

1929.
NEW ZEALAND.

RAILWAYS STATEMENT

BY THE MINISTER OF RAILWAYS, THE HON. W. B. TAVERNER.

MR. SPEAKER,—

In presenting the Railways Statement for the year ended 31st March, 1929, I have the honour to report that the gross income from all sources was £8,747,975, an increase of £223,437 on that of the previous year, whilst the expenditure was £6,849,383, an increase of £164,260. The net earnings were £1,898,592, as compared with £1,839,415, an improvement of £59,177 on the results in the previous year.

On the 31st March, 1929, the capital invested in the lines open for traffic, including the steamers and plant on Lake Wakatipu and other subsidiary services, was £56,568,598, an increase of £5,381,222 on the capital account for the previous year.

The increase in capital comprises £3,464,578 construction charges on 107 miles of new lines taken over from the Public Works Department during the year, £368,886 expended on new works and charged against capital account under "Additions to open lines," and £1,547,758 expended under the Railways Improvement Authorization Act, 1914, on works such as new workshops and the Westfield and Tawa Flat Deviations.

Included in the gross income is the sum of £498,937 credited in respect of developmental lines, a sum £9,369 higher than the amount received under the same heading for the previous year.

A sum of £655,986 was charged against revenue for depreciation and provision for renewals, and the amount expended from this fund was £258,836 for assets written off or renewals effected during the year. The accumulated credit balance in this fund at the 31st March, 1929, was £1,328,020, an increase of £397,150 over the balance at the 31st March, 1928.

Interest charges amounted to £2,331,335, as compared with £2,130,867 in the previous year, an increase of £200,468.

The deficit on account of revenue and expenditure on the year's working was £432,743, as compared with £291,452 for the previous year, an increase of £141,291; and this increase is principally due to the unprofitable nature of the new lines taken over during the year, the revenue from which was insufficient to pay working-expenses, thus leaving no margin for interest charges.

The revenue from passenger traffic totalled £2,124,746, as compared with £2,145,296 in the previous year, a decrease of £20,550, or 0·96 per cent. While these figures are more satisfactory than those for the previous year, when the decrease was £158,884, the fact must not be overlooked that the decrease in ordinary passenger traffic still continues. For the year under review the revenue from ordinary passenger traffic decreased by £148,476, but owing to the fact that Good Friday fell on the 29th March, 1929, as compared with the 8th April, 1928, the bookings for 1929 include the major part of two Easter holidays, and the heavy decrease in ordinary bookings is partially balanced by the increase in the holiday excursion issues.