

The issue of return tickets daily, with a liberal return time-allowance, at two-thirds of the cost of the single fares previously used, has been a very important and popular change. Particulars of the alterations in rates and fares are enumerated in Return No. 30. Improved facilities for travelling have been afforded by these reduced fares, as well as by improved time-tables between Dunedin or Invercargill and the Lakes, and between Napier, Wellington, and Taranaki, and by adding improved carriage-stock.

During the year papers have been presented to Parliament (D.-4, 1890) relating to demands made by the employés, among other things, for reducing the hours of labour in certain cases, and for limiting the practice of working overtime. The Commissioners met these demands as far as they appeared reasonable. The concessions in time, and the increase in staff necessary to reduce the overtime, are estimated to cost about £10,000 per annum. The difficulties occasioned by the strikes led to a greatly increased outlay on fuel, thereby adding to the expenses of working. The contract prices for nearly all stores have also risen since the beginning of the year.

Disturbances arose in the railway staff in August and September last, some of the employés electing to obey the orders of irresponsible persons outside of the railway, and to disobey the rules of the railway service under which they were engaged, refusing to perform the handling of goods, shunting, and other work in connection with ships the owners of which were in some way mixed up with the strikes in Australia. Papers bearing on this subject were also presented to Parliament (H.-44, 1890).

In consequence of the circumstances attending these movements among the staff, the Commissioners have found it necessary to decline to discuss the affairs of the employés with any persons outside the railway service. The Government Railways Act constitutes the Commissioners the tribunal to see that proper service is exacted from the employés on the one hand, and that fair treatment is accorded to them on the other. The interference of both well-intentioned persons and agitators is mischievous and injurious to efficient and safe conduct of the public service, and should not therefore be countenanced.

Some representations have been made to the Commissioners on the subject of the carriage of wool by traction-engine in preference to the railway in certain localities. Such a practice is carried on at the expense of the ratepayers who maintain the roads, and who as a rule derive no benefit whatever from it. The persons who gain are the owners of the goods and the proprietors of the traction-engines. Those persons who lose are the local ratepayers.

The owner of the traction-engine, who gets full loads and continuous work for a few weeks during the year, and who can stop work in slack times, and who pays nothing towards the heavy injury which he does to the roads, can, over certain distances, and under certain conditions, compete with the railway, the charges for the use of which have to cover the cost of maintenance. If the ratepayers, who are in no way benefited, are willing to maintain the roads free for the advantage of the very few persons who elect to take their wool by road, the railways cannot be expected to secure the traffic, and it is a question which may properly be considered whether in future it is desirable to extend railways into remote country districts, which may be served by traction-engines in this way more cheaply.

In reviewing the progress of the Government railways during the past ten years, and taking the length open in the years 1881 and 1891 at 1,277 and 1,842 miles, and assuming the population at 500,000 and 623,000, we find the population per mile to be 391 and 338 respectively. The railway-mileage has therefore been increasing in a much greater proportion than the population.

The traffic per head of population has, however, grown so as, on the whole, to give a greater traffic per mile open; but, while the capital has been increased from £9,228,000 to £14,278,586, as the traffic has been carried at lower rates, the interest earned is lower notwithstanding greater economy in working. This economy has been attained by the more careful disposition and training of the staff, the zeal of the employés of all grades, the improvements in roads and structures, the introduction of superior carriage and wagon stock, the more skilful use of lubricants, water, and fuel in the locomotives, the adoption of better types of locomotives, and by improving the shops and machinery.

How much has been done since 1880 is shown by the results of working the Hurunui-Bluff section. The cost of working 755 miles in 1879-80 was £439,717; while the cost of working 1,074 miles, with a much larger traffic, in 1890-91 has been £425,500. On the whole it is apparent that the progress of the railways has been satisfactory.