

As indicated previously, the New Zealand railways are divided into eight separate and disconnected sections, four of these being in the North Island and four in the South Island, there being no through communication between the two Islands. In the North Island the system extends as far north as Opuia and Okaihau, these being situated respectively 605 miles and 618 miles from Wellington, the headquarters of the Railway Department. In the North Island there are two avenues of communications between east and west, one via Frankton Junction and the other via Palmerston North. In the South Island, apart from the three short isolated sections in the Westport, Nelson, and Picton areas, the railways begin at Parnassus, 82 miles from railhead on the Picton Section, and are concentrated on Christchurch, Dunedin, and Invercargill, the only means of communication between the east and west being via the Otira Tunnel, this connecting the Greymouth Section of the railway with the remainder of the South Island system below Parnassus. The south-eastern sector of the South Island possesses a number of branches, some of which are unprofitable and are likely to remain so for many years to come. From Parnassus, the northern extremity of the main line system in the South Island to Bluff, the southern extremity, the distance is 467 miles.

The system comprises 3,053 route miles of line, of which, at the 31st March, 1924, only 43 miles were double track. Sidings account for 835 miles, so the double mileage reduced to single track is 3,942. This compares with 2,854 route miles and 3,679 single track miles at 31st March, 1914. During the year ended 31st March, 1924, the Railway Department carried 28,436,475 passengers, as compared with 23,173,472 in the year ended 31st March, 1914, this representing an increase of 22·71 per cent. Freight traffic in the last financial year amounted to 6,925,517 tons, as compared with 6,019,623 tons in the earlier period, an increase in 1923-24 over 1913-14 of 15·05 per cent. Over the same period the number of locomotives increased by 22·66 per cent., while tractive power rose by 49·42 per cent. Other increases in rolling-stock were 12·03 per cent. in carriages, this raising the seating accommodation by 13·90 per cent. and 29·67 per cent. in wagons, the increase in wagon stock representing 42·35 per cent. advance in carrying-capacity.

The total revenue for the year 1923-24 was £6,984,211, and the working-expenses £5,403,766, thus leaving £1,580,445 to cover the amount required to meet interest on loans. The percentage of working-expenses to receipts in the two periods was 71·24 in 1913-14 and 77·37 in 1923-24.

This brief summary shows the general trend of development during the last few years, and the following table indicates the financial results over the period. It is to be noted that capital expenditure has increased 27·95 per cent., revenue 72·73 per cent., working-expenses 87·61 per cent., and rate of interest payments 14·5 per cent.

FINANCIAL RESULTS, NEW ZEALAND GOVERNMENT RAILWAYS FOR PAST ELEVEN YEARS.

Twelve Months ended 31st March.	Total Railway Capital Expenditure (Open Lines).*	Gross Earnings.	Working Expenses.	Net Earnings.			Percentage of Interest on State Loans attributable to Railways.	Net Profit or Loss.
				Amount.	Percentage of Profit to Capital Invested.	Surplus or Deficit in Interest on the basis of 3½ Percentage.		
	£	£	£	£	£	£	£ s. d.	£
1914 ..	32,355,087	4,043,328	2,880,323	1,163,005	3·61	— 44,434	3 16 5	—67,067
1915 ..	34,133,825	4,105,457	2,920,455	1,185,002	3·53	— 72,209	3 14 9	—69,846
1916 ..	34,857,882	4,548,356	2,910,883	1,637,473	4·72	+335,687	3 16 4	+312,429
1917 ..	35,378,664	4,800,810	2,926,864	1,873,946	5·30	+547,246	3 19 8	+464,596
1918 ..	36,001,432	4,687,700	3,042,907	1,644,793	4·60	+305,849	4 1 5	+187,884
1919 ..	36,167,681	4,988,632	3,308,575	1,680,057	4·65	+324,005	4 2 11	+180,808
1920 ..	36,390,115	5,752,487	4,105,067	1,647,420	4·53	+284,564	4 3 3	+134,830
1921 ..	37,235,254	6,908,531	5,636,601	1,271,930	3·42	—124,376	4 5 2	—313,650
1922 ..	39,309,097	6,643,591	6,237,727	405,864	1·07	—1,021,156	4 6 11	—1,247,893
1923 ..	40,275,161	6,727,802	5,502,497	1,225,305	3·04	—284,385	4 7 4	—532,779
1924 ..	41,399,427	6,984,211	5,403,766	1,580,445	3·83	+ 31,802	4 7 6	—226,345

* Accountants' figures on which interest is computed differ slightly as cost is only included proportionately to time during which lines opened each year were earning revenue.