

Doubts have been entertained and expressed in several quarters, whether the Government may not be deluding themselves and the country as to the true amount of profit on the working lines. It is thought, first, that the condition of the lines and plant is perhaps declining in some particulars; and, secondly, that payments which should be debited to maintenance have been placed to the account of construction. In reply to the first supposition, I request honorable members to refer to Return No. 5. From this table it will be found that the proportion of the whole working expenses due to maintenance is 35 per cent. Of this amount, the cost of the daily operations for keeping the permanent way true in form and level, absorb $23\frac{1}{2}$ per cent.; the cost of material for repairs of the way is 5 per cent.; that of maintenance of bridges, signals, and other works of the kind, 5 per cent.; and the repairs of stations and buildings, $1\frac{1}{2}$ per cent. Take again the analysis of locomotive expenses, which in the whole represent $26\frac{1}{4}$ per cent. of the annual expenditure. It will appear that 21 per cent. is for running expenses (fuel, oil, labour, &c.), and $5\frac{1}{4}$ per cent. for repairs and renewals of the locomotives. The next subdivision of the same return refers wholly to repairs and renewals of wagons and carriages, and these make $5\frac{3}{4}$ per cent. of the total. We have then in all $22\frac{1}{2}$ per cent. of the annual expenditure devoted to renewals and repairs of rolling stock, of permanent way, bridges, culverts, and buildings, in addition to the $23\frac{1}{2}$ per cent. as already stated, for the daily operations in keeping up the gauge and levels of permanent way. I will not say that extra charges may not arise from time to time for entire renewals of sleepers or rails on sections of the system; but these will not, I think, come upon us on a scale to make us anxious. Our total mileage is now considerable. The lines have been opened at very different dates; the wear and tear due to traffic must be so various on different sections that this class of charges will arise gradually, will become almost as regular as other parts of the cost of maintenance, and should be fully met by the increased traffic to which we confidently look forward. Thirty-six miles of sleepers were replaced during the period just ended, upon a working length of 1,200 miles; that is to say, 3 per cent. of the sleepers were renewed. The normal average may be about 10 per cent., good timber being employed. Four miles and a-half of rails have been replaced, or about $\frac{1}{3}$ per cent. of the total length. The average renewals will probably reach 5 per cent. when all the system has been some years at work. I exclude sidings and stations, on which old rails serve, after rejection from the running line. The charges that may be anticipated for renewal of our timber bridges are a less calculable matter, but they need not cause any anxiety. Bridges of the kind, erected in Europe thirty years ago, are still in existence on some railways; and it appears unlikely, from our local experience, that well-constructed bridges of colonial timber, carefully attended to from month to month, will become unserviceable in less than twenty to thirty years from the date of their erection.

As to the second doubt I have mentioned—whether maintenance may not, perhaps, have been sometimes charged to construction—it will, I think, be sufficient to remind the House that the construction and the working of the lines are now intrusted to absolutely independent departments, each properly solicitous for its own character for economy; and I may assure the Committee that each, as a matter of fact, jealously resists the attempt to charge on it any expenditure that may more fairly be charged to the account of the other.

While it may be possible to effect still further economy in working expenses, the main hope for improvement in the nett return from our railways must consist in an augmented traffic, which the lines with their present appliances are capable of carrying with but little increase of cost. A gradual revision of the present tariff, with a view to the encouragement of traffic by diminished charges, and the progressive adaptation of that tariff to the circumstances of the several parts of the system, are receiving constant consideration by the Government.

ROADS, 1880-81.

Following the order sketched, I now turn to the subject of roads begun or completed during the period 1880-81. These have been under the charge of two departments—Public Works and Crown Lands. The division has been in some