bay. Signalling and interlocking with electric-point movements and fouling-protection at Pokaka, Horopito, Raurimu, Porootarao, and Hihitahi. These works will be completed early in the near future.

Block-working.—The present position in regard to block-working is as follows :—

Total mileage equipped with tablet instruments	..	..	..	1,648
Number of tablet instruments in use	..	..	..	856
Number of tablet stations	..	..	..	356
Number of tablet exchangers	..	..	..	320
Mileage of double line worked by lock and block	..	..	..	15
Number of stations	..	..	..	12
Number of instruments	..	..	..	26

Telegraph and Telephone Facilities.—The reconstruction of communication pole lines and wires has been vigorously pushed ahead during the year, and the communication system considerably improved. New methods have been introduced to give a maximum number of services with the lines available, and this work will be continued during the forthcoming year.

In the North Island over 80 miles of pole-line have been rebuilt, and 7 miles of new pole-line erected, and in the South Island 95 miles were erected. All wires on these new pole-lines other than the tablet-system wire and local Morse wires have been run in copper wire. The strengthening of a further 50 miles of pole-line was carried out, and, in addition to the new wire replacing old iron wire, 306 miles of copper wire were erected.

The metallic circuiting of existing telephone-lines has been carried out on the following sections : Invercargill to Winton and Rakaia to Rakaia Bridge.

The lines have been rearranged with Morse services superimposed over the telephone-lines on the Wellington-Napier, Wanganui-Frankton Junction, Christchurch-Culverden, Christchurch-Dunedin, and Dunedin-Invercargill Sections. This work has improved the telephone facilities and enabled economies of Morse services and the relinquishing of rented lines.

Train-control-selector telephone systems have been completed and brought into use between Marton and Wanganui and between Christchurch and Culverden. A further section, Dunedin-Oamaru, will be completed in April, and during the forthcoming year other sections in both Islands will be completed.

At the Auckland new station and yard a full automatic telephone exchange was brought into operation with 125 local lines connected, and all district lines terminated on a manual board. The telegraph system was modernized to a universal-battery system, and the services simplified. A local distribution-cable network was also completed in the Auckland area.

In Wellington, to anticipate yard alterations, a telephone-cable was laid from Lambton to Thorndon and a 100-number manually operated switchboard has been installed to provide full inter-communication.

A commencement has been made with the erection of special telephone circuits for long-distance communication, and these services will be made available as the pole-lines are rebuilt; already the Christchurch to Rolleston Section has been completed.

The position in regard to communication facilities is tabulated below :—

Morse instruments	265
Telephones	2,414
Miles of wire	12,226
Miles of poles	3,052
Public-exchange connections	609
Railway exchanges—	
Automatic	5
Manual	5

Level-crossing Alarms.—Warning-signals have been installed at thirteen level crossings during the past year. A number of existing level-crossing alarms have been equipped with modern appliances and in some instances changed from bells to flashing lights. The total number of level crossings now fitted with warning-devices is 122.

Electrical Reticulation.—During the year a number of motor installations were completed at various workshops and locomotive depots. The installation of electric lighting was completed at fifty-eight stations, and twelve smaller installations were carried out at signals-cabins, offices, &c.

The Napier earthquake, which occurred on the 3rd February, 1931, damaged the communication services of the Department very considerably. Fortunately, some construction staff was in the district, and steps were immediately taken to endeavour to establish communication. Telephone communication Napier to Woodville was restored at 8.30 p.m. on Wednesday, 4th idem, and tablet completely restored on Thursday, 5th idem. Following this, as additional communication was required, it was decided to endeavour to rearrange the Morse circuits, and, by superimposing, it was found possible to give an additional direct line between Wellington and Napier; and this was brought into use during the afternoon of the 10th February. This additional communication proved of great value at the time, and has continued to give excellent service under normal working-conditions.

COMMERCIAL BRANCH.

Dealing with the activities of the Department on the commercial side, I would say, firstly, that the year has been a most difficult one. This has been due principally to the general depression and to the increased and increasing pressure of competition.

The adverse conditions being experienced throughout the Dominion, due to the world-wide depression and more particularly the decline in our primary-produce prices, have occasioned all classes of the community to seek reduced costs, and transport costs have felt the full effect of this tendency. This feature has resulted in the primary producer, manufacturer, merchant, and retailer adopting to a greatly increased degree the procedure of bargaining for prices. The effect has been that rail transport in its endeavours to hold its position has been compelled to make substantial reductions in its rates, to a greater extent than heretofore.

The result has been a substantial extension of our system of local rates for fixed lines of traffic between specified points. Apart from these measures, which in the aggregate are considerable, the extension of local rates for merchandise traffic from the principal trading centres to the inland towns served therefrom has similarly been extended, and it may now be said that local rates radiate from all centres carrying on a trade of any volume with other places distant up to 200 miles. In addition to the institution of local rates for the merchandise traffic, it has been necessary to provide for delivery services at the majority of the principal inland towns.

Reviewing the position in respect of the local rates provided to retain and secure the general merchandise traffic over the principal routes, I desire to say that a comparison of figures with the previous year's traffic would not substantiate any observation, favourable or otherwise, as to the general result accruing from such rates, as the general trade depression has obviously been affecting the three forms of transport—rail, road, and sea. We do know that there has been a heavy decline in traffic, but to what extent this is due to the trade depression on the one hand or to increased competition on the other would not be practicable to determine with any degree of precision. It can be said, however, that local rates have been effective in holding and regaining a volume of traffic, but, on the other hand, it is known that the intensive competition is responsible for a considerable portion of traffic being lost. The fluctuation in transport is inevitable under the conditions obtaining, due to the increasing competition of road-users not only with the railways, but also between themselves. Much of this competition is quite uneconomic, and I cannot foresee any improvement in the position unless some legislative method of control of transport is enacted and the principle of making the user pay adopted.

In conjunction with the introduction of local rates has been the establishment of local delivery services now in operation at thirty-five inland towns.

The delivery services have been instituted by reason of the increasing demand for a better transport service to the customer and to give equality, in a part measure at least, to that of the road motor service, otherwise a large volume of business would have been irretrievably lost.

The efforts made to combat road competition over the principal trading routes have had the effect of diverting the attention of the road operators towards the transport of a portion of the low-rated traffic, and, in consequence of this, together with economic conditions prevailing, the result has been that competition in the transport of the lower-rated commodities is now facing the railways. Whereas a few years ago it was generally concluded that road transport would not interfere with the conveyance of low-rated commodities, the circumstances have completely changed during the past two years, due to the rapidly changing economic conditions. The flow of these classes of traffic is principally to the

centres, and in order to minimize operating-costs the road-haulier will convey by way of back-loading practically any class of traffic offering, and can command therefor a slightly higher rate than rail itself, due to the collection and delivery costs being taken into account.

In connection with the transport of dairy-produce, we have been successful in retaining the greater portion of the business, and our figures show an increase of 24,500 tons over last year for butter and cheese. In every district serious attempts have been made by opponents to capture this class of traffic, but although in many instances it has again been necessary to substantially reduce rates the result has been that we are still holding the bulk of the business. In the Bay of Plenty district we have lost the Tauranga and the Rangitaiki Dairy Companies' output (3,500 tons) to sea, and in one or two instances in Taranaki and Upper Wairarapa districts the outputs of factories are conveyed by road. The tendency is, however, in the direction of our having to reduce rates due to the lower market prices for the products occasioning dairy companies seeking cheaper means of carriage and the increasing activities of road operators in attempts to secure the work.

The conveyance of wool during this year has had a marked decline, the decrease being 6,165 tons, or 30,825 bales, as compared with the previous year, which, compared with 1929 figures, dropped 17,079 tons, or 85,395 bales. Certainly a large portion of this year's clip is being held over in anticipation of a more favourable market price being obtained—the quantity so held being estimated in the annual review of one of the leading stock and station companies operating in the Dominion at nearly 210,000 bales—but our experience in the handling of this year's clip has shown that there is a greater tendency towards road transport being adopted. In practically every wool-growing area we have had to contend with increased competition and provide competitive rates shed to store, and action is being taken to guard our future interests as far as practicable in this respect.

Evidence that the facility provided by our inter-Island through-booking system is being appreciated lies in the fact that increased returns are shown on the previous year's figures, the increase in business being 2,000 tons freight; revenue increase, £4,281. During the year we effected an extension of the system to North and South Island ports additional to the service already established between Wellington and Lyttelton.

The through-booking system for goods traffic between Christchurch and Kaikoura has proved beneficial, and has resulted in the cessation of sea competition between Lyttelton and Kaikoura. Intensive road competition still exists over this route.

We have extended our system of through booking by arrangement with road carriers, and now provide a similar service between Inangahua and Westport and between Putorino-Wairoa and Gisborne. The dislocation of the line between Napier and Putorino by the recent earthquake has disturbed the arrangement with our road contractors over this route.

Reviewing the passenger side of our activities, it must obviously be concluded that the circumstances have been adverse to development of this class of traffic. Previous summers we have obtained very satisfactory results from the promotion of special week-end excursion trips between the principal centres and attractive resorts, but the conditions prevailing this year, together with the Napier earthquake disaster, have compelled us to restrict these excursions considerably. Those promoted, although not supported to the same extent as in previous years, have resulted satisfactorily.

The promotion of farmers' excursions, which had in previous winters developed to a considerable magnitude, had last winter to be abandoned on account of the adverse circumstances being experienced by the farming community. Similarly, this coming winter it is not considered advisable to attempt a revival of these tours.

During last winter we promoted a successful farmers' party tour to Australia, the object being to induce a reciprocal visit, and although an attempt was made to organize a farmers' party in Australia for a tour of New Zealand this winter the efforts made did not meet with sufficient inducement to justify the tour being proceeded with.

Attempts made to organize parties for travel to resorts have met with poor response, and similarly the travel at holiday periods, and that of pleasure and picnic parties and similar classes of traffic, have all been curtailed on account of prevailing conditions.

The visit of Lord and Lady Baden Powell and their association with the Boy Scout and Girl Guide movements occasioned the travel of large numbers of children to the principal centres; similarly the visit of the British Rugby Football team, which we conducted throughout its tour, was a means of inducing considerable traffic to all the centres at which matches were played.

The only overseas tourist party of any note handled during the year was the "Malolo" American cruise party of 180 persons, and in the conduct of their short tours we were associated with the Tourist Department. The travel arrangements for the overseas wool-buyers party during the Dominion wool sales season were again carried out by the Department.

It is estimated that overseas tourist traffic has decreased approximately 25 per cent. this season, and, considering the conditions in Australia at the present time and also in other countries, the prospects for an immediate increase in overseas visitors are not propitious.

Booking agencies established at the various centres now number forty-nine, inclusive of the Tourist Department's offices other than those at Wellington and Auckland. The agencies generally are providing a desired public facility, and are a means of attracting a certain amount of business to rail.

Reviewing the conditions which have obtained during the past year in respect of transport generally, and at the same time having regard to the fact that circumstances do not indicate that an improvement can be anticipated in the immediate future, the prospects for the incoming year from a business point of view indicate that it is likely to be a difficult one. The natural tendency in trade is to ease expenditure largely by restricting operations, consequently transport returns must be affected thereby, and with the slackness in trade urging road operators to maintain their position increased competition will result. Indications are that more frequently irresponsible people are attempting to make a livelihood from road carrying-operations, this in turn forcing established road carriers to reduce their costs to a minimum, which again must seriously reflect upon rail transport.

The efforts made to combat road competition have been effective to a certain extent only, inasmuch that the system of reducing rates and providing increased facilities has enabled us to hold a portion of the transport business, but, with the increasing competition being encountered from day to day, and the absence of any control of the situation generally, the position will obviously tend to become more acute, and this position will be intensified so long as the railways are faced with subsidized road competition.

STAFF.

The total number of staff employed on the 31st March, 1931, including those engaged on works chargeable to capital, was 17,806, as compared with 19,926 the previous year; and the average number actually at work throughout the year was 18,840, as compared with 19,410 the previous year. Of the average number of staff at work during the year, 13,612 were permanent and 5,228 were casual employees. The average number of men engaged on works chargeable to capital was 1,435, as against 1,382 last year.

Twenty-seven members of the Second Division were promoted to the First Division, 17 were transferred to other Government Departments, 113 resigned, 187 retired on superannuation, 56 died, 51 members were dismissed, and 112 engaged.

The sum of £45,539 was paid under the Workers' Compensation Act during the year to members of the Second Division who suffered injury in the course of their employment.

The decline in traffic during the year, due to circumstances over which we had no control—the general depression, &c.—placed us in the position that we were carrying a substantial surplus staff both permanent and temporary (the latter principally in the workshops). The extent to which any industry should be called upon to carry a surplusage of staff must, of course, have reasonable limits, as, if carried on indefinitely, the surplus places on the industry a financial burden which (as in the case of the Railway Department) it may not be in a position to bear.

I do not say that there are not any circumstances which would justify the Railway Department itself carrying surplus staff for a limited period. For instance, humane considerations, coupled with the desirability of keeping a certain minimum organization fairly intact, may well afford such a justification, but this in turn must be subject to a reasonable prospect of the whole quantum of staff, including the surplus, being again required within a reasonable time. If this condition is not present, then the position must be regarded as involving a more or less permanent reduction of the staff establishment, and this is a position which must call for adjustment. Even in such a case considerations of humanity would justify spreading the process of adjustment over a period rather than throwing a large number of men suddenly on to the labour-market. This policy has been pursued as far as possible in connection with the staff adjustments which circumstances have shown to be necessary in the Department, and wherever it was possible to avoid reductions or to take steps to minimize the hardships that were involved in the process of adjusting the staff every reasonable opportunity has been taken to act along this line. One line of action that has been taken in this connection has involved the retirement of a number of employees on superannuation after they had completed thirty-five years' service and before they had completed forty years' service, which latter term is that which entitled an employee to the maximum proportion of his rate of pay by way of pension. The basis of this action has been the conclusion that it was much more humane to retire those employees who would have some income from the industry to sustain them rather than to throw out of employment employees who would be entirely dependent on the (at present) doubtful chance of what they could earn. Fears have been expressed that this action might place an undue burden on the Superannuation Fund, but an examination of the position does not seem to afford any substantial basis for such fear. It must be remembered that the employees receive a smaller pension than they would have done had they completed forty years of service, and according as the period the employee continues on the fund lengthens the adverse effect on the fund is by comparison reduced.

Another phase of the retirement of employees at thirty-five years is the question of the efficient working of the Department. This is being carefully watched in determining the retirement of employees, and while, of course, these retirements will inevitably involve some loss of valuable experience, it is assured in each case that suitable arrangements can be made to carry on the work up to a satisfactory standard of efficiency.

The work of our staff administration during the year has been of an extremely heavy character and has involved many great difficulties. The matter of the adjustment of the staff and the difficulties associated therewith has been dealt with above. It need only be further mentioned in relation to the staff work that it involved an enormous amount of investigation and the working-out of arrangements to avoid hardship as much as possible, and this placed a very great strain on the staff section. Another very large work that was undertaken during the year was a comprehensive review of our permanent establishments. As pointed out in my report last year, we had, during that year, a general regrading of positions and had contemplated initiating the review of staff establishments previous to the regrading, but, as the regrading work had to be undertaken in pursuance of the statute in that behalf, the review of the establishments had necessarily to be postponed. The work was, however, diligently carried on during the year, with the result that many adjustments were found possible with substantial resulting economies. In many cases the adjustments caused members of the permanent staff to become surplus, and as none of these has yet been retrenched, and the process of absorption by resignations, retirements, &c., is necessarily a comparatively slow one, the full advantage of the work that has been accomplished in connection with the review of establishments has not yet accrued. The economies that have been made possible by the review and consequent adjustments are, however, of a permanent or quasi-permanent nature, and so represent a definite lowering of our working-costs. Every opportunity has been taken to utilize the surplus permanent staff to the best advantage. Some have been absorbed by the adoption of the policy of retirements on thirty-five years' service; others have been placed temporarily or otherwise with other Government Departments; and opportunity has been taken to utilize the services of surplus staff to overtake

arrears of annual leave due to the staff. The review was not completed at the close of the year, but is being carried on assiduously with a view to making the necessary adjustments to suitably meet the fluctuating conditions and obtain the consequent economies as soon as possible.

During the year the conduct of the staff has been good, and our industrial relationships have been quite satisfactory.

ROYAL COMMISSION.

A matter of considerable importance in connection with the work of the past year was the investigation by the Royal Commission. The report of the Commission has already been published. As, however, the matter contained therein had reference to conditions under the form of administration which was functioning at the time of the Royal Commission's investigation, and as also a radical change along the lines recommended by the Commission in that connection has been made since that time, it appears to me that no good purpose would be served by detailed comment on the Royal Commissioner's report at this stage. The Commission made some very valuable recommendations on matters of vital import to the Department, such as the system of control of the Department, the Department's financial structure, and the system of staff control. The first matter has already been dealt with by legislation, and the others, as well as the remaining subjects of the Royal Commission's report, will, so far as they may still require further action, no doubt be brought under review by the new administration in due course.

CONCLUSION.

Since the close of the year alterations have been made in the constitution of the Department by the setting-up of the Government Railways Board, and, as the arrangements provide for my taking over the chairmanship of that Board, this will be the last annual report that I will make in my present capacity. Considerations of time and space prevent my making a complete review of the last three years, but the main phases of our activities have been dealt with in the annual report that I have rendered each year. I would only say that a great deal of spade-work has been done both in the direction of improving our standard of service and of reducing costs, the effect of which is now being felt, and which, I feel confident, will continue to be felt in the coming years. This has entailed a large volume of work in the face of very great difficulties. In this latter connection I need only mention that since the period my general managership commenced—on 1st June, 1928—up to the time of writing there have been no less than three changes in the Ministerial control, a fourth change in the form of control by the constitution of the Government Railways Board, and a full overhaul of the Department by a Royal Commission. These circumstances alone were sufficient to very materially curtail the amount of time that could be devoted to fresh work and the amount of thought that could be given to new ideas. As I have previously had occasion to point out, the side of the Department's work that the management is most particularly concerned with is expenditure, and as regards that aspect I would emphasize the thought conveyed above—namely, that the ground-work which we were able to accomplish has already made itself substantially felt and will continue to do so. The Department has had the misfortune, as has practically every other kind of business, of having been faced with a serious trade depression, while the position regarding competition and the conditions in the transport industry generally have created a state of affairs, from a revenue point of view, that could only be described as difficult in the extreme. We have, however, maintained an unceasing vigilance as regards competition, and, as regards the condition of affairs in the industry, we have endeavoured, where possible, to secure co-ordination by voluntary effort, and as to the conditions which could not be met in that way we have endeavoured to bring to the public a view of the position in proper perspective. I feel sure that the result has been to help towards the position that is undoubtedly developing—namely, that public opinion is crystallizing in the direction of a realization of the necessity for something effective being done to rationalize the transport industry.

In concluding my term of office of General Manager I desire to thank my executive officers and the staff generally for the loyal support that has been given to me. I have had the benefit of much helpful suggestion from all ranks of the Service, and I feel a measure of pride in the fact that employees in even the lowest ranks have not been diffident in discussing matters of interest to the Department's business with me as I have moved about the system. I also desire to thank the press and the public generally for the help and patient consideration that they have extended to me. Here, also, I have had the benefit of many suggestions which have assisted me materially in carrying on the business of the Department. I have appreciated much friendly criticism, and I feel that it has been helpful not only from the point of view of the substantive points made therein, but from the fact that criticism, especially of a constructive character, serves an excellent purpose in keeping the organization up to a high standard of alertness.

This report has been made as brief as possible in deference to the wishes of the Economy Committee that reports should be curtailed in order to minimize expense. For this reason, also, a number of statements and graphs that have hitherto been published with the annual report are omitted for the reason that it was considered that their value was not commensurate with the cost of their compilation and publication.


General Manager.

Mr. E. T. L. Spidy, Superintendent of Workshops, and Mr. P. R. Angus, Assistant Chief Mechanical Engineer, have certified that the rolling-stock, machinery, and tools have been maintained in good working-order during the year.

Mr. F. C. Widdop, Chief Engineer, has certified that the track, structures, buildings, and appliances have been maintained in good order during the year.

Mr. G. W. Wyles, Signal and Electrical Engineer, has certified that all signalling and power installations and apparatus have been maintained in good order and condition during the year.

Mr. E. J. Guinness, Comptroller of Stores, has certified that the value of stores, material, and plant (purchased under Railway vote) on hand at 31st March, 1931, at the various stores, depots, and saw-mills amounted to £956,858 17s. 4d., as against £1,033,310 15s. 10d. on 31st March, 1930 ; and that the whole of the stock is in good order, has been systematically inspected, and is value for the amount stated.

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AND

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STATEMENT NO. 3.
INCOME AND EXPENDITURE IN RESPECT OF RAILWAY OPERATION, YEAR ENDED 31ST MARCH, 1931.

EXPENDITURE.	See Abstract.	1930-31.			1929-30.			Per Cent. of Operating Revenue.			REVENUE.	See Statement No.	1930-31.			1929-30.			Per Cent. of Operating Revenue.		
		£			£			1930-31.					1929-30.			1930-31.			1929-30.		
		s.	d.	£	s.	d.	£	s.	d.	s.			d.	£	s.	d.	s.	d.	£	s.	d.
Maintenance of way and works	A	1,150,328	17	4	1,146,014	3	3	16-97	15-33	15-33	Passengers, ordinary ..	..	17	1,531,376	6	2	1,733,512	5	11	22-58	23-19
Maintenance of signals and electrical appliances	B	104,463	13	10	117,576	19	7	1-54	1-57	1-57	Passengers, season tickets	..	..	247,349	0	10	262,414	14	10	3-64	3-51
Maintenance of rolling-stock	C	1,502,698	10	8	1,680,918	17	10	22-16	22-49	22-49	Parcels, luggage, and mails	..	..	359,276	6	6	386,792	6	11	5-30	5-18
Examination, lubrication, and lighting of vehicles	D	77,645	12	5	82,711	12	8	1-15	1-11	1-11	Goods .. ..	..	..	4,487,357	4	11	4,904,324	4	0	66-18	65-62
Locomotive transportation	E	1,517,026	2	6	1,672,496	13	1	22-38	22-38	22-38	Labour, demurrage, &c.	..	..	156,028	16	0	186,949	9	10	2-30	2-50
Traffic transportation	F	1,798,488	18	8	1,883,917	17	1	26-52	25-21	25-21											
General charges	G	87,700	11	5	96,466	7	7	1-29	1-29	1-29											
Superannuation subsidy																					
Less amount allocated to subsidiary services, &c.																					
17,838 10 6																					
Total operating expenses .. ..	..	6,406,143	11	3	6,848,025	11	2	94-48	91-63	91-63											
Net operating revenue .. ..	..	375,244	3	2	625,967	10	4	5-52	8-37	8-37											
	..	6,781,387	14	5	7,473,993	1	6	100-00	100-00	100-00		..	6,781,387	14	5	7,473,993	1	6	100-00	100-00	100-00

Item.	Kaihu.		Gisborne.		North Island Main Line and Branches.		South Island Main Line and Branches.		Westport.		Nelson.		Picton.		Total.	
	Total.	Per Mile of Rail- way.	Total.	Per Mile of Rail- way.	Total.	Per Mile of Rail- way.	Total.	Per Mile of Rail- way.	Total.	Per Mile of Rail- way.	Total.	Per Mile of Rail- way.	Total.	Per Mile of Rail- way.	Total.	Per Mile of Rail- way.

ABSTRACT A.—MAINTENANCE OF WAY AND WORKS.

General expenses—	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Branch ..	12	0·5	53	0·9	8,712	6·1	5,699	3·5	248	5·8	45	0·7	74	1·3	14,843	4·5
District ..	91	3·8	514	8·6	24,261	17·0	16,377	10·0	477	11·1	436	6·8	538	9·6	42,694	12·9
Road-bed ..	1,102	45·9	3,889	64·8	94,320	66·0	86,160	53·0	2,543	59·1	3,420	53·4	3,415	61·0	194,849	59·0
Track-renewals ..	1,788	74·4	6,268	104·4	262,053	183·2	245,538	151·0	7,217	167·8	5,420	84·8	5,696	101·7	533,980	161·7
Ballasting ..	41	1·7	139	2·3	27,161	19·0	13,668	8·4	722	16·8	63	1·0	379	6·8	42,173	12·8
Slips and floods ..	161	6·7	1,870	31·2	20,488	14·3	13,218	8·1	48	1·1	672	10·5	977	17·4	37,434	11·3
Fences, &c. ..	14	0·6	590	9·8	9,085	6·4	8,734	5·4	85	2·0	699	10·9	165	2·9	19,372	5·9
Roads, &c. ..	6	0·3	62	1·0	5,152	3·6	3,449	2·1	57	1·3	85	1·3	43	0·8	8,854	2·7
Bridges, &c. ..	1,051	43·8	2,529	42·2	61,150	42·7	50,826	31·3	1,734	40·3	2,387	37·3	2,486	44·4	122,163	37·0
Water-services, &c. ..	9	0·4	154	2·6	9,521	6·7	7,765	4·8	2,898	67·4	104	1·6	112	2·0	20,563	6·2
Wharves ..	..	..	..	..	12	..	5,421	3·3	2,666	62·0	..	..	6	0·1	8,105	2·5
Cattle-yards, &c. ..	48	2·0	114	1·9	6,077	4·2	4,379	2·7	16	0·4	42	0·7	218	3·9	10,894	3·3
Operation buildings ..	48	2·0	240	4·0	49,551	34·6	36,198	22·3	1,066	24·8	494	7·7	409	7·3	88,006	26·6
Betterments ..	..	..	..	..	4,220	3·0	2,126	1·3	..	..	53	0·8	..	..	6,399	1·9
	4,371	182·1	16,422	273·7	581,763	406·8	499,558	307·2	19,777	459·9	13,920	217·5	14,518	259·2	1,150,329	348·3
Per cent. of revenue ..	80·56		65·48		14·66		19·12		17·09		68·16		42·34		16·97	
Per cent. of operating expenditure	48·98		44·03		16·20		19·24		21·26		36·53		33·86		17·96	
Per train-mile (pence)	61·87		58·08		20·63		28·27		53·67		87·67		67·62		24·47	

ABSTRACT B.—MAINTENANCE OF SIGNALS AND ELECTRICAL APPLIANCES.

General expenses ..	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Signals and interlocking ..	7	0·3	30	0·5	4,762	3·3	3,115	1·9	136	3·2	24	0·4	42	0·7	8,116	2·5
Automatic and power signalling ..	..	..	16	0·3	14,547	10·1	9,123	5·6	338	7·9	51	0·8	32	0·6	24,107	7·3
Level-crossing signals ..	..	..	..	..	6,123	4·3	5,655	3·5	..	..	..	..	..	..	11,778	3·6
Instruments, block- working, tablets, &c. ..	4	0·2	24	0·4	1,835	1·3	1,229	0·8	222	5·1	46	0·7	28	0·5	3,064	0·9
Overhead lines, block- working, tablets, &c. ..	32	1·3	21	0·4	11,093	7·8	7,516	4·5	62	1·4	14	0·2	43	0·8	18,933	5·7
Overhead lines auto- matic signalling ..	..	..	..	..	7,247	5·1	5,800	3·6	..	..	..	..	..	..	13,219	4·0
Electric lighting used in operation ..	..	..	3	0·1	1,206	0·8	5,518	3·4	37	0·9	19	0·3	32	0·6	6,724	2·0
Overhead electrification and bonding ..	..	..	..	..	4,745	3·3	4,341	2·7	..	..	..	..	..	..	9,177	2·8
Electric-power ap- pliances ..	..	..	..	..	3,237	2·0	3,237	2·0	386	9·0	..	..	7	0·1	3,237	1·0
Signal Branch buildings ..	..	..	..	..	1,358	0·9	1,352	0·8	57	1·3	..	..	..	..	3,103	0·9
Betterments ..	..	..	..	..	937	0·7	1,545	1·0	43	1·0	..	..	..	..	2,539	0·8
	43	1·8	94	1·7	47	..	377	0·2	..	..	..	..	..	..	467	0·1
	43	1·8	94	1·7	53,900	37·6	48,808	30·0	1,281	29·8	154	2·4	184	3·3	104,464	31·6
Per cent. of revenue ..	2·26		0·37		1·36		1·87		1·11		0·75		0·54		1·54	
Per cent. of operating expenditure	0·48		0·25		1·50		1·88		1·38		0·40		0·43		1·63	
Per train-mile (pence)	0·61		0·33		1·91		2·76		3·48		0·77		0·86		2·22	

Item.	Kaihu.		Gisborne.		North Island.		South Island.		Westport.		Nelson.		Picton.		All Sections.	
	Total.	Per Train-mile.	Total.	Per Train-mile.	Total.	Per Train-mile.	Total.	Per Train-mile.	Total.	Per Train-mile.	Total.	Per Train-mile.	Total.	Per Train-mile.	Total.	Per Train-mile.

ABSTRACT C.—MAINTENANCE OF ROLLING-STOCK.

	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
General charges—																
Branch	15	0·2	71	0·3	11,140	0·4	7,343	0·4	322	0·9	57	0·3	95	0·4	19,043	0·4
District .. ..	..	..	..	..	3,753	0·1	2,840	0·2	..	..	..	..	..	..	6,593	0·1
Locomotives, including rail and electric	164	2·3	2,181	7·7	398,642	14·1	254,113	14·4	6,453	17·5	2,941	14·6	4,832	22·5	669,326	14·2
Cars	82	1·2	582	2·1	153,921	5·5	79,819	4·5	1,514	4·1	520	2·6	794	3·7	237,232	5·0
Vans and postal vans	39	0·6	194	0·7	25,432	0·9	13,208	0·7	301	0·8	125	0·6	256	1·2	39,555	0·8
Wagons	423	6·0	2,450	8·6	255,909	9·1	221,602	12·5	10,851	29·4	1,449	7·2	1,713	8·1	494,397	10·5
Service vehicles ..	6	0·1	35	0·1	5,902	0·2	6,067	0·3	127	0·3	30	0·1	45	0·2	12,212	0·3
Tarpaulins, ropes, and nets	60	0·8	108	0·4	14,496	0·5	8,618	0·5	223	0·6	115	0·6	721	3·3	24,341	0·5
	789	11·2	5,621	19·9	869,195	30·8	593,610	33·5	19,791	53·6	5,237	26·0	8,456	39·4	1,502,699	31·8
Per cent. of revenue ..	14·54		22·41		21·91		22·72		17·10		25·64		24·66		22·16	
Per cent. of operating expenditure	8·84		15·07		24·21		22·87		21·27		13·74		19·72		23·46	
Per mile of railway £	33		94		608		365		460		82		151		455	

ABSTRACT D.—EXAMINATION, LUBRICATION, AND LIGHTING OF VEHICLES.

	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
Examination and lubrication of cars, vans, and wagons	40	0·6	153	0·5	23,124	0·8	17,326	1·0	866	2·4	183	0·9	162	0·8	41,854	0·9
Lighting rolling-stock, Pintsch and acetylene gas	11	0·2	75	0·3	13,689	0·5	6,647	0·4	187	0·5	75	0·4	82	0·4	20,766	0·4
Electric lighting of vehicles	..	..	..	..	8,027	0·3	2,288	0·1	..	..	..	..	..	..	10,315	0·2
Depot expenses ..	..	..	..	..	2,838	0·1	1,873	0·1	..	..	..	..	..	..	4,711	0·1
	51	0·8	228	0·8	47,678	1·7	28,134	1·6	1,053	2·9	258	1·3	244	1·2	77,646	1·6
Per cent. of revenue ..	0·94		0·91		1·20		1·08		0·91		1·26		0·71		1·15	
Per cent. of operating expenditure	0·57		0·61		1·33		1·08		1·13		0·68		0·57		1·21	
Per mile of railway £	2		4		33		17		24		4		4		24	

ABSTRACT E.—LOCOMOTIVE TRANSPORTATION.

	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
General charges (district)	..	..	..	..	5,015	0·2	4,363	0·2	..	..	..	..	..	..	9,378	0·2
Depot supervision ..	1	..	120	0·4	27,255	1·0	17,235	1·0	1,201	3·3	7	..	51	0·2	45,870	1·0
Wages, allowances, and expenses	804	11·4	2,270	8·0	312,128	11·1	206,222	11·7	7,044	19·1	2,187	10·9	3,090	14·4	533,745	11·4
Fuel	455	6·4	4,720	16·7	471,275	16·7	244,106	13·8	5,092	13·8	3,492	17·4	3,593	16·7	732,733	15·6
Water	8	0·1	118	0·4	14,841	0·5	7,115	0·4	149	0·4	122	0·6	57	0·3	22,410	0·5
Stores	22	0·3	129	0·5	14,058	0·5	10,127	0·6	317	0·9	88	0·4	117	0·5	24,858	0·5
Shed-expenses ..	273	3·9	680	2·4	88,515	3·1	54,921	3·1	2,235	6·1	613	3·1	794	3·7	148,031	3·1
	1,563	22·1	8,037	28·4	933,087	33·1	544,089	30·8	16,038	43·6	6,509	32·4	7,702	35·8	1,517,026	32·3
Per cent. of revenue ..	28·81		32·05		23·52		20·82		13·86		31·87		22·46		22·38	
Per cent. of operating expenditure	17·51		21·55		25·99		20·96		17·24		17·08		17·96		23·68	
Per mile of railway £	65		134		653		335		373		102		138		459	

Item.	Kaihu.		Gisborne.		North Island Main Line and Branches.		South Island Main Line and Branches.		Westport.		Nelson.		Picton.		Total.	
	Total.	Per Train-mile.	Total.	Per Train-mile.	Total.	Per Train-mile.	Total.	Per Train-mile.	Total.	Per Train-mile.	Total.	Per Train-mile.	Total.	Per Train-mile.	Total.	Per Train-mile.
ABSTRACT F.—TRAFFIC TRANSPORTATION.																
General expenses—	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
Branch	40	0·6	196	0·7	30,110	1·1	19,915	1·1	893	2·4	155	0·8	254	1·2	51,563	1·1
District	19	0·3	1,177	4·2	64,508	2·3	49,146	2·8	1,935	5·3	1,237	6·2	1,301	6·1	119,323	2·5
Station expenses—																
Supervision and office	1,201	17·0	1,705	6·0	260,068	9·3	215,844	12·2	3,555	9·6	1,821	9·0	2,945	13·6	487,139	10·4
Platform	53	0·8	14	..	82,456	2·9	45,613	2·6	1,000	2·7	102	0·5	262	1·2	129,500	2·8
Signalling .. ..	..	..	383	1·4	107,194	3·8	61,903	3·5	2,141	5·8	146	0·7	20	0·1	171,787	3·7
Shunting and marshalling yards	49	0·7	335	1·2	116,212	4·2	96,085	5·4	5,145	14·0	461	2·3	571	2·7	218,858	4·7
Goods-sheds and goods-yards	65	0·9	296	1·0	96,288	3·4	99,110	5·6	462	1·3	590	2·9	1,090	5·1	197,901	4·2
Wharves	23	0·3	..	..	20,371	0·7	78,468	4·4	13,132	35·6	..	..	2,701	12·5	114,695	2·4
Fuel, water, stationery, and other station expenses	65	0·9	607	2·1	17,249	0·6	16,450	0·9	289	0·8	273	1·4	243	1·1	35,176	0·7
Train expenses—																
Running	364	5·2	925	3·3	110,796	3·9	75,676	4·3	1,950	5·3	897	4·5	814	3·8	191,422	4·1
Cleaning and heating vehicles	22	0·3	307	1·1	36,424	1·3	20,379	1·2	127	0·3	216	1·0	290	1·4	57,765	1·2
Sleeping-cars .. ..	..	..	..	..	9,607	0·3	1,248	0·1	..	..	..	..	..	..	10,855	0·2
Miscellaneous	3	..	2	..	3,395	0·1	3,678	0·2	46	0·1	5,364	26·7	17	0·1	12,505	0·3
	1,904	27·0	5,947	21·0	954,678	33·9	783,515	44·3	30,675	83·2	11,262	56·0	10,508	48·9	1,798,489	38·3
Per cent. of revenue ..	35·09		23·71		24·06		29·99		26·51		55·14		30·64		26·52	
Per cent. of operating expenditure	21·34		15·95		26·59		30·18		32·98		29·55		24·51		28·07	
Per mile of railway £	79		99		668		482		713		176		188		545	

ABSTRACT G.—GENERAL CHARGES.																
	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
Head Office	28	0·3	128	0·4	20,183	0·8	13,292	0·8	587	1·6	104	0·5	174	0·8	34,496	0·7
Departmental buildings	4	0·1	20	0·1	3,226	0·1	2,124	0·1	94	0·3	17	0·1	28	0·2	5,513	0·2
Appeal Board	1	..	3	..	548	..	360	..	16	..	3	..	5	..	936	..
Chief Accountant ..	24	0·3	113	0·3	17,859	0·6	11,762	0·7	521	1·5	92	0·4	154	0·7	30,525	0·6
Divisional Superintendence—																
North Island	5	0·1	22	0·1	3,411	0·1	2,246	0·1	99	0·3	18	0·1	29	0·2	5,830	0·2
South Island	4	0·1	20	0·1	3,098	0·1	2,041	0·1	90	0·2	16	0·1	27	0·1	5,296	0·1
Training School	4	0·1	19	0·1	2,988	0·1	1,968	0·1	87	0·2	15	0·1	26	0·1	5,107	0·1
Totals	70	1·0	325	1·1	51,313	1·8	33,793	1·9	1,494	4·1	265	1·3	443	2·1	87,701	1·9
Per cent. of revenue ..	1·29		1·30		1·29		1·29		1·29		1·30		1·29		1·29	
Per cent. of operating expenditure	0·78		0·87		1·43		1·30		1·61		0·70		1·03		1·37	
Per mile of railway £	2·92		5·42		35·88		20·78		34·74		4·14		7·91		26·55	
Superannuation subsidy	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
	134	1·9	620	2·2	98,168	3·5	64,651	3·7	2,863	7·8	505	2·5	848	3·9	167,790	3·6

SUMMARY OF EXPENDITURE ABSTRACTS.

Abstract and Item.	Kaihu.	Gisborne.	North Island Main Line and Branches.	South Island Main Line and Branches.	Westport.	Nelson.	Picton.	Totals.
	£	£	£	£	£	£	£	£
A.—Maintenance of Way and Works ..	4,371	16,422	581,763	499,558	19,777	13,920	14,518	1,150,329
B.—Maintenance of Signals and Electrical Appliances	43	94	53,900	48,808	1,281	154	184	104,464
C.—Maintenance of Rolling-stock ..	789	5,621	869,195	593,610	19,791	5,237	8,456	1,502,699
D.—Examination, Lubrication, and Lighting of Vehicles	51	228	47,678	28,134	1,053	258	244	77,646
E.—Locomotive Transportation ..	1,563	8,037	933,087	544,089	16,038	6,509	7,702	1,517,026
F.—Traffic Transportation ..	1,904	5,947	954,678	783,515	30,675	11,262	10,508	1,798,489
G.—General Charges ..	70	325	51,313	33,793	1,494	265	443	87,701
Superannuation Subsidy ..	134	620	98,168	64,651	2,863	505	848	167,790
	8,925	37,294	3,589,782	2,596,158	92,972	38,110	42,903	6,406,144
Per cent. of revenue ..	164·49	148·71	90·48	99·36	80·34	186·60	125·11	94·48
Per mile of railway ..	372	622	2,510	1,497	2,162	595	766	1,939
Per train-mile (pence) ..	126·33	131·89	127·30	146·92	252·30	189·66	199·84	136·28

STATEMENT No. 4.

INCOME AND EXPENDITURE IN RESPECT OF LAKE WAKATIPU STEAMERS.

EXPENDITURE.	1930-31.	1929-30.	Per Cent. of Revenue.		REVENUE.	1930-31.	1929-30.	Per Cent. of Revenue.	
			1930-31.	1929-30.				1930-31.	1929-30.
	£	£				£	£		
Salaries and wages, shore staff ..	1,549	1,553	16.90	13.56	Ordinary passengers ..	3,412	4,238	37.22	37.03
Salaries and wages, steamer staff ..	5,229	5,688	57.04	49.69	Season tickets ..	115	141	1.26	1.23
Coal and stores ..	1,860	2,572	20.29	22.47	Parcels, luggage, and mails ..	872	936	9.51	8.17
Repairs, steamers ..	1,265	3,523	13.80	30.78	Goods ..	4,740	6,070	51.72	53.03
Repairs, wharves, &c... ..	520	1,495	5.68	13.06	Miscellaneous ..	27	62	0.29	0.54
Insurance, renewals, &c. ..	1,739	1,712	18.98	14.96					
	12,162	16,543	132.69	144.52	Total revenue ..	9,166	11,447	100.00	100.00
					Operating loss ..	2,996	5,096	32.69	44.52
Operating loss ..	2,996	5,096				12,162	16,543	132.69	144.52
Payments to railway revenue—									
Interest on capital ..	1,902	1,831			Net loss ..	4,898	6,927		
	4,898	6,927				4,898	6,927		

STATEMENT No. 5.

INCOME AND EXPENDITURE IN RESPECT OF REFRESHMENT SERVICE.

EXPENDITURE.	1930-31.	1929-30.	Per Cent. of Revenue.		REVENUE.	1930-31.	1929-30.
			1930-31.	1929-30.			
	£	£				£	£
Salaries and wages ..	40,514	41,657	34.73	31.72	Receipts from refreshment-rooms ..	116,665	131,342
Provisions consumed ..	46,670	53,213	40.00	40.52			
Light, fuel, and water ..	2,625	2,798	2.25	2.13			
Renewals ..	3,555	3,208	3.05	2.44			
Insurance and miscellaneous ..	5,063	5,195	4.34	3.95			
	98,427	106,071	84.37	80.76			
Operating profit ..	18,238	25,271	15.63	19.24			
	116,665	131,342	100.00	100.00		116,665	131,342
Payments to railway revenue—							
Interest on capital ..	1,184	1,099			Operating profit ..	18,238	25,271
Rent ..	9,100	11,170					
Freights and fares ..	4,278	4,521					
Betterments ..	..	1,500					
Earthquake relief—Cost of services and refreshments supplied gratis ..	335	..					
Net profit ..	3,341	6,981					
	18,238	25,271				18,238	25,271

STATEMENT No. 5A.

INCOME AND EXPENDITURE IN RESPECT OF BOOK-STALL SERVICE.

EXPENDITURE.	1930-31.	1929-30.	Per Cent. of Revenue.		REVENUE.	1930-31.	1929-30.
			1930-31.	1929-30.			
	£	£				£	£
Wages ..	445	122	11.41	12.68	Receipts ..	3,898	959
Stores ..	2,657	644	68.17	67.17			
Miscellaneous ..	53	9	1.35	0.93			
	3,155	775	80.93	80.78			
Operating profit ..	743	184	19.07	19.22			
	3,898	959	100.00	100.00		3,898	959
Payments to railway revenue—							
Rents ..	26	94			Operating profit ..	743	184
Rail freights ..	1	..					
Net profit ..	716	90					
	743	184				743	184

STATEMENT No. 6.
INCOME AND EXPENDITURE IN RESPECT OF ADVERTISING SERVICE.

EXPENDITURE.	1930-31.	1929-30.	Per Cent. of Revenue.		REVENUE.	1930-31.	1929-30.	Per Cent. of Revenue.	
			1930-31.	1929-30.				1930-31.	1929-30.
	£	£				£	£		
Salaries, wages, and allowances	10,364	14,572	20·74	27·22	Advertising-signs, printing, &c.	49,037	51,181	98·19	95·60
Stores and materials ..	2,150	3,622	4·30	6·77	Miscellaneous receipts ..	904	2,351	1·81	4·40
Office and general expenses ..	4,003	3,721	8·02	6·95					
Insurance and depreciation ..	14,965	15,130	29·98	28·26					
	31,482	37,045	63·04	69·20					
Operating profit ..	18,459	16,487	36·96	30·80					
	49,941	53,532	100·00	100·00		49,941	53,532	100·00	100·00
Payments to railway revenue—					Operating profit ..	18,459	16,487		
Interest on capital ..	2,070	2,335							
Rent of premises, sites, and commission	12,880	13,255							
Freights ..	260	323							
Reserve for bad and doubtful debts	2,000	..							
Betterments ..	..	193							
Net profit ..	1,249	381							
	18,459	16,487				18,459	16,487		

STATEMENT No. 7.
INCOME AND EXPENDITURE IN RESPECT OF DEPARTMENTAL DWELLINGS.

EXPENDITURE.	1930-31.	1929-30.	Per Cent. of Revenue.		REVENUE.	1930-31.	1929-30.
			1930-31.	1929-30.			
	£	£				£	£
Wages and charges ..	37,063	48,077	31·88	43·84	Rentals ..	116,256	109,649
Materials ..	10,584	14,298	9·10	13·04			
Insurance ..	4,901	4,782	4·22	4·36			
Renewals ..	37,340	36,435	32·12	33·23			
	89,888	103,592	77·32	94·47			
Operating profit ..	26,368	6,057	22·68	5·53			
	116,256	109,649	100·00	100·00		116,256	109,649
Payments to railway revenue—					Operating profit ..	26,368	6,057
Interest ..	88,522	84,224			Net loss ..	62,154	78,167
	88,522	84,224				88,522	84,224

STATEMENT No. 8.
INCOME AND EXPENDITURE IN RESPECT OF BUILDINGS OCCUPIED BY REFRESHMENT SERVICE, BOOK-STALL PROPRIETORS, ETC.

EXPENDITURE.	1930-31.	1929-30.	Per Cent. of Revenue.		REVENUE.	1930-31.	1929-30.
			1930-31.	1929-30.			
	£	£				£	£
Wages and charges ..	1,181	1,768	5·90	8·26	Rentals ..	20,022	21,405
Materials ..	255	555	1·27	2·59			
Insurance and renewals ..	3,177	2,596	15·87	12·13			
	4,613	4,919	23·04	22·98			
Operating profit ..	15,409	16,486	76·96	77·02			
	20,022	21,405	100·00	100·00		20,022	21,405
Payments to railway revenue—					Operating profit ..	15,409	16,486
Interest ..	5,191	4,225					
Net profit ..	10,218	12,261					
	15,409	16,486				15,409	16,486

STATEMENT No. 9.

INCOME AND EXPENDITURE IN RESPECT OF ROAD MOTOR SERVICES.

EXPENDITURE.	1930-31.	1929-30.	Per Cent. of Revenue.		REVENUE.	1930-31.	1929-30.	Per Cent. of Revenue.	
			1930-31.	1929-30.				1930-31.	1929-30.
	£	£				£	£		
Superintendence — Salaries and office expenses	9,419	8,858	9.11	8.38	Passengers	101,561	103,884	98.27	98.27
Maintenance charges	16,336	22,405	15.81	21.20	Parcels	1,737	1,740	1.68	1.65
Running-expenses	52,548	55,238	50.85	52.26	Advertising	50	78	0.05	0.08
License fees	3,127	3,081	3.03	2.91					
Insurance and depreciation ..	21,313	21,996	20.62	20.81					
	102,743	111,578	99.42	105.56		103,348	105,702	100.00	100.00
Operating profit	605	..	0.58	..	Operating loss .. .. .	..	5,876	..	5.56
	103,348	111,578	100.00	105.56		103,348	111,578	100.00	105.56
Operating loss .. .. .	..	5,876			Operating profit	605	..		
Payments to railway revenue—					Net loss	5,843	11,415		
Interest on capital	2,787	2,002							
Preliminary expenses	3,537	3,537							
Earthquake relief — Cost of services rendered gratis	124	..							
	6,448	11,415				6,448	11,415		

STATEMENT No. 10.

RAILWAY EMPLOYEES' SICK BENEFIT SOCIETY.

Income and Expenditure.

Expenditure.	1930-31.	1929-30.	Income.	1930-31.	1929-30.
	£	£		£	£
To Sick pay paid to members	25,021	30,242	By Contributions	21,117	21,067
Balance carried down, being excess of income over expenditure	4,545	..	Entrance fees	89	302
			Interest on investments	357	228
			Donation	1	1
			Fines	2	..
			Subsidy as per section 5 subsection (1) of Government Railways Amendment Act, 1928, charged to Working Railways Account	8,000	8,000
			Balance carried down, being excess of expenditure over income	..	644
	29,566	30,242		29,566	30,242
To Balance brought down .. .. .	..	644	By accumulated funds brought forward on 1st April, 1930	5,691	6,335
Balance accumulated funds as at 31st March, 1931	10,236	5,691	Balance brought down	4,545	..
	10,236	6,335		10,236	6,335

Balance-sheet.

Liabilities.	£	£	Assets.	£	£
Accumulated Funds Account	10,236	5,691	Investment Account	9,186	6,528
Working Railways Account .. .. .	..	734	Cash in Working Railways Account	1,063	..
Sundry creditors .. .. .	..	31	Contributions outstanding at 31st March, 1931	6	6
Sick pay (due not paid)	19	79	Entrance fees outstanding at 31st March, 1931	..	1
	10,255	6,535		10,255	6,535

STATEMENT No. 11.

STATEMENT OF LOSSES ON DEVELOPMENTAL BRANCH LINES FROM 2ND MARCH, 1930, TO 28TH FEBRUARY, 1931, AND ISOLATED SECTIONS FROM 1ST APRIL, 1930, TO 31ST MARCH, 1931.

Branches showing Loss.	Mileage.	Loss on Working.	Feeder Value.	Total Net Loss.	Loss, including Interest.	Average per Mile of Line.					
						Branch Revenue.	Feeder Value.	Total Revenue.	Working-expenses.	Interest.	Total Loss.
		£	£	£	£	£	£	£	£	£	£
Kaikohe	25	7,677	3,231	4,446	19,800	276	129	405	583	614	792
Kirikopuni	14	5,862	1,647	4,215	49,448	195	118	313	614	3,231	3,532
Waiuku	13	3,917	1,612	2,305	11,508	396	124	520	697	708	885
Taneatua	111	43,085	9,820	33,265	153,529	568	88	656	956	1,083	1,383
Toko	48	12,292	1,596	10,696	43,963	373	33	406	630	693	916
Opunake	23	3,786	2,081	1,705	20,955	218	90	308	382	837	911
Greytown	3	2,154	891	1,263	1,818	170	297	467	888	185	606
Putorino	39	5,479	833	4,646	26,981	124	21	145	265	573	692
North Island totals	276	84,252	21,711	62,541	328,002	384	79	463	690	962	1,188
Eyreton-Oxford	54	10,569	667	9,902	16,870	128	12	140	324	129	312
Cheviot	44	8,522	1,804	6,718	23,651	435	41	476	629	385	538
Little River	23	6,016	254	5,762	10,968	334	11	345	596	226	477
Southbridge	26	663	1,067	404*	4,688	786	41	827	811	196	180
Whitecliffs	12	837	729	108	1,228	214	61	275	283	93	102
Methven	23	1,345	1,726	381*	3,515	481	75	556	539	169	153
Springburn	28	4,981	530	4,451	7,586	172	19	191	350	112	271
Fairlie	37	3,551	1,217	2,334	9,492	396	33	429	492	193	257
Waimate	13	6,910	1,674	5,236	7,715	261	129	390	793	191	593
Kurow	38	3,310*	2,416	5,726*	1,113	581	64	645	494	180	29
Ngapara-Livingstone	27	2,954	491	2,463	9,784	127	18	145	236	271	362
Waihemo	9	271	1,013	742*	903	269	113	382	299	183	100
Otago Central	147	25,954	1,986	23,968	90,802	645	14	659	822	455	618
Outram	9	3,610	422	3,188	5,146	242	47	289	643	217	572
Roxburgh	61	18,527	1,245	17,282	49,039	254	20	274	558	521	804
Catlins River	43	6,662	2,493	4,169	24,961	399	58	457	554	484	580
Tapanui	27	5,554	1,542	4,012	9,828	236	57	293	442	215	364
Waikaka	13	1,731	575	1,156	4,330	175	44	219	308	244	333
Switzers	14	2,530	501	2,029	5,675	134	36	170	315	260	405
Glenham	10	3,814	741	3,073	5,524	139	74	213	520	245	552
Seaward Bush	34	4,245	873	3,372	11,876	356	26	382	481	250	349
Orawia	9	1,837	400	1,437	6,282	84	44	128	289	538	698
Forest Hill	13	1,352	827	525	1,777	226	64	290	330	96	137
Mararoa	12	227	310	83*	1,147	95	26	121	114	103	96
South Island totals	726	119,352	25,503	93,849	313,900	382	35	417	546	303	432
Total, both Islands	1,002	203,604	47,214	156,390	641,902	383	47	430	586	485	641
<i>Isolated Sections.</i>											
Kaihu	24	3,206	..	3,206	11,414	..	..	238	372	342	476
Gisborne	60	11,145	..	11,145	47,924	..	..	436	622	613	799
Nelson	64	17,339	..	17,339	42,263	..	..	324	595	389	660
Picton	56	7,441	..	7,441	36,796	..	..	633	766	524	657
Total	204	39,131	..	39,131	138,397	..	..	433	624	487	678
Grand total	1,206	242,735	47,214	195,521	780,299	..	..	..	..	..	..

* Indicates profit.

Eskdale-Putorino extension taken over, 6th October, 1930.

Napier-Putorino extension closed from 3rd February, 1931, owing to earthquake damage.

STATEMENT No. 12.

STATEMENT OF CASH RECEIPTS AND PAYMENTS.—WORKING RAILWAYS ACCOUNT.

<i>Receipts.</i>			£	s.	d.	<i>Payments.</i>			£	s.	d.
To Balance brought forward .. .. .	..	..	70,936	3	2	By Investments, Sick Benefit Fund .. .. .	..	..	2,300	0	0
Revenue receipts .. .. .	..	..	7,568,702	3	0	Wages and vouchers .. .. .	..	..	7,558,892	6	11
"Credits-in-aid" (Working Railways expenditure) .. .. .	..	..	1,361,423	6	11	Refunds to Harbour Boards, shipping companies, and other carriers .. .. .	..	..	274,002	12	4
Contributions to Sick Benefit Fund .. .. .	..	..	29,311	4	3	Interest on capital .. .. .	..	..	685,000	0	0
Interest .. .. .	..	..	2,690	4	1	Payments from Sick Benefit Fund .. .. .	..	..	24,690	19	6
						Balance as per general balance-sheet .. .. .	..	..	488,177	2	8
			£9,033,063	1	5				£9,033,063	1	5

Reconciliation Statement.

	£	s.	d.	£	s.	d.
Credit balance in Working Railways Account as per Treasury figures	479,688	7	2
Add—						
Imprests outstanding	7,589	11	10
Cash in transit	33	17	8
Charges debited by Treasury after accounts closed	865	6	0
				8,488	15	6
Credit balance as per above statement	£488,177	2	8

STATEMENT No. 13.

RENEWALS, DEPRECIATION, AND EQUALIZATION RESERVE ACCOUNTS.

SLIPS, FLOODS, AND ACCIDENTS EQUALIZATION RESERVE ACCOUNT.

<i>Expenditure.</i>				<i>Income.</i>			
	£	s.	d.		£	s.	d.
To Repairs to bridges, slips, and washouts	356	10	6	By Balance from previous year	17,219	18	0
Balance	48,856	7	6	Contributions debited to working-expenses	21,671	0	0
				Recoveries from capital	10,322	0	0
	£49,212	18	0		£49,212	18	0
				By Balance	£48,856	7	6

WORKERS' COMPENSATION RESERVE ACCOUNT.

<i>Expenditure.</i>				£	s.	d.	<i>Income.</i>				£	s.	d.
To Accident payments	..	..	..	45,538	11	0	By Balance from previous year	..	15,501	15	0	0	0
Balance	..	..	..	12,230	0	0	Premiums debited to working-expenses		42,266	16	0	0	0
				£57,768	11	0					£57,768	11	0
							By Balance	..	..	..	£12,230	0	0

INSURANCE RESERVE ACCOUNT.

<i>Expenditure.</i>				£	s.	d.	<i>Income.</i>				£	s.	d.
To Losses	..	..	..	4,200	8	8	By Balance from previous year	..	33,910	15	4		
Upkeep Railway fire brigades and fire appliances	..	..	..	2,190	8	10	Premiums debited to working-expenses	15,829	6	9			
Balance	..	..	..	43,349	4	7							
				<u>£49,740</u>	<u>2</u>	<u>1</u>				<u>£49,740</u>	<u>2</u>	<u>1</u>	
							By Balance	..	..	..	43,349	4	7

GENERAL RENEWALS AND DEPRECIATION RESERVE ACCOUNT.

<i>Expenditure.</i>			£	s.	d.	<i>Income.</i>			£	s.	d.
To Relaying of track	..	..	178,901	18	6	By Balance from previous year	..	..	1,687,561	14	6
Bridges, buildings, &c.	..	..	33,314	5	0	Contributions debited to working-					
Rolling-stock	..	..	139,873	0	11	expenses	..	..	766,072	16	2
Locomotive workshops and plant	..	..	14,530	19	7						
Dwellings	..	..	806	14	4						
Road motors	..	..	18,297	6	2						
Balance	..	..	2,067,910	6	2						
			£2,453,634	10	8				£2,453,634	10	8
						By Balance	..	..	£2,067,910	6	2

BETTERMENTS RESERVE ACCOUNT.

<i>Expenditure.</i>				£	s.	d.	<i>Income.</i>				£	s.	d.
To Buildings (Refreshment Branch)	..			282	1	1	By Balance	..	..	..	4,288	18	4
Balance	..	..	..	4,006	17	3							
				<u>£4,288</u>	<u>18</u>	<u>4</u>					<u>£4,288</u>	<u>18</u>	<u>4</u>
							By Balance	..	..	..	£4,006	17	3

STATEMENT No. 14.

EXPENDITURE ON CONSTRUCTION OF RAILWAYS, ROLLING-STOCK, ETC., TO 31ST MARCH, 1931; NET REVENUE AND RATE OF INTEREST EARNED ON CAPITAL EXPENDED ON OPENED LINES FOR YEAR ENDED SAME DATE.

Section of Railway.	Opened Lines.			Unopened Lines.	Net Revenue.	Rate of Interest earned.
	Lines and Works.	Rolling-stock.	Total.			
	£	£	£	£	£	£ s. d.
Kaihu	177,137	13,043	190,180	..	-3,499	..
"
Gisborne	775,324	72,960	848,284	..	-12,218	..
" .. .. .	..	..	..	1,325,787	..	..
North Island Main Line and Branches ..	25,973,378	6,341,994	32,315,372	..	377,440	1 4 3
" .. .. .	..	..	..	5,533,734	..	..
South Island Main Line and Branches ..	17,807,919	4,942,163	22,750,082	..	17,086	0 1 6
" .. .. .	..	..	..	216,229	..	..
Westport	563,135	152,100	715,235	..	22,701	3 3 8
" .. .. .	..	..	..	497,826	..	..
Nelson	532,871	42,632	575,503	..	-17,685	..
" .. .. .	..	..	..	268,613	..	..
Picton	631,849	49,731	681,580	..	-8,581	..
" .. .. .	..	..	..	243,604	..	..
	46,461,613	11,614,623	58,076,236	8,085,793	375,244	0 13 3
Lake Wakatipu steamer service	45,040	..	45,040	..	-4,898	..
Subsidiary services, &c.	2,413,982	..	2,413,982	..	318,381	13 6 2
<i>In suspense—</i>						
Surveys, North Island .. ..	..	..	..	30,501	..	..
Surveys, South Island .. ..	..	..	..	5,763	..	..
General	9,896	..	9,896	10,337	..	..
P.W.D. stock of permanent-way ..	..	..	..	1,477	..	..
	48,930,531	11,614,623	60,545,154	..	688,727	1 3 3
	..	..	..	8,133,871	..	..
Total cost of opened and unopened lines at 31st March, 1931	..	..	68,679,025	..	..	1 0 6

NOTE.—The amount stated in this return as the cost of construction of opened lines includes the Provincial and General Government expenditure on railways. It also includes the Midland Railway and expenditure by the Greymouth and Westport Harbour Boards on railways and wharves under the provisions of section 7 of the Railways Authorization Act, 1885, the information regarding the last-mentioned being furnished by the respective Boards. The rate of interest earned has been computed on the cost proportionately to the time during which the lines taken over by the Working Railways Department within the financial year were earning revenue, thus: North Island Main Line and Branches—Eskdale-Putorino opened for traffic 6th October, 1930. No allowance has been made in the capital for the writing-off of £3,100,000, *vide* section 20, Finance Act, 1929. The rate of interest earned on the reduced capital was £1 6s. 6d. per cent.

STATEMENT NO. 15.

EXPENDITURE UNDER VOTE FOR ADDITIONS TO OPEN LINES, CHARGED TO CAPITAL ACCOUNT, FOR THE YEAR ENDED 31ST MARCH, 1931.

Way and Works Branch: Particulars of Works, &c.

Work, &c.	Kaihu.	North Island Main Line and Branches.	South Island Main Line and Branches.	West- port.	General.	Total.
	£	£	£	£	£	£
Land .. .. .	..	Cr. 1,700	Cr. 2,265	..	..	Cr. 3,965
Grading and formation .. .. .	..	11,488	23,281	..	..	34,769
Bridges, culverts, and subways	138	Cr. 47,830	2,764	..	..	Cr. 44,928
Fences, gates, and cattlestops .. .. .	..	163	458	..	..	621
Permanent-way	17	4,618	11,800	..	..	16,435
Station buildings, platforms, cattleyards, and loading-banks	342	Cr. 76	5,272	..	..	5,538
Engine-sheds, car and wagon depots, and other operating buildings .. .. .	..	Cr. 33	255	..	..	222
Dwellings .. .. .	..	4,551	2,350	..	..	6,901
Wharves .. .. .	..	..	Cr. 8,131	..	..	Cr. 8,131
Water-services .. .. .	..	160	395	379	..	934
Non-operating buildings .. .. .	..	516	Cr. 432	37	..	121
Locomotive depot plant .. .. .	..	1,563	..	..	..	1,563
Road-motor buildings .. .. .	..	537	..	..	..	537
Cranes, weighbridges, capstans, and turntables .. .. .	..	5,129	1,277	Cr. 13	..	6,393
Maintenance Branch movable plant .. .. .	..	571	..	..	..	571
Miscellaneous (roads, sewerage, drainage, fire-fighting appliances, &c.) .. .. .	..	1,063	889	..	..	1,952
Signalling and interlocking .. .. .	..	2,638	1,363	..	..	4,001
Tablet installations .. .. .	..	679	1,509	..	Cr. 2,455	Cr. 267
Electric lighting .. .. .	..	2	339	..	..	341
Telegraph and telephone-lines .. .. .	..	..	Cr. 962	..	..	Cr. 962
	497	Cr. 15,961	40,162	403	Cr. 2,455	22,646

Road Motors.

Purchase of motor-buses Cr. £21,834

STATEMENT NO. 15—continued.

EXPENDITURE UNDER VOTE FOR ADDITIONS TO OPEN LINES, CHARGED TO CAPITAL ACCOUNT, FOR THE YEAR ENDED 31ST MARCH, 1931—continued.

Locomotive Branch: Particulars of Rolling-stock, &c.

Description of Stock ordered.	Number Incomplete on 31st March, 1930.	Number Complete on 31st March, 1931.	Number Incomplete on 31st March, 1931.	Expenditure, Year ended 31st March, 1931.
Shunting locomotives, Class C	24	12	12	£ 132,845
Fitting superheaters to locomotives .. .. .	..	..	..	1,344
Fitting thermic syphons to locomotives .. .. .	..	..	..	589
Langar combustion control for locomotives .. .. .	..	..	..	1,629
Electric headlights for locomotives .. .. .	..	..	..	2,330
Clayton locomotive transferred to workshops .. .. .	..	..	..	Cr. 2,566
New boilers, Class X .. .. .	..	..	..	8,944
Boiler-mountings for new spare boilers .. .. .	..	..	..	2,222
Spare boilers .. .. .	..	..	..	13,929
Spare locomotive wheels and bogies .. .. .	..	..	..	Cr. 117
Carriages, Class A	13	13	30	89,960
Carriages, Class A (coupé)	7	7	..	Cr. 9
Carriages, Class AA .. .. .	..	..	30	55,743
Carriages, Class AA (day)	9	9	..	15,479
Carriages, Class AA (observation)	2	2	..	2,822
Carriages, Class AA (coupé)	5	5	..	Cr. 15,641
Carriages, Class AA (suburban)	12	12	..	6,654
Spare carriage bogies .. .. .	..	..	..	3,694
Electric lighting for carriages .. .. .	..	..	..	5,851
Fitting chair-seats to carriages .. .. .	..	..	..	9,754
Convert two suburban cars to lounge .. .. .	..	..	..	Cr. 64
Brake-vans, Class F	24	24	..	46,475
Wagons, Class G .. .. .	..	..	..	Cr. 951
Wagons, Class H	40	80	..	12,736
Wagons, Class J .. .. .	..	250	..	56,431
Wagons, Class LA	470	723	147	160,961
Wagons, Class M	100	150	..	22,174
Wagons, Class Q	50	50	..	6,857
Wagons, Class RB	20	20	..	12,609
Wagons, Class UG	5	2	19	16,305
Wagons, Class VB .. .. .	..	..	6	1,524
Wagons, Class W	30	1	40	444
Wagons, Class XA	80	160	..	35,452
Wagons, Class ZP .. .. .	..	..	..	916
Coal crane and grab .. .. .	..	..	1	815
Tarpaulins .. .. .	..	405	95	2,190
Transfer of rolling-stock .. .. .	..	..	..	299
New buses for road-motor services .. .. .	..	..	..	10,492
Equipment, bus shop, Hutt .. .. .	..	..	..	Cr. 8
Locomotives and rolling-stock written off and sold .. .. .	..	..	..	Cr. 148,016
Workshop equipment .. .. .	..	..	..	2,110
Machinery written off and sold .. .. .	..	..	..	Cr. 17,007
Total .. .. .	..	..	..	558,200
Total locomotives	24	12	12	
„ carriages	48	48	60	
„ brake-vans	24	24	..	
„ wagons, bogie	25	22	25	
„ wagons, four-wheel	770*	1,414	187	

* Decreased by 10.

RECONCILIATION STATEMENT.

Expenditure charged to Vote	£	s.	d.	£	s.	d.	Expenditure—	£	s.	d.
No. 43 by Treasury ..	759,117	12	0				Way and Works Branch ..	22,646	4	5
Vouchers outstanding previous year	42,240	10	1				Road-motor services ..	Cr. 21,834	2	2
							Locomotive Branch ..	558,200	1	8
	716,877	1	11							
Less recoveries on account of expenditure in previous years	250,610	19	11							
				466,266	2	0				
Cost of raising loan, 1930-31 ..				18,007	19	2				
Vouchers outstanding at 31st March, 1931 ..				74,738	2	3				
				£559,012	3	5				
								£559,012	3	5

STATEMENT No. 15A.

EXPENDITURE UNDER THE RAILWAYS IMPROVEMENT AUTHORIZATION ACT, 1914, AND SECTION 7 OF FINANCE ACT, 1924, AND SECTION 10 OF FINANCE ACT, 1925, AND SECTION 3 OF FINANCE ACT, 1926, CHARGED TO CAPITAL ACCOUNT, FOR THE YEAR ENDED 31ST MARCH, 1931.

Work, &c.	North Island Main Line and Branches.	South Island Main Line and Branches.	Gisborne.	Westport.	Nelson.	Pictou.	General.	Total.
	£	£	£	£	£	£	£	£
Land	7,127	Cr. 1,637	..	..	..	..	..	5,490
Grading and formation	39,148	15,259	..	..	..	..	..	54,407
Bridges, culverts, and subways	104,707	14,420	..	..	..	..	..	119,127
Fences, gates, and cattlestops	1,366	132	..	..	..	..	..	1,498
Permanent-way	74,324	4,705	..	..	..	..	..	79,029
Station buildings, platforms, cattle-yards, and loading-banks	144,226	2,251	..	..	..	..	..	146,477
Engine-sheds, car and wagon depots, and other operating buildings	16,577	251	..	..	..	..	..	16,828
Dwellings .. .. .	..	2,981	..	..	..	..	..	2,981
Water services	1,370	88	..	..	..	..	..	1,458
Non-operating buildings	33,991	2,724	..	..	..	..	..	36,715
Maintenance, workshop buildings	Cr. 12,095	..	..	..	..	..	..	Cr. 12,095
Workshop buildings	24,527	16,180	..	..	..	..	..	40,707
Workshop buildings' plant	3,090	22,389	128	383	181	Cr. 34	27	26,164
Locomotive depot plant	2,098	1,910	6	..	..	..	..	4,014
Refreshment-rooms	23,549	..	..	..	..	..	..	23,549
Cranes, weighbridges, capstans, and turntables	3,616	..	..	..	..	..	..	3,616
Miscellaneous (roads, sewerage, drainage, fire-fighting appliances, &c.)	35,658	1,270	..	..	..	..	..	36,928
Signalling and interlocking	24,861	9,356	..	211	..	33	Cr. 10,622	23,839
Automatic and power-signalling	53,212	4,057	..	..	..	..	..	57,269
Electric lighting	6,069	3,491	..	11	48	..	..	9,619
Telegraph and telephone lines	20,547	14,669	..	..	..	Cr. 32	..	35,184
Safety appliances (bells, wig-wags, &c.)	2,702	1,243	..	..	..	..	Cr. 1,218	2,727
Train-control	1,384	21,144	..	..	..	..	..	22,528
Electrification of track .. .. .	..	480	..	..	..	..	..	480
	612,054	137,363	134	605	229	Cr. 33	Cr. 11,813	738,539
Expenditure charged by Public Works Department—								
New line—Auckland—Westfield	Cr. 12,001	..	..	..	..	..	..	Cr. 12,001
Palmerston North deviation	Cr. 1,546	..	..	..	..	..	..	Cr. 1,546
Tawa Flat deviation	319,325	..	..	..	..	..	..	319,325
Hutt Valley Railway	116	..	..	..	..	..	..	116
	305,894	..	..	..	..	..	..	305,894
	917,948	137,363	134	605	229	Cr. 33	Cr. 11,813	1,044,433

RECONCILIATION STATEMENT.					£	s.	d.	£	s.	d.
Expenditure charged by Treasury .. .. .	..	..	..	..	1,026,228	18	11			
Less outstandings, previous year .. .. .	..	..	..	..	64,827	4	4			
								961,401	14	7
Cost of raising loan, 1930-31 .. .. .	..	..	..	..	..	..	..	45,928	8	9
Vouchers outstanding at 31st March, 1931 .. .. .	..	..	..	..	..	..	..	37,103	11	1
								<u>£1,044,433</u>	<u>14</u>	<u>5</u>

STATEMENT No. 16.

STATEMENT OF SEASON TICKETS ISSUED FOR THE YEARS ENDED 31ST MARCH, 1928 TO 1931.

Description of Tickets.	1930-31.		1929-30.		1928-29.		1927-28.	
	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.
		£		£		£		£
Travellers' annual, all lines	21	2,020	32	3,072	32	3,129	35	3,389
Travellers' annual, North Island	79	5,576	90	6,055	90	5,978	96	6,565
Travellers' annual, South Island	14	992	19	1,217	19	1,242	19	1,184
Reporters' annual	24	895	25	899	20	664	28	997
Sectional annual, North Island	336	16,373	388	17,527	443	19,359	466	20,312
Sectional annual, South Island	169	7,574	201	8,830	224	9,383	247	9,964
Tourist, all lines	181	2,898	229	3,696	284	4,599	282	4,574
Tourist, North Island	681	6,867	852	8,792	819	8,685	894	9,497
Tourist, South Island	44	445	48	515	47	545	56	673
School	29,398	25,300	30,190	25,931	29,535	25,587	28,885	25,216
Bearer twelve-trip	44,272	12,539	48,618	15,250	49,049	15,567	48,596	16,059
Bearer fifty-trip	6,371	21,211	7,586	20,728	7,823	13,696	7,820	13,247
Weekly twelve-trip	114,676	21,963	116,376	21,972	116,609	22,184	116,967	22,732
Weekly workmen's	366,459	50,613	422,488	52,329	412,005	51,136	390,152	48,509
All other season	37,715	72,199	40,290	75,742	39,170	75,099	38,220	75,722
Totals	600,440	247,465	667,432	262,555	656,169	256,853	632,763	258,631
Total passenger journeys	15,525,034	..	16,915,180	..	16,499,850	..	16,080,508	..

STATEMENT NO. 17.

COMPARATIVE STATEMENT OF OPERATING TRAFFIC AND REVENUE FOR THE YEAR ENDED 31ST MARCH, 1931.

(1) OPERATING TRAFFIC.

Section.	Passengers.				Live-stock.				Goods.				Gross Total Tonnage.
	Length Open for Traffic.	First Class.	Second Class.	Total.	Season Tickets.	Cattle.	Calves.	Sheep.	Pigs.	Total.	Equivalent Tonnage.	Timber.	Total.
1930-31.	Miles.	Single.	Return.	Number.	Number.	Number.	Number.	Number.	Number.	Number.	Tons.	Tons.	Tons.
Kaihu	24	159	294	10,730	19,226	42	..	499	1,077	1,618	89	2,745	5,413
Gisborne	60	1,458	1,256	15,960	30,961	141	1,439	139,438	358	131,679	5,707	8,128	52,534
North Island Main Line	1,449	163,572	264,660	1,121,628	2,209,420	3,759,220	4,353,986	4,797,461	311,875	5,745,866	319,373	210,665	3,148,785
and Branches													
South Island Main Line	1,626	127,937	255,552	691,508	2,239,024	3,314,021	4,495	4,825,486	26,685	4,941,258	222,776	176,324	2,909,290
and Branches													
Westport	43	174	492	13,992	37,730	537	179	646	..	845	92	2,737	539,622
Nelson	64	236	530	8,890	31,976	634	460	59	21,889	27,275	1,054	1,048	28,323
Pictou	56	5,819	1,996	16,289	24,370	48,474	1,253	163,525	..	164,832	6,961	1,428	42,770
Lake Wakatipu steamers	3,322	299,355	524,720	1,872,697	4,569,140	7,265,912	600,431	9,938,944	340,463	11,008,974	556,052	403,095	6,957,709
	..	1,724	2,264	4,780	22,762	9	..	8,992	..	9,231	446	1,169	8,174
Totals	3,322	301,079	526,934	1,877,427	4,583,184	7,288,674	600,440	9,947,936	340,463	11,018,225	556,498	404,264	6,966,329

(2) OPERATING REVENUE.

Section.	Revenue.										Mileage.	
	Length Open for Traffic.	Ordinary Passengers.	Season Tickets.	Parcels, Luggage, and Mails.	Total Coaching.	Goods.	Labour, Demurrage, &c.	Total Goods.	Total Operating Revenue.	Per Mile of Railway per Annum (Average).	Per Train Mile.	Total.
1930-31.	Miles.	£	£	£	£	£	£	£	£	£	d.	Number.
Kaihu	24	1,288	261	1,278	2,827	2,560	39	2,599	5,426	226	76-81	20,409
Gisborne	60	3,482	730	2,144	6,356	18,470	252	18,722	25,078	418	88-69	3,454
North Island Main Line and Branches	1,449	985,510	166,107	231,546	1,383,163	2,505,212	79,160	2,584,372	3,967,535	2,776	140-69	86,756
South Island Main Line and Branches	1,626	530,796	77,327	119,577	727,700	1,818,372	66,835	1,885,207	2,612,907	1,606	147-87	2,503,043
Westport	43	3,198	761	1,329	5,288	103,401	7,037	110,438	115,726	2,691	314-05	1,700,186
Nelson	64	2,841	1,169	1,649	5,659	14,686	78	14,764	20,423	319	101-64	159,756
Pictou	56	4,261	994	1,753	7,008	24,656	2,628	27,284	34,292	612	159-73	63,344
Lake Wakatipu steamers	3,322	1,531,376	247,349	359,276	2,138,001	4,487,357	156,029	4,643,386	6,781,387	2,053	144-26	15,618,776
	..	3,412	116	872	4,400	4,740	26	4,766	9,166	..	..	..
Totals	3,322	1,534,788	247,465	360,148	2,142,401	4,492,097	156,055	4,648,152	6,790,553	2,053	144-26	15,618,776

STATEMENT No. 18.

STATEMENT OF TRAFFIC AND REVENUE FOR EACH STATION FOR THE YEAR ENDED 31ST MARCH, 1931.

Stations.	OUTWARD.										INWARD.									
	NUMBER OF PASSENGER JOURNEYS.			Number of Season Tickets.	Cattle and Calves.	Sheep and Pigs.	Timber, Hundreds of Superficial Feet.	Other Goods.	Ordinary Passengers.	Season Tickets.	Parcels, Luggage, and Mails.	Total Goods.	Miscellaneous.	Total Value forwarded.	Cattle and Calves.	Sheep and Pigs.	Timber, Hundreds of Superficial Feet.	Other Goods.		
	First-class.	Second-class.	Total.																	
NORTH ISLAND MAIN LINES AND BRANCHES—																				
Auckland—					Number.	Number.		Tons.	£	£	£	£	£	£	Number.	Number.		Tons.		
Coaching	35,743	281,988	317,731	13,977	172	781	33,505	320,688	123,915	13,852	45,125	Cr. 401	1,849	184,340	579	2,032	28,966	331,778		
Goods	653	6,118	6,771	25	..	..	..	..	5,719	131	..	Cr. 4	11	5,857	..	..	..	..
Karangahape Road ..	17,110	33,192	50,302	712	..	..	..	..	68,738	5,157	566	Cr. 12	58	74,507	..	..	..	..
Central Booking-office	963	5,696	6,659	27	..	..	..	..	5,754	52	325	Cr. 1	6	6,153	..	..	..	..
Symonds Street Booking-office																				
Newmarket	4,303	58,348	62,651	8,994	34	..	2,952	4,150	6,768	1,648	1,149	10,522	99	20,186	39	..	24,283	19,664		
Mount Eden	1,404	40,062	41,466	4,858	48	30	1,001	18,613	3,453	818	513	6,116	218	11,148	422	..	23,073	44,511		
Avondale	593	60,463	61,056	45,260	289	..	675	7,323	2,453	6,747	351	4,205	25	13,781	493	189	15,567	5,984		
Henderson	903	52,774	53,677	13,030	3,529	15,235	3,035	7,581	2,794	3,164	1,194	6,117	30	13,299	1,215	4,532	4,200	11,620		
Helensville	2,973	30,235	33,208	199	8,111	42,150	8,460	11,051	4,402	247	1,853	13,043	293	19,838	2,666	14,722	4,303	38,706		
Wellford	1,484	10,869	12,353	51	4,723	19,024	1,400	4,196	2,674	41	1,051	5,919	56	9,732	1,038	3,483	2,044	15,537		
Mangaturoro	2,240	18,772	21,012	3	3,505	18,673	71	2,427	4,600	13	222	4,897	16	9,748	592	1,210	907	6,705		
Paparoa	399	3,873	4,272	3	3,695	15,536	99	3,664	1,176	2	189	3,231	9	4,607	735	1,967	398	2,852		
Waiofira	1,048	13,368	14,416	49	9,532	48,566	9,393	15,382	2,944	37	473	15,747	1,878	21,079	1,315	3,380	2,124	91,072		
Whangarei	6,825	49,565	56,340	929	4,684	24,393	3,132	11,250	19,889	522	1,514	10,800	247	32,972	2,125	4,515	24,255	22,732		
Hikurangi	251	5,621	5,872	123	2,263	13,363	11,473	99,184	1,673	132	444	28,278	18	30,545	698	3,194	1,365	5,787		
Otira	1,126	6,559	7,676	60	492	8,056	2,132	1,952	3,202	49	691	2,129	38	6,100	1,032	1,098	881	6,439		
Kawakawa	1,139	7,743	8,882	8	29	56	13	5,963	1,393	5	210	2,469	10	4,978	2,106	65,337	289	3,491		
Opua	1,222	16,006	17,228	41	11	12	2	2,747	2,719	24	241	1,458	87	4,529	47	288	350	5,482		
Kaikōhe	979	14,803	15,787	10	2,597	32,251	2,167	2,090	4,862	10	437	9,147	291	11,717	1,134	592	2,118	18,058		
Remuera	904	4,317	5,221	4,150	548	256	84	66	146	912	36	483	5	1,582	579	240	12,661	1,805		
Green Lane	656	20,296	20,962	7,123	..	..	..	32	456	1,503	29	65	3	2,063	9	..	512	2,411
Ellerslie	629	23,523	29,152	11,920	753	..	53	81	931	2,419	118	3,082	8	5,533	757	..	374	798		
Ponsonby	261	9,563	9,824	5,174	599	5,522	60	87,596	311	841	171	39,707	69	38,069	136,073	698,700	11,687	45,335		
Onehunga Town ..	31	4,223	4,254	7,224	31	26	127	1,274	175	1,177	235	1,190	176	2,962	349	50	6,743	35,193		
Opahuhu	2,957	69,298	72,255	20,327	1,802	18,268	183	93,472	2,217	4,817	279	43,997	39	51,239	26,947	118,962	4,940	89,695		
Papatoetoe	2,029	38,759	40,788	13,627	481	2,567	411	1,325	1,403	3,418	436	1,931	9	6,347	1,917	16,550	4,508	5,473		
Papakura	2,709	69,323	72,332	11,101	1,125	18,090	48	16,557	4,210	3,283	297	4,124	17	11,931	3,240	12,686	2,841	19,464		
Drury	293	4,849	5,147	211	4,463	14,708	5	7,014	554	191	163	5,562	8	6,478	957	1,128	1,749	9,353		
Waikuku	259	4,642	4,901	..	9,377	11,163	16	553	801	..	165	1,550	13	2,529	799	4,206	5,691	28,973		
Pukekohe	2,255	20,597	22,822	277	9,261	17,160	203	11,473	4,508	288	817	15,462	25	21,160	2,393	7,868	5,130	26,457		
Turkui	962	11,993	12,955	298	4,682	41,352	4	4,628	1,896	251	806	4,823	13	7,789	2,503	10,950	2,576	11,455		
Pokero	188	4,268	4,456	117	2,675	14,362	6	592	451	79	1,237	1,997	4	2,868	849	5,191	1,079	4,931		
Mercer	898	10,994	11,892	94	6	5,238	4,066	11,452	1,260	64	192	3,416	52	4,884	193	803	329	4,681		
Te Kauwhata ..	524	6,532	7,056	13	8,750	50,206	93	4,598	1,368	11	1,103	5,742	7	8,241	1,413	6,928	2,971	7,348		
Huntly	1,601	60,597	62,198	20,240	943	3,766	1,535	354,754	6,088	5,074	490	230,418	518	242,588	968	3,285	5,911	13,929		
Glen Afton	48	19,101	19,149	61	819	15,251	2,287	192,038	1,390	51	95	123,166	104	124,866	960	3,076	6,194	17,634		
Taupiri	331	5,254	5,585	36	1,051	11,986	1,004	3,787	881	74	109	5,157	4	6,225	637	3,283	2,598	8,732		
Ngāruawahia ..	807	9,954	10,761	147	1,926	12,456	38	65,158	2,025	97	937	47,203	810	51,072	102,374	98,711	4,416	14,771		
Frankton Junction ..	11,907	85,072	96,979	142	17,110	140,210	940	23,422	32,942	561	1,340	31,046	508	36,397	7,849	115,527	80,923	47,874		
Hamilton	8,174	51,183	59,360	567	15,752	34,434	2,164	16,828	17,544	1,080	4,113	24,361	177	47,275	1,151	7,006	33,582	32,537		
Cambridge	296	4,943	5,239	110	13,069	36,670	298	1,307	1,540	79	391	4,207	20	6,237	2,330	11,783	7,623	33,359		
Morrinsville	1,452	19,509	20,961	217	29,832	112,008	606	14,348	4,578	242	1,270	28,665	51	34,896	7,136	49,843	14,213	33,111		
Matamata	1,214	16,799	18,013	112	24,566	78,655	3,428	4,047	5,018	93	1,382	15,554	37	22,684	2,496	19,829	7,876	34,982		
Putaruru	942	1																		

STATEMENT No. 18—continued.

STATEMENT OF TRAFFIC AND REVENUE FOR EACH STATION FOR THE YEAR ENDED 31ST MARCH, 1931—continued.

Stations.	OUTWARD.										INWARD.								
	NUMBER OF PASSENGER JOURNEYS.			Number of Season Tickets.	Cattle and Calves.	Sheep and Pigs.	Timber, Hundreds of Superficial Feet.	Other Goods.	Ordinary Passengers.	Season Tickets.	Parcels, Luggage, and Mails.	Total Goods.	Miscellaneous.	Total Value forwarded.	Cattle and Calves.	Sheep and Pigs.	Timber, Hundreds of Superficial Feet.	Other Goods.	
	First-class.	Second-class.	Total.																
NORTH ISLAND MAIN LINES AND BRANCHES—contd.																			
Tariki	39	2,004	2,043	72	1,211	4,755	1,292	2,089	242	59	13	1,074	5	1,333	91	239	131	2,002	
Milhurst	170	3,650	3,820	195	2,490	4,585	..	5,997	277	148	39	3,075	2	3,541	38	270	303	4,190	
Stratford	2,271	29,991	32,262	202	17,069	44,754	181	6,486	7,537	244	1,186	7,866	779	17,612	1,898	13,587	5,837	15,481	
Te Wera	266	952	1,218	..	571	6,535	12	8,218	160	..	184	2,535	29	2,908	858	4,537	494	3,882	
Whangamomona ..	1,310	12,141	13,451	10	1,338	28,331	663	13,334	1,985	15	353	9,974	1,136	13,463	1,349	3,016	1,137	10,893	
Eltham	726	15,861	16,587	251	26,450	57,131	963	11,281	3,677	267	405	11,990	49	16,388	1,897	27,178	23,141	23,345	
Normanby	50	2,477	2,527	73	32,541	28,663	65	11,185	306	62	61	10,387	2	10,818	1,836	6,695	1,290	12,477	
Hawera	3,025	35,124	38,149	156	22,701	89,771	297	14,483	11,592	391	1,027	14,588	319	27,917	9,768	50,852	15,293	36,839	
Patea	586	9,556	10,142	169	1,917	16,275	2,148	19,237	2,149	108	316	24,292	422	27,287	38,917	131,469	1,903	39,952	
Waverley	357	6,553	6,910	47	7,250	101,365	34	2,637	1,402	39	168	7,800	56	9,465	3,330	45,215	11,898	11,220	
Waitotara	87	1,730	1,817	4	1,211	8,689	..	78	250	2	31	833	1	1,117	601	6,019	300	2,390	
Aramoho	1,785	14,872	16,657	39	2,507	65,748	83	47,790	3,503	23	514	22,103	31	26,174	1,638	14,804	3,799	36,105	
Wanganui	6,349	45,196	51,545	114	1,980	15,795	2,441	13,875	17,723	401	2,473	14,001	2,011	36,669	20,678	411,483	23,280	36,591	
Wanganui Wharf ..	..	..	..	..	1	..	967	46,943	..	..	..	16,768	7,969	24,737	6	..	828	14,325
Forcell	331	2,588	2,919	47	2,889	76,770	6,674	1,428	399	36	86	4,898	10	5,429	1,401	15,769	596	3,257	
Turakina	352	4,795	5,147	39	1,174	58,432	6,002	1,766	524	28	148	4,442	10	5,152	272	20,110	294	4,924	
Greatford	542	2,776	3,318	12	1,016	41,668	..	12,540	484	8	66	5,682	4	6,244	830	13,330	1,017	3,116	
Halemba	124	6,195	6,319	100	517	33,597	4,052	3,173	620	80	52	3,410	6	4,168	322	10,534	559	2,750	
Feilding	2,910	18,921	21,831	206	17,297	204,872	80	13,189	7,892	169	857	26,729	39	35,686	22,754	125,818	14,278	26,641	
Palmerston North ..	22,304	132,208	154,512	540	3,933	36,033	11,243	29,477	53,209	1,367	4,826	40,695	762	100,859	7,903	141,431	77,732	67,709	
Ashhurst	362	4,444	4,806	64	936	33,117	12	664	552	51	59	1,970	4	2,636	5,283	19,181	378	2,943	
Longbarn	406	11,764	12,170	67	10,197	83,792	260	14,389	807	68	151	23,549	Cr. 109	24,436	1,277	170,177	512	5,635	
Foxton	204	7,199	7,403	36	1,045	5,717	1,704	9,065	946	45	109	5,339	335	6,774	1,413	13,271	5,860	13,885	
Shamona	856	25,113	25,969	363	5,345	60,134	604	2,920	3,039	318	250	6,544	8	10,159	1,659	31,278	2,255	5,061	
Levin	2,770	32,111	34,881	320	7,786	31,619	1,307	3,501	7,050	256	602	5,729	44	13,681	1,667	18,125	5,774	10,349	
Otaki	1,584	17,969	19,553	306	2,162	30,339	6,648	4,300	3,504	282	3,052	6,873	29	13,740	1,112	9,163	1,685	7,036	
Packakariki	5,094	44,518	49,612	1,002	671	27,630	7,397	7,237	4,906	426	2,163	4,271	26	11,792	1,191	4,164	2,028	6,328	
Johnsonville	2,352	44,490	46,842	14,350	661	8,292	31	254	2,666	2,658	111	700	14	6,149	9,848	84,424	4,400	9,958	
Thorndon (Coaching) ..	39,562	218,300	257,862	17,340	..	..	..	72,510	5,140	20,568	Cr. 151	265	98,332	..	..	..	..	..
Lambton (Coaching) ..	63,427	190,889	254,316	38,670	..	..	..	23,242	17,160	6,449	Cr. 92	402	53,378	..	..	..	..	..
Wellington—	..	..	..	..	658	2,359	28,167	197,639	..	..	..	231,773	2,685	234,458	904	4,918	70,896	172,016
Goods .. ..	..	..	..	..	..	..	..	420	..	..	..	132	..	132	..	..	..	38,043
Wharf .. ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Central Booking-office ..	26,748	55,275	82,023	6,741	..	..	..	86,174	20,616	2,160	Cr. 18	65	108,997	..	..	..	..	..
Courtenay Place Booking-office ..	2,926	11,684	14,610	783	..	..	..	12,648	1,608	7,306	Cr. 15	18	21,565	..	..	..	..	..
Ngahauranga	49	2,887	2,936	1,892	27	..	..	11,191	80	323	11	2,548	3	2,965	12,605	592,363	814	7,038
Petone	15,580	121,196	136,776	98,622	188	759	2,770	29,280	4,635	16,192	387	39,712	140	54,849	11,700	659,529	55,224	28,613	
Lower Hutt	4,341	34,844	39,185	32,544	123	855	58	22,375	2,467	6,747	438	4,361	27	14,040	193	171	25,717	5,949	
Upper Hutt	4,240	80,286	84,526	20,646	1,216	6,676	1	8,950	5,380	5,173	600	4,502	35	15,600	1,527	3,579	1,735	6,458	
Featherston	1,449	12,192	13,641	129	7,392	135,668	886	5,369	2,429	111	668	12,407	43	15,658	1,034	4,923	2,603	17,114	
Greytown	191	2,262	2,453	29	384	7,360	..	2,086	553	22	403	2,582	45	3,605	94	2,593	1,261	3,858	
Carterton	970	7,211	8,181	20	3,223	68,397	58	16,688	2,523	40	624	24,110	12	27,309	23,741	137,132	7,045	14,941	
Masterton	3,292	22,759	26,051	66	7,150	122,664	3,908	8,165	8,507	145	1,357	16,789	47	26,845	1,159	9,446	9,527	28,112	
Mauriceville	140	1,559	1,699	13	447	12,997	396	12,682	306	10	71	6,747	3	7,437	111	678	114	1,479	
Eketahuna	426	4,618	5,044	43	4,336	53,852	76	3,534	1,444	44	322	6,160	9	7,979	543	2,409	1,159	5,424	
Hukarua	70	1,973	2,043	6	2,569	12,545	50	1,510	294	5	161	1,924	1	2,385	112	800	288	1,903	
Pahiatua	590																		

STATEMENT No. 18—continued.

STATEMENT OF TRAFFIC AND REVENUE FOR EACH STATION FOR THE YEAR ENDED 31ST MARCH, 1931—continued.

Stations.	OUTWARD.														INWARD.				
	NUMBER OF PASSENGER JOURNEYS.			Number of Season Tickets.	Cattle and Calves.	Sheep and Pigs.	Timber, in Hundreds of Superficial Feet.	Other Goods.	Ordinary Passengers.	Season Tickets.	Parcels, Luggage, and Mails.	Total Goods.	Miscellaneous.	Total Value forwarded.	Cattle and Calves.	Sheep and Pigs.	Timber, in Hundreds of Superficial Feet.	Other Goods.	
	First-class.	Second-class.	Total.																
SOUTH ISLAND MAIN LINES AND BRANCHES—																			
Lyttelton ..	60,753	196,504	257,257	12,282	2,689	39,089	37,998	321,618	11,296	3,940	3,997	132,460	13,679	165,372	1,467	10,545	15,607	253,552	
(Wharf) ..	..	..	..	..	..	..	..	12,127	..	..	..	2,578	..	2,578	..	..	..	44,310
Heathcote ..	2,713	41,835	44,548	3,651	..	..	..	3,095	999	997	54	2,217	2	4,269	1	..	826	5,980
Woolston ..	788	12,471	13,259	2,834	17	..	12	2,813	351	462	107	1,617	5	2,542	10	156	773	11,741	
Opawa ..	1,468	16,839	18,307	4,998	..	..	..	12	469	713	31	..	3	1,217	..	..	..	14
Christchurch—	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
(Coaching) ..	91,301	492,275	583,576	30,962	..	..	..	..	76,324	6,992	18,086	Cr. 117	466	101,751	..	..	..	..
(Goods) ..	..	..	..	..	597	30	6,453	84,895	..	..	..	75,855	2,662	78,517	560	367	..	331,042
Central Booking-office	19,247	39,597	58,844	300	..	..	..	..	37,130	4,100	1,461	Cr. 14	40	42,717	..	..	72,551	..
Addington ..	869	12,224	13,093	1,348	5,317	209,610	7,353	32,214	1,376	191	199	21,770	124	23,660	19,877	464,246	50,799	65,759	
Riccarton ..	389	4,155	4,544	359	..	..	989	4,647	357	70	34	1,620	3	2,084	2	..	30,994	17,323
Papanui ..	529	6,253	6,782	1,856	78	2	181	4,576	798	443	124	2,968	6	4,339	180	218	9,260	8,809	
Belfast ..	546	11,912	12,458	296	413	13,386	97	27,065	636	192	73	14,194	43	15,138	759	810,526	7,672	10,001	
Kaiapoi ..	361	14,867	15,228	362	577	11,278	42	23,553	1,312	362	324	10,712	39	12,749	193	267,635	2,809	13,115	
Rangiora ..	1,238	34,007	35,245	681	1,440	38,998	790	18,018	3,268	788	332	9,481	52	13,921	887	11,141	7,885	10,737	
Cust ..	2	180	182	24	100	13,303	87	849	26	32	5	689	..	752	25	1,721	130	931	
East Oxford ..	18	1,888	1,906	12	428	53,124	42	2,833	279	14	251	2,686	7	3,237	214	7,806	1,296	4,904	
Sefton ..	178	2,597	2,775	179	340	13,911	..	2,989	232	98	48	1,654	3	2,035	83	4,137	654	1,240	
Amberley ..	298	2,386	2,684	59	371	49,204	48	2,762	413	60	129	2,806	4	3,412	187	20,592	1,458	2,399	
Waipara ..	424	2,930	3,354	18	1,043	145,563	..	4,365	550	14	268	8,034	14	8,880	193	4,287	831	1,507	
Mina ..	179	1,597	1,776	11	1,169	65,489	3	2,278	534	8	251	4,635	6	5,434	434	7,008	1,150	4,375	
Parnassus ..	1,140	4,075	5,215	7	690	89,595	851	1,448	2,740	6	323	6,731	33	9,833	135	2,941	11,018	6,556	
Waikari ..	281	2,955	3,236	23	141	29,787	27	4,008	571	47	96	3,073	7	3,794	75	2,189	356	2,715	
Hawarden ..	132	2,139	2,271	15	823	93,140	1	5,781	424	15	177	7,394	4	8,014	233	9,673	606	2,147	
Culverden ..	278	3,366	3,644	2	1,450	73,183	25	4,372	1,072	2	235	7,002	9	8,320	415	18,806	1,677	4,971	
Waiau ..	128	1,578	1,706	1	397	59,207	..	1,426	506	1	105	4,301	4	4,917	298	2,917	609	2,433	
Hornby ..	168	3,433	3,601	62	1,570	1,852	8	53,881	679	39	66	23,489	2	24,275	2,078	11,962	1,655	49,056	
Prebbleton ..	62	3,658	3,720	59	21	505	..	5,203	163	52	17	1,642	1	1,875	117	210	..	829	
Lincoln ..	21	2,613	2,634	56	914	45,229	16	8,167	249	60	47	3,635	8	3,999	141	3,856	634	3,468	
Springston ..	39	1,304	1,343	19	612	35,622	..	9,596	67	20	16	4,579	6	4,688	39	1,102	9	1,322	
Leeston ..	177	2,225	2,402	46	412	27,930	18	7,231	313	44	473	3,933	10	4,773	406	22,757	1,609	6,898	
Southbridge ..	344	4,793	5,137	5	508	35,561	..	10,200	556	8	403	5,983	7	6,957	120	7,851	558	2,392	
Little River ..	25	6,541	6,566	58	4,260	139,155	1	1,919	1,122	63	133	5,233	43	6,594	1,180	13,565	903	3,175	
Islington ..	311	7,570	7,881	75	71	4,159	346	23,561	542	61	82	10,333	4	11,022	2,236	425,948	4,664	10,584	
Rolleston ..	478	4,030	4,508	12	451	39,154	409	5,465	563	11	50	3,089	8	3,721	416	4,502	163	1,931	
Kirwee ..	69	927	996	33	69	20,936	152	2,753	131	29	38	1,716	2	1,916	51	12,697	214	2,223	
Darfield ..	534	2,695	3,229	53	344	64,274	2	7,922	533	44	85	5,243	4	5,909	142	9,596	751	1,934	
Coalgate ..	8	686	694	60	357	55,508	103	10,946	66	52	98	6,640	15	6,871	132	5,758	1,119	4,756	
Sheffield ..	113	1,431	1,544	29	331	30,962	..	2,404	229	58	186	2,199	4	2,676	73	6,346	256	1,543	
Springfield ..	1,363	6,892	8,255	30	396	14,391	73	2,842	1,588	28	170	3,906	27	5,719	56	2,961	233	2,569	
Arthur's Pass ..	209	1,766	1,975	..	4	202	7	222	361	..	32	191	1	585	62	1,532	507	496	
Otira ..	1,259	16,181	17,440	53	221	4,127	44,395	2,108	2,874	47	258	15,353	17	18,549	45	196	639	3,527	
Moana ..	153	2,771	2,924	71	199	804	68,858	1,043	547	50	304	12,488	4	13,393	286	2,604	478	10,300	
Stillwater ..	833	17,633	18,466	309	16	..	33,331	117,886	2,194	194	110	38,339	35	40,872	111	3,325	1,708	8,415	
Ngahere ..	468	5,889	6,357	108	957	6,665	50,961	1,934	688	48	117	12,258	1	13,112	345	2,222	461	1,190	
Blackball ..	228	7,003	7,231	192	..	..	2	81,894	892	153	44	31,841	7	32,937	3	..	307	1,867
Ikamatua ..	564	3,957	4,521	52	344	4,932	26,201	4,959	1,180	41	122	9,216	4	10,563	176	3,195	1,667	4,835	
Reefton ..	1,686	10,694	12,380	35	391	2,535	18,583	34,569	3										

STATEMENT NO. 18—continued.

STATEMENT OF TRAFFIC AND REVENUE FOR EACH STATION FOR THE YEAR ENDED 31ST MARCH, 1931—continued.

OUTWARD.																			INWARD.					
Stations.	NUMBER OF PASSENGER JOURNEYS.			Number of Season Tickets.	Cattle and Calves.	Sheep and Pigs.	Timber, in Hundreds of Superficial Feet.	Other Goods.	Ordinary Passengers.	Season Tickets.	Parcels, Luggage, and Mails.	Total Goods.	Miscellaneous.	Total Value forwarded.	Cattle and Calves.	Sheep and Pigs.	Timber, in Hundreds of Superficial Feet.	Other Goods.						
	First-class.	Second-class.	Total.																					
SOUTH ISLAND MAIN LINES AND BRANCHES—contd.																								
Burke's ..	1,274	11,760	13,034	2,328	3	..	..	..	295	652	5	2	1	955	..	..	..	14
Ravensbourne ..	5,825	34,645	40,470	5,180	..	..	..	790	673	1,447	18	428	3	2,569	..	..	1,418	14,568	
Dunedin (Coaching) ..	60,883	463,915	524,798	17,124	..	..	..	..	100,782	9,156	16,774 Cr.	113	445	127,044	..	..	..	..		
" (Goods) ..	..	..	..	..	944	423	12,032	96,047	..	..	..	127,848	1,400	129,248	931	649	90,506	225,827
Caversham ..	1,252	21,007	22,259	2,246	..	..	73	376	1,500	302	107	429	7	2,345	5	..	1,986	6,897				
Burnside ..	1,258	21,388	22,646	3,768	2,216	29,874	88	66,960	529	716	463	51,871	52	53,331	13,968	412,017	2,123	163,925						
Green Island ..	2,488	34,471	36,959	5,139	..	..	..	31,436	1,063	1,455	39	6,098	99	8,724	..	201	544	11,849			
Abbotsford ..	2,299	31,813	34,112	6,480	..	..	1	1,975	977	1,482	28	679	..	3,188	..	..	55	1,761		
Wingatui ..	957	21,560	22,517	1,808	911	19,429	..	4,834	1,236	492	62	4,438	4	6,232	665	710	53	1,253						
Middlemarch ..	395	1,941	2,336	2	997	62,666	24	2,192	566	3	525	5,574	12	6,680	263	7,349	691	2,755						
Waipia ..	282	1,883	2,165	..	440	37,529	..	826	801	..	115	3,583	9	4,508	208	4,942	1,085	3,711						
Ranfurly ..	645	3,256	3,901	16	269	44,574	11	2,435	1,456	12	317	5,067	18	6,870	119	3,555	1,562	3,321						
Otureh ..	114	966	1,080	14	674	72,489	..	2,191	447	11	189	7,869	10	8,526	42	2,942	614	1,475						
Omaka ..	267	1,932	2,199	1	769	51,163	4	1,424	932	1	318	5,833	9	7,093	178	3,762	1,379	5,974						
Alexandra ..	422	2,816	3,238	8	73	8,872	1	2,405	1,433	26	298	4,632	29	6,418	179	3,180	2,062	4,437						
Clyde ..	210	1,295	1,505	67	20	3,800	59	1,033	535	62	142	2,185	2	2,926	28	584	1,025	1,417						
Cromwell ..	568	3,789	4,357	5	857	37,457	9	5,173	2,257	5	466	10,615	10	13,353	177	2,271	2,728	5,432						
Mosgiel ..	4,633	73,214	77,847	7,229	599	6,308	25	4,379	4,601	2,537	352	1,470	15	8,975	537	4,014	1,221	1,888						
Onitram ..	21	5,817	5,838	301	278	2,702	..	4,925	397	162	77	1,407	1	2,044	198	1,778	1,122	7,376						
Allanton ..	692	6,997	7,689	39	1,012	16,856	..	2,994	557	35	383	2,216	1	3,192	993	6,076	800	4,412						
Milburn ..	21	1,398	1,419	6	231	12,481	..	56,979	114	4	28	17,493	253	17,892	207	1,470	307	13,149						
Milton ..	1,515	18,424	19,939	94	435	30,307	59	6,688	3,828	117	577	4,491	77	9,090	457	5,301	1,219	8,710						
Waitahuna ..	103	1,915	2,018	45	237	18,567	2	378	286	39	86	988	3	1,402	87	722	218	2,224						
Lawrence ..	699	6,238	6,937	11	225	19,292	13	1,298	1,193	10	282	2,182	12	3,679	135	1,614	431	3,110						
Miller's Flat ..	88	904	992	..	59	17,314	5	2,380	328	..	76	4,029	4	4,437	131	770	2,267	2,218						
Roxburgh ..	215	1,454	1,669	1	3	8,985	..	3,200	639	1	95	5,734	1	6,470	9	120	5,762	2,192						
Lovell's Flat ..	662	1,589	2,251	121	80	9,812	2	18,773	217	50	30	8,881	201	9,379	90	714	240	2,550						
Stirling ..	335	8,173	8,558	93	3,608	8,237	..	85,799	1,305	118	134	47,182	1,082	49,821	1,733	1,450	1,613	3,769						
Balelutha ..	2,467	24,754	27,221	136	1,532	49,041	2,496	25,152	6,713	273	817	19,754	127	27,684	1,188	38,800	3,747	9,696						
Owaka ..	315	4,676	4,991	17	509	34,808	43,274	6,330	1,110	18	280	14,957	11	16,376	1,396	189,837	1,499	13,658						
Tahakopa ..	141	9,061	9,202	8	112	2,334	22,100	1,291	988	13	147	5,760 Cr.	34	6,874	103	3,277	142	4,301						
Waiwera ..	155	1,861	2,016	..	271	24,252	12	1,108	294	..	308	1,688	3	2,293	301	3,374	492	5,358						
Clinton ..	687	11,896	12,583	37	164	38,123	2	2,035	1,937	33	93	3,067	18	5,148	168	1,190	510	7,930						
Waipahi ..	480	3,578	4,058	16	828	90,858	34	4,234	655	16	162	8,032	1	8,866	242	3,055	1,011	10,855						
Tapanui ..	113	2,437	2,550	1	163	12,657	14	678	659	1	72	1,542	2	2,276	208	1,005	1,524	5,104						
Kelso ..	23	1,229	1,252	12	120	24,056	..	2,236	284	15	46	2,614	2	2,961	77	1,224	418	2,945						
Heriot ..	92	3,216	3,308	23	377	79,270	5	2,135	803	21	129	7,294	13	8,251	234	3,337	1,758	6,214						
Gore ..	3,690	46,042	49,732	532	1,209	120,664	1,764	18,724	12,315	433	1,381	17,886	100	32,115	1,169	7,589	10,273	29,941						
Riversdale ..	92	4,506	4,598	154	873	125,653	21	5,969	634	127	144	10,949	8	11,862	261	3,417	3,314	13,981						
Mataura ..	457	16,738	17,195	427	368	13,699	3,064	15,287	2,692	270	136	17,059	16	20,173	1,579	135,263	1,102	12,246						
Edendale ..	606	12,394	13,000	128	2,284	33,217	..	4,495	2,716	105	125	6,363	56	9,365	680	11,585	922	13,189						
Wyndham ..	193	5,865	6,058	37	1,043	25,267	..	2,548	858	24	130	4,187	1	5,200	386	3,178	898	8,938						
Woodlands ..	146	7,164	7,310	85	1,181	41,185	..	3,824	953	71	65	3,741	1	4,833	217	10,069	1,418	15,306						
Invercargill (Coaching) ..	16,626	153,946	170,572	5,473	..	..	..	..	40,172	3,373	3,598 Cr.	31	152	47,264	..	..	..	..		
" (Goods) ..	..	..	..	..	4,513	42,722	18,737	60,081	..	..	..	40,905	695	41,600	3,276	22,840	27,980	136,298
Waimahaka ..	18	11,016	11,034	113	1,818	40,937	25,739	3,001	549	84	228	9,610	7	10,478	569	6,022	804	17,089						
Bluff ..	2,738	31,533	34,271	1,581	666																			

Commodity.	Year ended 31st March, 1931.										Year ended 31st March, 1930.									
	Revenue.					Revenue.					Revenue.					Revenue.				
	Tonnage carried.	Per Cent. of Gross.	Tons One Mile, 1000 omitted.	Average Haul.	Total.	Per Cent. of Gross.	Per Ton.	Per Mile.			Tonnage carried.	Per Cent. of Gross.	Tons One Mile, 1000 omitted.	Average Haul.	Total.	Per Cent. of Gross.	Per Ton.	Per Mile.		
<i>Products of Agriculture.</i>																				
Grain ..	265,925	3.82	13,177	Miles.	£	s. d.		d.			316,943	4.07	15,567	Miles.	£	s. d.		d.		
Meals ..	112,571	1.62	7,036	50	120,764	2.65	9 1	2.19			117,901	1.53	7,215	49	137,941	2.78	8 9	2.13		
Fruit ..	46,919	0.67	7,766	62	61,219	1.35	10 11	2.08			49,401	0.53	7,101	61	60,754	1.23	10 4	2.02		
Root crops, fodder ..	139,690	2.01	9,157	166	60,348	1.33	25 9	1.86			163,173	2.09	10,258	170	80,210	1.00	23 8	2.02		
Flax, green and dressed ..	11,086	0.16	787	65	71,683	1.58	10 3	1.87			26,159	0.33	1,606	63	17,312	0.34	13 3	2.58		
Seeds ..	16,662	0.24	1,001	71	8,196	0.18	14 10	2.49			20,646	0.26	1,254	61	14,860	0.30	14 5	2.84		
	592,853	8.52	38,924	66	334,863	7.37	11 4	2.06			686,594	8.81	43,001	63	360,478	7.27	10 6	2.01		
<i>Animals and their Products.</i>																				
Cattle and horses ..	141,464	2.03	11,721	83	177,407	3.90	25 1	3.63			151,333	1.94	11,688	77	199,300	4.02	26 4	4.09		
Sheep and pigs ..	414,589	5.96	29,326	71	400,227	8.81	19 4	3.27			414,445	5.32	29,396	71	412,839	8.33	19 11	3.37		
Meat ..	191,384	2.75	5,092	30	138,688	3.05	14 6	5.84			173,669	2.23	4,630	27	117,658	2.37	13 7	6.03		
Butter ..	132,318	1.90	7,684	58	124,781	2.75	18 11	3.89			122,749	1.58	7,225	59	120,999	2.44	19 9	4.02		
Cheese ..	108,148	1.56	4,788	44	96,371	2.13	17 11	4.85			93,220	1.20	4,329	46	86,360	1.74	18 6	4.79		
Wool ..	117,991	1.70	6,276	53	117,201	2.58	19 11	4.48			124,156	1.59	7,215	58	123,951	2.54	20 3	4.19		
Dairy by-products ..	17,192	0.25	1,471	86	18,343	0.40	21 4	2.99			18,664	0.24	1,460	78	18,299	0.37	19 7	3.01		
Fat, hides, skins ..	37,580	0.54	1,656	44	36,504	0.80	19 5	5.28			32,366	0.42	1,428	44	32,208	0.65	19 11	5.41		
Fish ..	9,370	0.13	1,621	173	14,133	0.31	30 2	2.09			8,233	0.10	1,336	162	12,133	0.25	29 6	2.18		
	1,170,036	16.82	70,235	60	1,124,155	24.73	19 3	3.84			1,138,835	14.62	68,757	60	1,125,747	22.71	19 10	3.93		
<i>Products of Mines.</i>																				
Agricultural lime ..	157,211	2.26	10,653	68	31,397	0.69	4 0	0.70			171,777	2.21	11,114	65	33,183	0.66	3 11	0.72		
Coal, imported ..	37,361	0.54	856	23	15,034	0.33	8 0	4.21			5,749	0.07	2,262	46	2,367	0.05	8 3	2.17		
Coal, N.Z. hard ..	1,096,247	15.76	43,244	39	318,178	7.00	5 10	1.76			1,243,046	15.95	43,477	35	328,036	6.02	5 3	1.81		
Coal, N.Z. brown ..	1,020,454	14.66	127,191	125	618,440	13.61	12 1	1.16			981,093	12.50	129,819	132	584,548	11.79	11 11	1.08		
Road-metal ..	234,412	3.37	5,655	24	44,653	0.98	3 10	1.89			413,551	5.31	8,648	21	69,192	1.40	3 4	1.92		
Lime and coke ..	77,438	1.11	4,070	53	30,878	0.68	8 0	1.81			65,015	0.83	3,630	56	26,843	0.54	8 3	1.77		
	2,623,123	37.70	191,669	73	1,058,580	23.29	8 1	1.32			2,879,231	36.97	196,950	68	1,044,169	21.06	7 3	1.27		
<i>Products of Forests.</i>																				
Timber, imported ..	27,577	0.40	1,288	47	25,254	0.56	18 4	4.70			30,990	0.40	1,637	52	31,632	0.64	20 5	4.67		
Timber, N.Z. ..	375,524	5.40	41,539	111	350,931	7.72	18 9	2.02			543,097	6.97	61,674	114	497,099	10.03	18 4	1.93		
Firewood, posts, &c. ..	123,138	1.76	9,735	79	50,329	1.11	8 2	1.23			150,698	1.94	12,861	85	63,616	1.28	8 5	1.19		
	526,239	7.56	52,562	100	426,514	9.39	16 2	1.94			724,785	9.31	76,162	105	592,397	11.95	16 4	1.86		
<i>Manufactures, &c.</i>																				
Benzine, gasoline, kerosene ..	145,086	2.09	11,696	81	243,383	5.36	33 7	4.99			144,418	1.85	11,263	78	237,451	4.79	32 11	5.06		
Cement ..	82,606	1.19	6,801	82	69,381	1.52	16 10	2.44			82,544	1.06	5,922	72	61,122	1.23	14 10	2.48		
Manures ..	563,417	8.09	34,134	61	220,791	4.86	7 10	1.55			681,458	8.75	33,384	58	274,286	5.54	8 0	1.67		
	791,109	11.37	52,631	67	533,555	11.74	13 6	2.43			908,420	11.66	56,569	62	572,859	11.56	12 8	2.43		
Miscellaneous ..	1,254,349	18.03	61,088	49	1,066,902	23.48	17 0	4.19			1,451,108	18.63	70,391	49	1,261,538	25.45	17 5	4.30		
Totals ..	6,957,709	100.00	467,109	67	4,544,569	100.00	13 0	2.33			7,788,973	100.00	511,830	66	4,957,188	100.00	12 9	2.32		

STATEMENT No. 20.

STATEMENT SHOWING MILEAGE, CAPITAL COST, TRAFFIC, OPERATING REVENUE, AND EXPENDITURE OF NEW ZEALAND GOVERNMENT RAILWAYS FROM 1ST APRIL, 1925, TO 31ST MARCH, 1931.

MILEAGE, CAPITAL COST, TRAFFIC, AND REVENUE.

Year.	Miles.	Capital Cost.	Train-mileage.	Total Passenger Journeys.		Coaching Revenue.	Cattle. (Number.)	Sheep and Pigs. (Number.)	Timber. (Tons.)
				Number.	Revenue.				
		£			£	£			
1925-1926 ..	3,138	45,794,199	10,319,407	27,653,414	2,537,047	409,207	391,649	8,209,965	770,654
1926-1927 ..	3,164	47,195,948	10,723,864	26,002,137	2,304,180	377,367	391,062	8,902,511	663,442
1927-1928 ..	3,180	49,014,832	10,838,594	25,379,665	2,145,296	379,933	459,742	9,299,715	570,558
1928-1929 ..	3,287	54,210,139	11,113,482	25,574,843	2,124,746	378,141	634,394	9,685,374	568,026
1929-1930 ..	3,287	55,347,541	12,022,043	25,413,621	1,995,927	386,792	695,060	10,271,544	574,080
1930-1931 ..	3,322	58,276,236	11,281,898	22,813,708	1,778,725	359,276	729,567	10,279,407	403,095

Year.	Goods.	Total.	Goods Revenue.	Miscellaneous Revenue, Labour, Demurrage, &c.	Total Revenue.	Revenue per Train-mile.
	Tons.	Tons.	£	£	£	d.
1925-1926 ..	6,028,959	6,799,613	4,499,160	143,861	7,589,274	178·51
1926-1927 ..	6,161,706	6,825,148	4,596,166	145,759	7,423,472	166·14
1927-1928 ..	6,276,525	6,847,083	4,680,135	138,481	7,343,845	162·62
1928-1929 ..	6,509,978	7,078,004	4,846,125	175,852	7,524,864	162·50
1929-1930 ..	6,649,114	7,223,194	4,904,324	186,949	7,473,993	149·21
1930-1931 ..	5,998,562	6,401,637	4,487,357	156,029	6,781,388	144·26

EXPENDITURE.

Year.	Maintenance of Way and Works.			Maintenance of Signals and Electrical Appliances.			Maintenance of Locomotives, Carriages, and Wagons.		
	Amount.	Per Cent. of Revenue.	Per Mile of Railway.	Amount.	Per Cent. of Revenue.	Per Mile of Railway.	Amount.	Per Cent. of Revenue.	Per Train-mile.
	£		£	£		£	£		d.
1925-1926 ..	1,144,385	15·08	368·80	105,064	1·38	33·86	1,311,317	17·28	30·50
1926-1927 ..	1,074,334	14·47	340·30	100,861	1·36	31·95	1,303,444	17·56	29·17
1927-1928 ..	1,147,067	15·62	360·94	102,871	1·40	32·37	1,380,727	18·80	30·57
1928-1929 ..	1,111,229	14·77	341·50	112,206	1·49	34·48	1,424,165	18·93	30·76
1929-1930 ..	1,146,014	15·33	352·19	117,577	1·57	36·13	1,680,919	22·49	33·55
1930-1931 ..	1,150,329	16·97	348·27	104,464	1·54	31·63	1,502,698	22·16	31·97

Year.	Locomotive Transportation.			Traffic Transportation.			General Charges.			Total Expenditure.	Expenditure per Train-mile.	Expenditure per Cent. of Revenue.
	Amount.	Per Cent. of Revenue.	Per Train-mile.	Amount.	Per Cent. of Revenue.	Per Train-mile.	Amount.	Per Cent. of Revenue.	Per Train-mile.			
	£		d.	£		d.	£		d.	£	d.	
1925-1926 ..	1,636,620	21·56	38·06	1,743,641	22·98	40·55	223,543	2·94	5·20	6,164,570	143·37	81·23
1926-1927 ..	1,669,352	22·49	37·36	1,752,998	23·61	39·23	257,294	3·47	5·76	6,158,283	137·82	82·96
1927-1928 ..	1,662,074	22·63	36·80	1,760,459	23·97	38·98	248,921	3·39	5·61	6,302,119	139·55	85·81
1928-1929 ..	1,650,793	21·94	35·65	1,825,965	24·26	39·43	250,221	3·32	5·40	6,374,579	137·66	84·71
1929-1930 ..	1,755,208	23·49	35·03	1,883,918	25·21	37·61	264,389	3·54	5·28	6,848,026	136·71	91·62
1930-1931 ..	1,594,672	23·53	33·92	1,798,490	26·52	38·26	255,490	3·76	5·43	6,406,143	136·28	94·47

STATEMENT NO. 21.
COMPARATIVE STATEMENT OF THE NUMBER OF EMPLOYEES FOR YEARS 1930-31 AND 1929-30.

Branch.	Kaitiaki	Gisborne	North Island Main Line and Branches.	South Island Main Line and Branches.	Westport	Nelson	Pictou	Stores	Refreshment Branch.	Advertising Branch.	Road Motors.	Total.
1930-31.												
General ..	1	3	710	168	4	4	3	383	354	54	137	1,821
Traffic ..	4	16	2,918	2,511	77	17	31	..	..	..	..	3,574
Maintenance ..	9	39	2,430	1,621	47	33	39	..	..	..	..	4,268
Locomotive ..	4	18	4,230	2,812	75*	16	22	..	..	..	..	7,177
Totals ..	18	76	10,338	7,112	203	70	95	383	354	54	137	18,840
1929-30.												
General ..	1	3	670	164	4	4	3	426	356	73	108	1,812
Traffic ..	5	20	2,973	2,604	89	22	36	..	..	..	..	5,749
Maintenance ..	9	43	2,657	1,787	69	37	37	..	..	..	..	4,639
Locomotive ..	4	22	4,363	2,759	75*	23	24	..	..	..	..	7,210
Totals ..	19	88	10,603	7,314	237	86	100	426	356	73	108	19,410

* Workshop staff only. Westport locomotive-running staff are included in South Island Main Line and Branches

STATEMENT NO. 22.
STATEMENT OF ACCIDENTS FOR THE YEAR ENDED 31ST MARCH, 1931.

Section.	Train Accidents.				Accidents on Line (Other than Train Accidents).				Stranding Accidents.				Employees proceeding to or from Duty within the Railway Boundary.				Persons killed or injured at Railway Crossings.				Trespassers, Miscellaneous.				Accidents in Railway Workshops, &c.				Total.	
	Passengers.		Employees.		Passengers.		Employees.		Passengers.		Employees.		Passengers.		Employees.		Other Persons.		Other Persons.		Railway Employees.		Other Persons.							
	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.						
Kaihu
Gisborne
North Island Main Line	..	6	1	8	2	13	2	1	3	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	30	1,057	..
and Branches
South Island Main Line	..	1	..	7	2	4	2	1	3	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	20	687	..
and Branches
Westport	21	..
Nelson	1
Pictou	1
Totals	..	7	1	15	4	17	4	15	4	2	..	1	5	104	4	2	..	3	22	35	..	..	..	..	570	..	50	1,769	..	

STATEMENT NO. 23.

STATEMENT OF CARRIAGE, RAIL-CAR, BRAKE-VAN, AND WAGON STOCK, AND TARPAULINS, FOR THE YEAR ENDED 31ST MARCH, 1931.

Description.	Class.								Total.
		Kaibu.	North Island Main Line and Branches.	Gisborne.	South Island Main Line and Branches.	Westport.	Nelson.	Pictou.	
CARRIAGES—									
First class .. .. .	..	..	172	..	115	..	..	3	290
Second class .. .. .	..	2	406	4	344	12	7	4	779
Composite .. .. .	..	2	278	8	184	4	7	5	488
Sleeping .. .. .	..	..	15	..	6	..	..	..	21
Totals .. .. .	..	4	871	12	649	16	14	12	1,578
RAIL-CARS .. .. .	..	..	1	..	4	..	..	..	5
VANS—									
Postal vans .. .. .	..	..	14	..	6	..	..	..	20
Brake vans .. .. .	..	2	265	4	207	8	6	4	496
Totals .. .. .	..	2	279	4	213	8	6	4	516
WAGONS—									
Horse-boxes	G	..	108	1	94	..	1	4	208
Cattle	H	..	430	4	276	4	5	8	727
Sheep	J	..	1,282	40	1,122	..	10	40	2,494
Covered goods	K	1	314	2	260	5	6	3	591
Sleeping-vans	K	..	25	..	52	1	1	..	79
High sides	L	4	5,148	47	4,755	17	103	174	10,248
„	La	..	2,974	..	2,883	..	..	..	5,857
Low sides	M	12	551	40	997	24	14	21	1,659
„ (steel)	Ma	..	146	12	..	..	..	..	158
Work-train	Mb	..	84	..	20	..	..	..	104
Timber	N	40	170	..	190	65	8	..	473
Iron hopper	O	..	21	..	..	..	..	..	21
„ for ballast	Ob	..	28	..	..	..	..	..	28
Platform coal	P	..	228	..	..	..	..	..	228
Petrol, inspection	Pw	..	..	..	1	..	..	..	1
Moveable hopper	Q	..	..	..	495	723	..	..	1,218
Frozen-meat	W	..	289	10	88	..	15	..	402
Cool, insulated	X	..	167	..	31	..	..	..	198
„ ventilated	Xa	1	268	..	311	..	..	7	587
„	Xb	..	94	..	37	..	..	..	131
Work-train hopper	Y	..	..	..	2	..	..	..	2
„	Yb	..	259	..	143	..	..	..	402
High-side, bogie	R	2	218	..	83	..	..	..	303
Mail and luggage	Ra	..	..	..	..	..	..	1	1
High-side, bogie	Rb	..	70	..	41	..	..	..	111
„	Rd	..	40	..	..	..	..	..	40
„	Rn	..	34	..	..	..	..	..	34
Sheep, bogie	S	..	57	..	29	..	..	..	86
Cattle, bogie	T	..	44	..	22	..	..	..	66
Platform, bogie	U	..	229	40	138	4	4	10	425
Gas-store-holders, bogie	Ua	..	11	..	4	..	..	..	15
Platform,	Ub	..	138	..	219	..	..	..	357
Oil fuel,	Ud	..	..	..	2	..	..	..	2
Horse-boxes,	Uc	..	37	..	36	..	..	..	73
Frozen meat,	V	..	46	12	71	..	..	..	129
„	Vb	..	124	..	60	..	..	..	184
Covered goods,	Z	..	56	..	40	..	..	..	96
Sleeping-vans,	Z	..	..	..	1	..	..	..	1
Covered goods,	Zp	..	76	..	78	..	..	..	154
Totals .. .. .	..	60	13,766	208	12,581	843	167	268	27,893
TARPAULINS .. .. .	..	30	11,773	115	11,345	52	175	290	23,780

STATEMENT No. 24.

STATEMENT OF LOCOMOTIVE STOCK FOR THE YEAR ENDED 31ST MARCH, 1931.

Class.	Type.	Number superheated.	Number Thermic Syphons.	Kaihu.	North Island Main Line and Branches.	Gisborne.	South Island Main Line and Branches.	Westport.	Nelson.	Pictou.	Total.
A	Tender (4-cyl. balanced compound) ..	28	..	..	50	..	7	..	..	..	57
A	„ (simple, 409) ..	1	..	..	..	..	1	..	..	..	1
AA	„	10	..	..	10	..	..	..	..	..	10
AB	„	141	2	..	87	..	54	..	..	..	141
B	„	6	1	..	..	..	8	..	..	..	8
BA	„	10	1	..	..	..	10	..	..	..	10
BB	„	30	..	..	30	..	..	..	..	..	30
C	„ (shunting) ..	12	..	..	6	..	6	..	..	..	12
D	Clayton (shunting) ..	..	..	..	1	..	..	..	..	..	1
E	Electric .. ..	..	..	..	..	..	11	..	..	..	11
EB	Battery (shunting, workshops) ..	..	..	..	2	..	2	..	..	..	4
F	Tank .. ..	..	..	2	15	..	32	1	1	..	51
FA	„ .. ..	..	..	..	..	..	2	2	3	2	9
G	Garratt (articulated) ..	3	3	..	3	..	..	..	..	..	3
H	Tank (Fell) .. ..	..	..	..	6	..	..	..	..	..	6
J	Tender .. ..	..	..	..	6	..	10	..	..	..	16
L	Tank .. ..	..	..	..	2	..	1	..	..	..	3
N	Tender .. ..	..	..	..	2	..	1	..	..	..	3
Q	„	9	..	..	6	..	7	..	..	..	13
R	Tank (single Fairlie) ..	..	..	..	..	..	5	..	..	..	5
U	Tender	9	..	..	..	..	9	..	..	..	9
UA	„	2	..	..	..	..	6	..	..	..	6
UB	„ (Baldwin)	7	..	..	..	..	20	..	..	..	20
UB	„ (Brooks) .. ..	..	..	..	..	..	1	..	..	..	1
UB	„ (Richmond)	1	..	..	..	..	1	..	..	..	1
UC	„	2	..	..	..	..	10	..	..	..	10
W	Tank .. ..	..	..	..	..	..	2	..	..	..	2
WA	„ .. ..	..	..	..	1	6	3	..	..	..	10
WA	„ („ J ” converted) ..	..	..	..	3	..	1	..	..	..	4
WAB	„	16	..	..	6	..	10	..	..	..	16
WB	„ .. ..	..	..	..	3	..	..	6	..	..	9
WD	„ .. ..	..	..	..	11	..	7	..	..	..	18
WE	„	2	..	..	..	..	2	..	..	..	2
WF	„	11	..	..	17	..	17	..	3	4	41
WG	„	8	..	..	20	..	..	..	..	..	20
WS	„	14	..	..	14	..	..	..	..	..	14
Ww	„	50	..	..	47	..	..	3	..	..	50
X	Tender (4-cyl. balanced compound) ..	5	1	..	18	..	..	..	..	..	18
	Totals	377	8	2	366	6	246	12	7	6	645

STATEMENT No. 25.
LOCOMOTIVE RUNNING COSTS, YEAR ENDED 31ST MARCH, 1931.

Section.	Number of Locomotives	Locomotive-mileage.				Quantity of Stores.				Cost.				Section.	
		Train.	Details.			Average Mileage per Locomotive.	Running.			Repairs.	Running.				Total.
			Shunting, Assisting, Light, and Miscellaneous.	Total.			Coal.	Oil.	Stores.		Fuel.	Wages.			
N.I.M.L. and branches	375	6,875,821	2,395,220	9,271,041	24,723	5,037,999	Cwt.	Quarts.	£	£	£	£	£	N.I.M.L. and branches.	
S.I.M.L. and branches	240	4,102,296	1,539,380	5,641,676	23,507	3,007,209		221,652	199,788	10,877	209,738	196,045	616,448	S.I.M.L. and branches.	
Kaihu	2	16,967	3,442	20,409	10,205	5,228	819		51	44	445	855	1,395	Kaihu.	
Gisborne	6	68,089	12,667	80,756	13,459	33,481	3,335		1,480	159	4,656	2,305	8,600	Gisborne.	
Westport	14	91,169	68,587	159,756	11,411	76,112	7,854		5,420	421	4,847	7,281	17,969	Westport.	
Nelson	7	48,224	15,120	63,344	9,049	29,764	2,430		2,371	120	3,404	2,187	8,082	Nelson.	
Pictou	7	52,784	29,607	82,391	11,770	29,635	2,907		4,253	145	3,381	2,093	10,872	Pictou.	
Total steam	651	11,255,350	4,064,023	15,319,373	23,532	8,219,428	583,379		533,675	32,257	686,860	528,896	1,781,688		
Electric locos., E 2-6	5	40,544	49,611	90,155	18,031	1,617,780	2,251		2,909	154	18,750	1,802	23,615	E 2-6.	
Electric locos., E 7-12	6	101,920	23,219	125,139	20,857	2,712,245	1,893		2,336	132	5,650	2,604	10,722	E 7-12.	
Electric rail-car, Rm. 6	1	49,534	875	50,409	50,409	153,603	233		499	16	1,583	429	2,527	Rm. 6.	
Petrol rail-motor, Rm. 4	1	6,511	1,455	7,966	7,966	533	108		60	5	47	124	236	Rm. 4.	
Petrol rail-motor, Rm. 5	1	4,953	280	5,233	5,233	340	90		42	5	31	77	155	Rm. 5.	
Steam rail-motor, Rm. 2	1	19,712	789	20,501	20,501	1,957	234		390	15	216	484	1,105	Rm. 2.	
Grand total	666	11,478,524	4,140,252	15,618,776	23,452	8,219,428	583,188		539,911	32,584	713,137	534,416	1,820,048		

Section.	Number of Locomotives	Cost per Locomotive-mile.				Conversion and Alteration Charges.				General Charges.				Per Locomotive-mile.				Total Cost.				Total Cost per Locomotive-mile.		Section.																																																																																																																																																																																																																																																																																																																																																																																																																																																											
		Repairs.	Wages and Material.	Running.		Total.	Water Charges.	Batteries and Depreciation.	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£		£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£

NEW ZEALAND GOVERNMENT RAILWAYS.

