

The revenue from parcels, luggage, and mails has shown an overall increase of £14,112, or 3·31 per cent.

On the goods side, traffic has been well maintained and, despite a reduction in military traffic, new records for tonnage, revenue, and revenue net ton miles were set. Compared with last year the tonnage increased by 118,867 tons, or 1·29 per cent., the revenue by £388,089, or 4·56 per cent., and the net ton miles by over 41,000,000 or 4·88 per cent. The average haul increased from 91 to 95 miles, and this increase accounts for the different percentage increases in tonnage and revenue.

Decreases occurred in the live-stock and coal tonnages, but were offset to some extent by longer hauls. Commodities showing the greatest increases were timber, agricultural lime, manure and phosphate, benzine in tank wagons, frozen meat, and general merchandise.

Despite the difficulties in wagon supply, associated with the increased tonnage and the shortage of coal, the quantity of agricultural lime handled constituted a record of 729,023 tons, while with the increased availability of rock phosphate an additional 128,114 tons of manure and raw materials were handled.

EXPENDITURE

Details of operating expenditure, divided into maintenance, transportation, &c., are also set out in Statement No. 3.

The increased expenditure is due to—

- (a) A higher wages bill consequent upon increased staff, higher wage rates, and improved conditions;
- (b) The higher cost of and additional stores and materials used; and
- (c) The additional costs of operating expanding road services.

The following table sets out a division of the total expenditure, with comparisons with the figures for 1945-46 :—

—				1947.	1946.	Variation.	
				£	£	£	Per Cent.
Wages	..	..	..	9,588,798	8,758,744	+830,054	9·48
Coal	..	..	..	1,198,194	945,116	+253,078	26·78
Stores and material	..	..	..	2,325,496	2,045,718	+279,778	13·68
Depreciation	..	..	..	1,473,685	1,409,032	+64,653	4·59
Miscellaneous	..	..	..	1,358,097	1,226,234	+131,863	10·75
Totals	..	..	..	15,944,270	14,384,844	+1,559,426	10·84

Of the increase in the wages bill, approximately one-half is due to higher rates of pay and improved conditions and one-half to additional staff. The number of man-hours increased by 5·09 per cent., while the average hourly rate of pay was 43·83d., a rise of 4·26 per cent.

The increased expenditure on coal arose from the importation of Canadian coal and coal from the United States of America to supplement local supplies. The average cost per ton of this coal was £9 17s. 10d., and on the basis of the cost of South Island coal landed in the North Island the additional cost of the importation over the price of New Zealand coal is estimated at £261,000.

A greater quantity of stores was used. In the road services the debits for tires, fuel, and lubricants alone rose by £133,703. Generally the prices of stores further advanced, while shortages of certain commodities required the use of substitutes at increased cost.