

Operating Expenditure.

	1934-35.	Per Cent. of Operating Revenue.	1933-34.	Per Cent. of Operating Revenue.	1932-33.	Per Cent. of Operating Revenue.
	£		£		£	
Maintenance—Way and works	1,047,825	17·74	993,207	17·65	931,273	17·44
Maintenance—Signals ..	137,477	2·33	110,298	1·96	105,586	1·98
Maintenance—Rolling-stock ..	1,236,324	20·92	1,220,102	21·67	1,188,474	22·26
Examination, lubrication, and lighting of vehicles	54,098	0·92	52,376	0·93	52,652	0·99
Transportation—Locomotive..	1,073,062	18·16	1,012,451	17·99	1,062,149	19·89
Transportation—Traffic ..	1,360,928	23·03	1,253,833	22·27	1,255,280	23·51
General charges ..	57,014	0·97	58,944	1·05	61,252	1·15
Superannuation subsidy ..	171,860	2·91	175,935	3·13	177,088	3·32
	5,138,588	86·98	4,877,146	86·65	4,833,754	90·54

Maintenance of Way and Works.

This item of expenditure shows an increase of £54,618 (5·50 per cent.), which was due to increased outlay on the permanent-way (£30,519), covering items for bed and track maintenance, ballasting, fences, and cattle-stops, repairing and sealing approach roads and level crossings; increased expenditure as the result of slips, floods, &c. (£7,723); bridge-maintenance and writing off abandoned assets, additional expenditure on water services in the Wanganui, Wellington, and Christchurch districts (£8,642); additional repairs to operating buildings; repairing and painting Palmerston North Station building, and re-roofing Oamaru Station and goods-shed (£13,992).

The average annual expenditure for this branch for the five years ended 31st March, 1930, was £1,128,644, and the expenditure for the year under review represents a decrease of 7·16 per cent. on that figure.

The 5-per-cent. increase in salaries and wages amounted to £29,522.

Maintenance of Signals and Electrical Appliances.

The expenditure amounted to £137,477, an increase of £27,179 (24·64 per cent.).

For the five years ended 31st March, 1930, the average annual expenditure was £107,716, the figures for this year showing an increase of 27·63 per cent. on the average.

The development of automatic signalling and train-control operating, and additional electrical installations generally, have increased maintenance charges. The mileage of telephone and telegraph wires is now 17,237, as compared with 11,920 in 1930, and telephones in use have increased from 2,256 to 2,958 in the same period.

The 5-per-cent. increase in salaries and wages amounted to £3,670.

Maintenance of Rolling-stock.

Expenditure under this head totalled £1,236,324, an increase of £16,222 (1·33 per cent.). The average annual expenditure for the five years ended 31st March, 1930, was £1,460,114 and this year's figures represent a decrease of 15·33 per cent. on the average for that period.

Locomotive Repairs.

Expenditure under this heading was £502,106, a decrease of £22,918 on the previous year. The decrease was due to the fact that expenditure amounting to £48,100 was charged against a reserve created last year for the purpose of equalizing expenditure over the two years.

During the year, 417 locomotives passed through the workshops for repairs, as against 430 for the previous year. Of these, 194 received heavy repairs, as against the previous year's total of 137.

The average mileage run by engines before being forwarded to the workshops for heavy repairs was 75,100 miles, compared with 70,159 miles for the previous year.

Maintenance of Carriages, Vans, and Wagons.

The total cost of painting and repairing carriages and vans was £244,453, a decrease of £4,602 (1·85 per cent.) on last year. Carriages for heavy repairs totalled 1,382, as against 1,351 last year, while 320 carriages received light repairs, as against 249 for the previous year. The principal decrease was £9,457 for carriage repairs, but this was partially offset by an increase of £3,570 for alterations and conversions.

The expenditure on the maintenance of wagons totalled £472,177, showing an increase over the previous year of £42,708 (9·94 per cent.). The number of wagons repaired in the workshops was 15,741 for heavy repairs and 5,236 for light repairs, as against 15,287 and 4,170 respectively for the previous year. The total of 20,977 wagons passed through the workshops this year, compared with 19,457 for the previous year.