D.—2. xxviii

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:—

				$\begin{array}{c} \text{Reduced by} \\ \textbf{\pounds} \end{array}$
Traffic transportation costs			 	85,428
Locomotive transportation costs	• •	• •	 	155,472
Total reduction			 	£240,900

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 Islan	d Main I	line and	Branches			6,767,998	7,160,801	392,803
South Island	d Main I	ine 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 Opua and Whangarei was reduced to a thrice-weekly service, while still maintaining the daily service between Whangarei and Auckland.

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

Under further economy measures introduced later the expresses between Taneatua 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.