

The absence of any renewals fund to provide for obsolescence and wasting assets is dealt with in another section of our report, but on the capital value of machinery at the 31st March, 1924, of £357,140, the sum of £17,857 should be spent annually on renewals or set aside in a renewals fund. Unfortunately, in the past nothing approaching this has been expended, and this naturally accounts for the present position of extremely antiquated machinery in the shops.

Additional Locomotives and Renewal of Existing Stock.

As will be seen from the following table, the stock of engines was increased by ninety-eight during the financial years 1915 to 1924—an increase of 17·59 per cent.—while the miles of line open for traffic increased by 3·32 per cent. only, and the engine-miles actually showed a decrease of 195,791, or 1·55 per cent. This shows that if the number of engines was at all satisfactory in 1915 the additional stock was entirely unnecessary, and this is borne out by the fact that in New Zealand the average miles per engine per annum is 19,009, while in Great Britain it is 22,498.

Twelve Months ended 31st March.	Stock of Locomotives.	Train-miles.	Shunting and Empty Miles.	Departmental Miles.	Total Engine-miles.	Miles of Line open for Traffic.
1915	557	9,383,420	2,692,164	571,003	12,646,587	2,955
1916	585	9,356,522	2,752,144	610,822	12,719,488	2,970
1917	607	9,146,331	2,686,688	461,436	12,294,455	2,970
1918	624	7,468,646	2,332,243	361,052	10,161,941	2,993
1919	620	7,477,583	2,342,931	172,360	9,992,874	2,993
1920	616	7,408,608	2,442,499	172,202	10,023,309	3,006
1921	608	9,303,392	2,913,445	218,055	12,434,892	3,018
1922	637	8,717,265	2,846,094	266,164	11,829,523	3,030
1923	639	8,346,731	2,859,648	265,973	11,472,352	3,037
1924	655	9,024,503	2,984,096	442,197	12,450,796	3,053
Percentage increase or decrease, 1924, compared with 1915	17·59%	—3·83%	10·84%	—22·56%	—1·55%	3·22%

The utility life basis of a locomotive is generally regarded as thirty-five years, and, as the statement set out below will show, 172 locomotives should have been renewed in the period 1915 to 1924; instead of this only sixty-seven engines were renewed, and this must have had a considerable bearing on the maintenance costs. In addition, although 17·59 per cent. extra engines have been constructed since 1915, the average age of the total stock as at 31st March, 1924, was 22·72 years.

Twelve Months ended 31st March.	Capital Stock of Locomotives.	Value.	Number renewed during Year.	Value.	Number which should have been renewed on Life Basis during Year.	Amount which should have been spent on Renewals during Year.	Balance which should have been set aside in a Fund.
		£		£		£	£
1915 ..	557	1,605,513	2	5,637	15	43,002	37,365
1916 ..	585	1,725,969	8	23,059	16	45,872	22,813
1917 ..	607	1,827,231	4	11,801	17	49,313	37,512
1918 ..	624	1,888,077	4	12,041	17	52,207	40,166
1919 ..	620	1,910,201	5	15,129	18	53,945	38,816
1920 ..	616	1,921,170	8	24,648	18	54,577	29,929
1921 ..	608	1,954,247	8	24,950	18	54,891	29,941
1922 ..	637	2,299,064	1	3,214	17	55,836	52,622
1923 ..	639	2,664,002	24	86,621	18	65,688	—20,933
1924 ..	655	2,779,805	3	12,507	18	76,114	63,607
Totals	67	219,607	172	551,445	331,838