

Included in the total amount of £330,430 spent on additions to open lines is the sum of £31,661, representing increased cost of wages accruing to the staff engaged on the various works enumerated, as a result of the recommendations of the Boards already referred to.

The rolling-stock in respect of which the charges were incurred under the head "Additions to open lines" included thirty-four bogie wagons, 127 four-wheeled wagons, and 650 tarpaulins, completed on the 31st March, 1921; and eighty-five locomotives, thirty-five carriages, thirteen brake-vans, eighty-three bogie and 2,887 four-wheeled wagons, and 1,115 tarpaulins, incomplete but in hand on that date.

COAL.

The difficulties connected with the coal-supply continued for the major part of the year, necessitating the exploitation of foreign markets. Supplies were obtained from America, Japan, and Great Britain. An officer was also sent to Australia with satisfactory results, and the position at the end of the year was better than it had been since 1917 so far as concerned the regularity of supplies to enable train-services to be maintained.

Since the year ending 31st March, 1915, soft coal has advanced from 12s. per ton to 26s. per ton, hard coal from 24s. per ton to 85s. per ton.

The cost of the coal actually consumed during the year ended 31st March, 1921, was £940,000 greater than for the year ending on 31st March, 1915.

COST OF MATERIALS.

The high prices ruling for all materials essential to the operations of the Department are reflected in the expenditure for the year. Such materials now held in stock have to be debited at the enhanced rate against the work for which they are used. The extent to which the expenditure is affected by the price of materials purchased during the war period and at present-day ruling rates is indicated in the following figures, showing the increases on a number of representative items:—

Items.	1915.	1921.	Increased Cost to Railway Department based on 1915 Consumption.
			£
Axles (each)	50/- to 83/-	163/- to 269/-	16,600
Bolts and nuts (cwt.)	30/-	80/-	8,500
Canvas (sq. yard)	2/-	5/2	8,700
Channels (each)	11/-	48/-	12,300
Channels (each)	87/- to 114/-	348/6	
Cotton-waste (cwt.)	38/-	96/-	7,000
Galvanized iron (cwt.)	27/-	60/-	6,900
Rails (ton)	181/9	342/-	51,700
Rivets (cwt.)	18/-	60/-	3,300
Sleepers (each)	3/9 to 5/3	5/- to 11/3	41,900
Springs (each)	3/6 to 5/-	10/3 to 13/-	11,500
Steel (cwt.)	11/- to 25/6	39/- to 68/-	34,700
Boiler-tubes (foot)	-/7	1/8	13,900
Tires (each)	44/-	160/-	22,000
Wire, fencing (cwt.)	10/6	59/6	28,100
Oil, lubricating (gallon)	1/- to 2/10	2/6 to 7/-	19,200
Oil, gas-making (gallon)	-/11	2/9	7,400
Oil, linseed (gallon)	3/-	10/-	6,800
Lead, white (cwt.)	31/-	71/-	3,000
Iron, bar, New Zealand (cwt.)	12/-	28/6	41,000
Iron, pig (ton)	100/6	308/-	17,800
Timber, kauri (average)	19/6	46/-	21,600
Timber, building (various, average)	10/- to 23/6	24/- to 42/-	30,800
Uniforms, Guards' and Porters' (each)	43/5	112/3	13,400
Uniform trousers, Guards' and Porters' (each)	12/11	30/5	
Stationery (total)	£21,400	£45,000	23,600
			£451,700

The foregoing list represents but a small portion of the articles used in every-day operations, but it will serve to illustrate the effect war prices will continue to have on the expenditure until such time as high-priced stocks have been used up and present prices recede to figures approximating the pre-war rates.

A leading British manufacturer recently stated that the average total cost of 1 ton of finished steel in 1913 was 110s. 3.1d., the corresponding cost in 1920 being 363s. 3.1d.—approximately three and a quarter times what it was in 1913. The wages-cost in 1913 was 68s. 4.9d., and in 1920 296s. 6.8d., or four and a quarter times what it was in 1913. The increased cost in 1920 over 1913 was 253s. per ton, of which 228s. 2d. went in wages and 24s. 10d. in other charges.