

1938.

NEW ZEALAND.

RAILWAYS STATEMENT

(BY THE MINISTER OF RAILWAYS, HON. D. G. SULLIVAN).

MR. SPEAKER,—

The financial year which ended on the 31st March, 1938, the second since I assumed the portfolio of Railways, has been one of marked progress in every feature of railway activity, with notable buoyancy in many of the classes of traffic carried by the Department and some important developments that have been particularly helpful to the people of the Dominion from both the business and the recreational aspects.

More business has been done by the railways during the past twelve months than in any previous year in the history of the Dominion. This fact is attested not only by the record gross revenue earned, but also by the record total of 561,000,000 goods net ton-miles. There was an increase over the previous year of 1,205,784 passenger journeys by train, and 890,023 additional passengers were conveyed by railway road services as compared with the year ended 31st March, 1937.

The internal activities of the Department have been equally impressive. Never previously have the railway workshops been so fully engaged, their total staff now standing at approximately six thousand, and in no other year have so many major improvements been introduced into the working railways.

The year has proved the efficiency and popularity of rail cars designed and built by the Department for certain classes of traffic in suitable localities. Following the experimental stage of Wairarapa and Midland types of rail cars, the first of the Standard rail cars, evolved to meet the general requirements of the Department, designed by our own Engineers and built by our own craftsmen, has been completed at the Hutt Valley Railway Workshops. Larger and more powerful than anything of the kind previously seen in New Zealand, the new "Aotea" type of vehicle, of which a further fifteen are under construction or on order, is striking in appearance, fast and comfortable to travel by, and is a power unit of great adaptability which promises to have an extremely beneficial effect on rail travel in New Zealand, particularly in those districts where it can be utilized to replace mixed trains or be used as complementary to existing express services.

The electric multiple-unit coaches, introduced in July upon the Wellington-Johnsonville line, have demonstrated what can be done by appropriate action in winning traffic for the railways by giving the highest standard of service to the public upon a line which but a few years ago was officially assessed as having no more than a trifling salvage value.

The Wellington new station has exceeded the most sanguine expectations of the advocates of a modern transport headquarters at Wellington for the convenience of travellers to and from the capital city. The new station supplies an outstanding example of the ready response the public make to the present-day progressive developments of the railways, and, as honourable members are aware, it has become virtually a new civic centre. So much have expectations been exceeded that, despite a generous margin in the space provided to allow for future expansion, the station is already working to maximum capacity in certain branches, and further extensions will be required to cope with the anticipated traffic of the Centennial year and the normal development which may reasonably be expected to follow later.

The first of the seven powerful electric locomotives for the Wellington-Paekakariki section of the North Island main lines has already been tested and has met all requirements, and when the others of the same type now under construction at the Hutt Valley Railway Workshops are completed and all trains to and from the Main Trunk line are electrically operated between Wellington and Paekakariki, a further stage in the modernization of the railways will have been achieved.

The steam locomotive power has been improved by building six new-type heavy engines of the G class for the South Island, and a number of additional K engines are under construction. Passenger rolling-stock has been improved, and more and better wagons have been provided for the conveyance of goods. Bridges and viaducts have been strengthened, heavier tracks laid, grades and curves improved, duplications extended, and innumerable other improvements on a considerable scale have been carried out during the year. The leeway of the past years is being steadily made up, and the cost of arrears of maintenance has been borne out of the current year's earnings.

THE FINANCIAL ASPECT.

The revenue for the year ended 31st March, 1938, was £8,634,186, the highest amount yet earned by the Department in any financial year, representing an increase of £843,535, or 10·83 per cent., over the gross earnings of the previous year and £1,629,870, or 23·26 per cent., more than the earnings for the year ended 31st March, 1936.

This increase of 23·26 per cent. in the gross revenue of the railways during the two years of the present Administration is a remarkable proof of the earning-capacity of the railways when trading and the conditions of the country generally are favourable for their operation, particularly as there have been no increases in the rates for passengers or goods during this two-year period. Bearing this in mind, it may reasonably be claimed that in the past two years the New Zealand Railways have come well out of the doldrums into the fair trade-wind of present-day conditions, and that the Government's policy has been the power which has helped them to achieve these results.

The actual financial results of the year's work compare with the Budget objectives as follow :—

		Budget	Estimate.	Actual.	Variation.	Per Cent.
		£		£	£	
Revenue	8,253,500	8,634,186	+380,686	4·61
Expenditure	7,651,198	8,001,389	+350,191	4·58
Net revenue	602,302	632,797	+ 30,495	5·06

The gross earnings for the year—namely, £8,634,186—are the true earnings of the Department, no device having been adopted to swell the gross revenue. This should be remembered when comparison is made with, say, the financial years ended 31st March, 1926, 1927, 1928, and 1929, when the railways were provided with subsidies from the Consolidated Fund amounting to £359,540 in 1926, £445,221 in 1927, £489,568 in 1928, and £490,735 in 1929, which amounts were included in the gross revenue of the respective years, and the net revenue return increased correspondingly.

The expenditure for the year totalled £8,001,389, an increase of £1,114,596 upon the previous year's figures. The main items of this increase are additional expenditure upon maintenance, rolling-stock, and locomotive and traffic transportation, which together accounted for £905,163 of this amount.

I think the public are already well aware of the need, in the interest of safety and progress, for necessary and desirable expenditure upon the efficient maintenance of the railways so far as the track, structures, and rolling-stock are concerned.

WAGES AND CONDITIONS.

Wages for the year amounted to £4,902,226, or 61·27 per cent. of the total expenditure. Wages paid the previous year amounted to £4,168,041, so that the increase for the year under review amounted to £734,185, made up as shown hereunder :—

	£
Restoration to 1931 level	74,516
Forty-hour week (in operation for only a portion of previous year)	223,697
Cost of removing anomalies as from 1st September, 1937, created by the introduction of the forty-hour week one year earlier	44,582
New wages schedules and regrading	99,401
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<i>Total increase in wages (Working Expense Accounts) due to concessions to staff</i>	<i>442,196</i>
Increased wages cost of handling additional traffic	291,989
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<i>Total increase in wages</i>	<i>£734,185</i>
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As the net revenue was £271,061 less than in the previous year, it will be seen that the improved wage conditions provided for the staff during the year under review, costing £442,196, more than accounted for the decrease in net revenue.

It cannot be stated too clearly that the Government's policy, based on the primary consideration that the general standard of living in New Zealand should be such as the country's great productive capacity justifies, is applied to the railways as it is to other industries and to other Government Departments, irrespective of whether they are revenue producing or otherwise. The policy called for action to improve the purchasing-power of the people, including the forty-hour week to assist in eliminating the national scourge of unemployment. In the railways it required also—(1) a complete restoration of wages following the "cuts" authorized by the legislation of 1931 and 1932; (2) the removal of certain anomalies in the wages scale; (3) the regrading of positions, a right to which the staff were entitled, but the operation of which had been postponed by the previous Administration; and (4) a revision of the standard wages paid to the lower-paid men in the Service, with the object of ensuring that they received reasonable remuneration as compared with employees in other Government Departments and those working under awards of the Arbitration Court.

As I pointed out in my last year's Statement, railway wages and salary "cuts," amounting to £2,512,000, were made from 1932 to 1936 inclusive, and I included a table setting out what the net earnings would have been had not wages and salary "cuts" been made, and giving figures for operations per train-mile. That table is reprinted here, with the addition, for comparative purposes, of the figures for 1938.

Year.	Net Earnings.	Percentage of Working-expenses to Gross Earnings.	Operating-earnings per Train Mile.	Operating-expenses per Train Mile.	Net Operating-earnings per Train Mile.
	£		d.	d.	d.
1932	452,993	93·04	136·63	133·97	2·66
1933	203,544	96·63	130·37	133·41	—3·04 loss
1934	438,558	93·07	132·92	130·05	2·87
1935	590,491	91·09	133·44	127·00	6·44
1936	715,477	89·79	135·60	127·09	8·51
1937	826,858	89·39	139·61	129·70	9·91
1938	632,797	92·67	142·59	136·95	5·64

The large proportion of railway expenditure that is used in wages is indicated in the following table, which shows how the proportions of each £1 of expenditure are allocated to various items :—

	1935-36.	1936-37.	1937-38.
	s. d.	s. d.	s. d.
Wages	12 0	12 5	12 6
Coal	1 8	1 8	1 10
Stores and material	2 3	2 3	2 5
Depreciation*	2 8	2 4	2 1
Miscellaneous	1 5	1 4	1 2
	<hr/> 20 0 <hr/>	<hr/> 20 0 <hr/>	<hr/> 20 0 <hr/>

* NOTE.—The total amount of depreciation for 1937-38 is approximately the same as for the two previous years but owing to increase in the aggregate expenditure the proportion of the £1 for this item is relatively lower.

It should be noted how large a proportion of railway expenditure—amounting now to 12s. 6d. in the pound—is used in the payment of wages to a staff of approximately 23,000, and that a further 1s. 10d. in the pound is spent entirely in New Zealand for coal, and a large proportion of the 2s. 5d. in the pound for stores and material is also spent in New Zealand. The cash expenditure, after allowing for depreciation, &c., amounted to approximately £7,000,000, of which £6,250,000 was spent entirely in New Zealand. These figures indicate the tremendously important place the railways occupy as an industry in the economic life of the nation.

WELLINGTON'S NEW STATION.

The first year's operations at Wellington's new railway-station show some remarkable figures. For the year ended on 18th June the total revenue from goods and passengers was £934,915, an increase of £273,474 (more than 41 per cent.) on the aggregate of the old Lambton and Thorndon Stations for the previous twelve months.

The number of passenger-trains inward was 20,688 and outward 20,274, a total of 40,962. The number of ordinary, suburban, and excursion passengers from Wellington reached 562,130, an increase of 37,816. The revenue from this traffic was £135,971, an increase of £41,294 (nearly 44 per cent.).

In addition, there was an issue of 105,898 season tickets, an increase of 53,738. The revenue was £25,084, an increase of £9,071 (nearly 57 per cent.). Some of this increase is due to the growing use of the new six-trip and twelve-trip suburban tickets, which are classed as "Season."

The total increase in the passenger revenue over the combined revenue of the old Lambton and Thorndon Stations was £50,365—very nearly £1,000 per week—an advance of nearly 46 per cent.

There were 4,792 goods-trains inward and 4,776 outward. The revenue from the outward traffic was £387,301, an increase of £130,001 (more than 50 per cent.).

The total of outward freight was 300,206 tons, an increase of 78,494 tons (more than 35 per cent.). The total of inward freight was 229,855 tons (an increase of 25 per cent.).

A good indication of public appreciation of the facilities at the new station is seen in the parcels business. The receipts were £50,143, an increase of £16,323 (more than 48 per cent.).

The Refreshment Branch had a busy year at the new station. The revenue amounted to £55,307, an average of more than £1,063 a week.

RAILWAY ROAD SERVICES.

The Government's policy of co-ordination of existing transport on the principal routes throughout the Dominion in the national interest has been developed further during the year in the operations of the Railway Department's road services.

Additional passenger road services were taken over on the following routes during the year: Hokitika-Rimu, Hamilton-Rotorua-Opotiki, Auckland-Hamilton, Wellington-Titahi Bay, and Blenheim-Parnassus-Kaikoura-Waiiau.

The following new services were inaugurated during the year : Hokitika–Grey-mouth ; Culverden–Westport via Lewis Pass.

During the year the Government set up a Tribunal to deal with the purchase of goods road services where such action was considered desirable, and this Tribunal has already made recommendations respecting a number of services, which have been approved by the Government. At the end of the financial year arrangements were well in hand for taking over these services by the Railways Department. The first was taken over in May, and the work in connection with the other services is now proceeding rapidly.

The revenue of the road passenger services, amounting to £276.527, was an increase of £77,776 over the earnings of last year, and the net revenue of £21,974 was obtained after making full provision for interest on capital, for depreciation, and substantial provision for the writing-off of goodwill. The financial result is in itself satisfactory, but more important still has been the improvement in service and convenience in operation obtained through the co-ordination of road and rail services in those localities where single ownership has been brought about.

MORE ROLLING-STOCK.

The greater use made of the railways for goods traffic has required a heavy rolling-stock-building programme, and the passenger traffic, which shows a gratifying expansion, also calls for additional and improved rolling-stock.

The present programme includes seven electric locomotives for the Wellington–Paekakariki electrification and two electric locomotives for the Arthurs Pass–Otira section. Forty-one K class locomotives are in course of construction. Up to the present this type of engine has been built and used only in the North Island, but a number are now needed for South Island traffic and 16 of the new K's will be constructed at the Hillside (Dunedin) Railway Workshops. Work is proceeding on the construction of two 10-ton cranes for the North Island, two 40-ton break-down cranes for the South Island, and it is intended to provide a 5-ton mobile crane for the Christchurch Goods Yard.

The construction of 92 passenger cars, 29 vans, 2,848 goods wagons of various types, and 40 ballast wagons is being carried out.

Arrangements have been made for the completion of the Standard rail cars at present under construction, as well as for the provision of 10 additional rail cars and 14 internal-combustion shunting units.

The greater locomotive power and the improved wagon supply which will be available when the present programme (now being pushed ahead as fast as possible) is completed will be appreciated by farmers, merchants, shipping companies, and the business community generally.

It will also give relief to the staff of the Department who, owing to the shortage of wagons, have experienced increasing difficulty in meeting the general increase of traffic. This condition was intensified by the virtual cessation of new rolling-stock construction during previous years, and by the more recent difficulty in obtaining supplies of materials from overseas.

IMPROVEMENTS TO EXISTING RAILWAYS.

Amongst the important works in hand for the improvement of existing railway-lines the following are mentioned to indicate the extensive nature of the railway-track improvements and duplication developments being carried through in accordance with the Government's policy :—

Duplication of the North Island Main Trunk line between Auckland and Frankton Junction, a distance of 87 miles, is in hand, and work is being pushed ahead at the present time as rapidly as possible on the single-line portion from Ngaruawahia to Papakura.

Important grade easements are being made on the line running north of Auckland upon three sections lying between New Lynn and Waitakere where steep grades (equal to 1 in 35) exist and sharp curves require easing. When this work is completed the steepest grade will not exceed 1 in 60.

On the important Marton – New Plymouth section of the main-line system a major deviation is being made between Turakina and Okoia to obtain greatly improved grades in place of those which now restrict train-loads on this section. This deviation will reduce the maximum grade to 1 in 70 and will save $4\frac{1}{2}$ miles distance. The effect of this change will also be to reduce the running-time of trains by approximately thirty minutes.

Another major grade easement is being made on the Palmerston North – Marton section of the North Island Main Trunk line. The effect of this will be to bring the maximum gradient down to 1 in 70 on this section.

At Palmerston North, one of the two principal junctions of the North Island railway system, a deviation which was approved in 1921, and upon which work ceased in 1929, has been again put in hand. Considerable congestion is being experienced at the present time in dealing with the increasing traffic passing through Palmerston North, and it has been found that a satisfactory remedy cannot be provided on the present site. It is necessary in order to efficiently deal with the business to relocate the Palmerston North Station and shunting-yards, and it is found that the best position will be on the site upon which work was previously undertaken. The deviation will extend from Longburn to a point between Terrace End and Bunnythorpe, a distance of about seven miles. A double track will be laid from Longburn to the new Palmerston North Station yard.

An entirely new station and buildings will be provided to replace the present inadequate facilities. One desirable feature of the deviation is that it will eliminate eighteen level road-crossings.

A duplication of great importance is also now being carried out on portions of the Main Trunk line near Wellington between Plimmerton and Paekakariki, which is to be the terminus of the electrified section of line from Wellington via the recently completed Tawa Flat deviation.

Work has been in progress for some time on several grade easements between Jackson and Stillwater on the Midland line with the object of allowing increased train-loads for east-bound traffic. The ruling gradient in future will be 1 in 80 between these stations.

The Sawyer's Bay – St. Leonards duplication will complete the double line between Sawyer's Bay junction and Dunedin and will greatly facilitate the working of the main-line traffic, as well as that between Port Chalmers and Dunedin.

The building of a modern garage and bus-station has been commenced at Dunedin. All the Railway Department's activities relating to road traffic in this area will be centralized at the new building.

Owing to several large bridges (such as those over the Rakaia and Rangitikei) being under reconstruction, the Department's bridge-reconstruction programme this year is particularly large, the total estimated cost being £180,000.

CHRISTCHURCH NEW STATION AND YARD.

Work has been commenced upon the rearrangement of the passenger section and the enlargement of the goods section of the Christchurch yard, which will be followed by the construction of a new station building in order to provide the modern facilities required for dealing with traffic at Christchurch. The work will take about three years to complete.

HOUSING PROGRAMME.

The building of over three hundred houses for railway staff at various localities throughout New Zealand has been commenced. The work will be spread over two to three years, and will cost approximately £310,000.

LEVEL-CROSSING ELIMINATIONS.

The Railway Department is co-operating with the Main Highways Board in a programme of main-highway level-crossing elimination. The total expenditure during the current financial year is estimated at about £400,000, of which amount the Railway Department will find £70,000.

PREPARATIONS FOR CENTENNIAL YEAR.

Enough has been said, I think, to give an idea of the progress and development of the railways during the past year and of the main features of Government policy in regard to the railways and to transport generally so far as it concerns the operations of the Department.

I feel that the increasing tide of traffic the railways have experienced in the past two years will continue to flow in their direction as additional facilities are provided for the transaction of business with and through the Department, and as public satisfaction is increased by the good, reliable, and inexpensive service given. The Department, naturally, anticipates a greatly increased traffic during the Dominion's Centennial year and also increased trade and tourist business following the national display of the country's achieved and potential development. This has been borne in mind in framing the Department's construction programme for the immediate future.

ACCIDENTS.

Two train accidents, the first at Ratana and the second at Aylesbury, each resulting in the loss of life, occurred in the last month of the financial year.

The Government set up a judicial Board of Inquiry on the 28th March immediately following the Ratana accident, and the Board's report, dated 8th July, 1938, has been received by the Government and circulated amongst members. This indicates that the accident was due to an honest error of judgment on the part of the engine-driver, to which the presence of haze and fog contributed. The Board was satisfied that the engine, cars, and guard's van were in first-class order and condition, and that the permanent-way was well laid and maintained and perfectly safe to travel over at the authorized speeds.

The Coronial Inquiry into the Aylesbury accident is not yet completed.

I wish again to express my very deepest sympathy with the relatives and associates of the deceased.

CONCLUSION.

I wish to thank the General Manager, Mr. G. H. Mackley, his assistants, and the staff generally for their efficient work and helpful attitude throughout the year.

From my own personal knowledge and experience, and from appreciative references not only by New-Zealanders but by visitors from overseas, I am satisfied that during an exceedingly trying year the staff has given excellent service to the public and to the Department.

RESULTS OF WORKING.

The following is a statement of the results of working for the past five years:—

PARTICULARS.	Year ended 31st March,				
	1938.	1937.	1936.	1935.	1934.
Total miles open for traffic	3,323	3,320	3,320	3,320	3,320
Average miles open for year	3,322	3,320	3,320	3,320	3,304
Capital cost of opened and unopened lines	£63,189,260	£60,659,783	£59,611,834	£59,477,143	£59,337,917
Capital cost of open lines	£56,065,187	£54,696,437	£54,253,059	£54,089,190	£53,909,347
Capital cost per mile of open lines ..	£16,872	£16,475	£16,341	£16,292	£16,238
Gross earnings	£8,634,186	£7,790,651	£7,004,316	£6,627,928	£6,332,711
Working-expenses	£8,001,389	£6,886,793	£5,952,839	£5,540,437	£5,247,153
NET EARNINGS	£632,797	£903,858	£1,051,477	£1,087,491	£1,085,558
Interest charges	£2,335,808	£2,309,754	£2,300,051	£2,330,886	£2,282,365
PERCENTAGE OF TOTAL WORKING-EXPENSES TO GROSS EARNINGS	92·67	88·40	84·99	83·59	82·86
PERCENTAGE OF NET EARNINGS TO CAPITAL INVESTED	1·15	1·65	1·94	2·01	2·05
Railway operating earnings	£7,591,825	£6,903,604	£6,243,519	£5,908,064	£5,628,835
Railway operating expenses	£7,291,785	£6,338,385	£5,523,193	£5,138,588	£4,877,146
NET RAILWAY OPERATING EARNINGS	£300,040	£565,219	£720,326	£769,476	£751,689
PERCENTAGE OF RAILWAY OPERATING EXPENSES TO EARNINGS ..	96·05	91·81	88·46	86·98	86·65
Operating earnings per average mile open	£2,285	£2,079	£1,881	£1,780	£1,704
Operating expenses per average mile open	£2,195	£1,909	£1,664	£1,548	£1,476
NET OPERATING EARNINGS PER AVERAGE MILE OPEN	£90	£170	£217	£232	£228
Operating earnings per train-mile ..	d. 142·59	d. 139·61	d. 135·60	d. 133·44	d. 132·92
Operating expenses per train-mile ..	136·95	128·18	119·96	116·06	115·17
NET OPERATING EARNINGS PER TRAIN-MILE	5·64	11·43	15·64	17·38	17·75
Passengers, ordinary	8,069,018	8,284,956	7,963,824	7,809,035	7,511,346
Season tickets	750,497	513,063	482,146	457,546	442,742
Total passenger journeys	22,441,212	21,235,428	20,358,524	19,654,467	19,047,186
Goods tonnage	6,847,974	6,212,907	5,618,477	5,444,977	5,093,396
Live-stock tonnage	668,075	600,333	570,328	578,983	548,803
Train-mileage	12,777,852	11,868,083	11,050,376	10,626,400	10,163,474
Engine-mileage	17,312,921	15,984,782	14,923,175	14,277,710	13,591,390

For the current year it is anticipated that the revenue will reach £9,211,605, and the expenditure £8,706,207.

ANNUAL REPORT OF THE GENERAL MANAGER OF THE NEW ZEALAND GOVERNMENT RAILWAYS.

New Zealand Government Railways,

Head Office, Wellington, 17th August, 1938.

The Hon. the MINISTER OF RAILWAYS.

SIR,

I have the honour to report on the working of the railways for the financial year 1937-38, and in doing so have pleasure in directing attention to the fact that the earnings for the year are the highest yet attained in the history of the railways, the marked upward trend in respect of the volume of business handled by the Department, as noted in last year's report, having been steadily maintained throughout the whole of the twelve months under review.

The revenue for the year amounted to £8,634,186, as compared with £7,790,651 in the previous year, an increase of £843,535 (10·83 per cent.).

The total revenue actually exceeded the estimate made in the report for the previous year by £380,686. Operating revenue exceeded the estimate by £246,825, subsidiary services by £113,528, and miscellaneous non-operating by £20,333.

The net revenue was £632,797, as compared with £903,858 for the previous year, a decrease of £271,061. This decrease in net revenue was due to an increase in working-expenses amounting to £442,195 on account of the operation of the forty-hour week for a full year, and other salary and wages concessions granted to the staff during the year. The increased wages cost of handling the substantial increase in business, together with the increased price and consumption of coal, stores, and other materials, plus the cost of providing improved stock-loading, yard-lighting, and other facilities at stations, amounted to £672,400. The aggregate increase in working-expenses was thus £1,114,596.

With the increased costs of operation accounted for as indicated above, the net revenue produced (without any increase in fares or freights) is, from a managerial viewpoint, regarded as highly satisfactory.

FINANCIAL.

On the 31st March, 1938, the capital invested in the lines open for traffic, including the steamers and plant on Lake Wakatipu and other subsidiary services, was £56,065,187, as compared with £54,696,437 on the 31st March, 1937, an increase of £1,368,750.

The principal additions to capital during the year were on account of the following major works: Wellington new station and yard, £215,332; Wellington-Johnsonville and Wellington Paekakariki electrification, £51,659; Papakura-Horotiu duplication, £77,180; Turakina Okoia grade easement, £111,943; Plimmerton-Paekakariki duplication, £20,126; elimination of level crossings, £95,426; additions to workshops buildings and plant, £65,701; improvements to station buildings, &c., £28,158; while expenditure under the heading of rolling-stock totalled £662,033. The latter figure was made up of the following items: Electric locomotives, £126,604; steam-locomotives, £31,956; multiple units, £23,619; rail cars, £38,497; cars and vans, £270,377; wagons, £170,980.

The financial results of the operations for the year ended 31st March, 1938, were as follow:—

	Year ended 31st March, 1938.	Year ended 31st March, 1937.	Variation.
	£	£	£
Gross revenue	8,634,186	7,790,651	+ 843,535
Gross expenditure	8,001,389	6,886,793	+1,114,596
Net revenue	632,797	903,858	— 271,061
Interest charges	2,335,808	2,309,754	+ 26,054
Excess of interest charges (at 4½ per cent.) over net revenue	1,703,011	1,405,896	+ 297,115

RENEWALS, DEPRECIATION, AND EQUALIZATION RESERVE ACCOUNTS.

The position with regard to the renewals, depreciation, betterments, and equalization accounts is as under:—

Account.	Credit Balance brought forward from 1937.	Contributions, 1937-38.	Expenditure, 1937-38.	Credit Balance at 31st March, 1938.
	£	£	£	£
Renewals	748,467	207,657	165,684	790,490
Depreciation	211,490	636,639	526,507	321,622
Betterments	3,091	..	1,297	1,794
Slips, Floods, and Accidents	54,147	19,820	53,582	20,385
Workers' Compensation	44,217	48,491	48,150	44,558
Insurance	98,459	11,937	4,227	106,169
	1,159,871	924,544	799,397	1,285,018

REVENUE DETAILS.

The operating revenue under the main headings, and the percentage of the total under each heading, compared with the previous two years, are as follow :—

—	1938.	Per Cent. of Operating Revenue.	1937.	Per Cent. of Operating Revenue.	1936.	Per Cent. of Operating Revenue.
	£		£		£	
Passengers, ordinary ..	1,475,829	19·44	1,421,633	20·59	1,286,059	20·60
Season tickets ..	222,192	2·93	189,672	2·75	180,558	2·89
Parcels, luggage, and mails	318,457	4·19	305,526	4·43	299,964	4·80
Goods	5,411,297	71·28	4,846,417	70·20	4,359,750	69·83
Labour, demurrage, &c. ..	164,050	2·16	140,356	2·03	117,188	1·88
	7,591,825	100·00	6,903,604	100·00	6,243,519	100·00

The revenue under all heads showed a satisfactory increase over the previous year, the increases being —Passenger, 5·38 per cent. ; parcels, 4·23 per cent. ; goods, 11·66 per cent.

The operating earnings per average mile open and per train-mile were as follow :—

Per Average Mile open.	Per Train-mile.
£	d.
2,285	142·59

The railway operating receipts for the last three years (exclusive of subsidiary services) from the North and South Island Main Lines and Branches are as follow :—

—	North Island Main Line and Branches.			South Island Main Line and Branches.		
	1938.	1937.	1936.	1938.	1937.	1936.
	£	£	£	£	£	£
Passengers, ordinary ..	973,242	939,908	827,138	493,615	471,451	448,601
Season tickets ..	147,302	128,286	121,985	71,062	57,534	55,243
Parcels, luggage, and mails	216,078	204,950	201,190	97,915	95,912	93,893
Goods	3,172,701	2,768,960	2,476,862	2,098,040	1,957,764	1,775,795
Labour, demurrage, &c.	82,762	70,188	62,053	73,268	63,165	48,993
	4,592,085	4,112,292	3,689,228	2,833,900	2,645,826	2,422,525

The operating earnings for the last three years for the North and South Island Main Lines and Branches per average mile open and per train-mile are as follow :—

Year.	North Island Main Line and Branches.		South Island Main Line and Branches.	
	Per Average Mile open.	Per Train-mile.	Per Average Mile open.	Per Train-mile.
	£	d.	£	d.
1938	3,086	137·13	1,778	150·12
1937	2,767	134·21	1,660	147·23
1936	2,483	130·25	1,520	143·57

EXPENDITURE DETAILS.

	1937-38.	1936-37.	1935-36.
	£	£	£
Expenditure on train operation	7,291,785	6,338,385	5,523,193
Subsidiary services	709,604	548,408	429,646
	£8,001,389	£6,886,793	£5,952,839

Operating Expenditure.

	1937-38.	Per Cent. of Operating Revenue.	1936-37.	Per Cent. of Operating Revenue.	1935-36.	Per Cent. of Operating Revenue.
	£		£		£	
Maintenance—Way and works	1,278,980	16·85	1,171,963	16·98	1,070,085	17·14
Maintenance—Signals ..	178,892	2·36	154,108	2·23	147,442	2·36
Maintenance—Rolling-stock ..	1,792,562	23·61	1,565,083	22·67	1,406,685	22·53
Examination, lubrication, and lighting of vehicles	78,727	1·04	65,048	0·94	57,599	0·92
Transportation—Locomotive..	1,624,383	21·40	1,347,129	19·51	1,144,037	18·32
Transportation—Traffic ..	2,090,471	27·54	1,797,058	26·03	1,465,052	23·46
General charges	78,787	1·04	69,691	1·01	63,664	1·02
Superannuation subsidy ..	168,983	2·21	168,305	2·44	168,629	2·71
	7,291,785	96·05	6,338,385	91·81	5,523,193	88·46

Maintenance of Way and Works.

The expenditure under this head amounted to £1,278,980, an increase of £107,017 (9·13 per cent.). Of the increase, the cost of concessions to the staff accounted for £88,558, brought about by the operation for a full year of the restoration of wages and salaries to pre-depression level, and the operation of the forty-hour week for the full twelve months as compared with seven months in the previous year.

Taking 1926 as the standard, and fixing the index figure for that year at 100 for the expenditure on maintenance of way and works and the average mileage of line maintained, the undermentioned summary shows the position over the past five years :—

			1926.	1934.	1935.	1936.	1937.	1938.
Total expenditure .. ..	..	..	100	87	92	94	102	112
Average mileage of line ..	..	..	100	104	104	104	104	105

Maintenance of Signals and Electrical Appliances.

The expenditure amounted to £178,892, an increase of £24,784 (16·08 per cent.). The principal increase was incurred in connection with the cost of various concessions granted to the staff in the way of improved wage and salary schedules and the operation for a full year of the shorter (forty-hour) working-week.

Maintenance of Rolling-stock.

The sum of £1,792,562 was expended under this head during the year, an increase over the expenditure for the previous year of £227,479 (14·53 per cent.).

The restoration of wages and salaries to the 1931 level operating for a full year compared with nine months in the previous year accounted for £13,056 of the increase, the forty-hour week operating for the full twelve months as against seven months in the previous year, entailed an expenditure of £50,916, while the salary and wage arrears debited but not paid on 31st March, 1938, amounted to £17,162, the total under these three headings being £81,134.

The following is a review of the expenditure under the various heads shown :—

Locomotive Repairs.—Expenditure under this head was £708,756, an increase of £68,546 (10·71 per cent.). This increase is made up as follows : Workshops repairs, £44,897 ; depot repairs, including work done in shops for depots, £32,780 ; repairs due to accidents, £2,769 ; depreciation, £2,423. A reduction in expenditure of £14,323 occurred in connection with conversions and renewals of locomotives.

The following table shows the cost of maintenance per locomotive and per locomotive-mile over a period of five years :—

1934.	Cost per Locomotive.					Cost per Locomotive-mile.				
	1935.	1936.	1937.	1938.		1934.	1935.	1936.	1937.	1938.
£	£	£	£	£		d.	d.	d.	d.	d.
869	855	1,016	1,117	1,228		9·27	8·44	9·42	9·61	9·82

Maintenance of Carriages, Vans, and Wagons.—The total cost of repairing and painting carriages and vans was £363,104, an increase of £55,028 (17·86 per cent.) over last year. The cost per vehicle-mile was 2·06d., as against 1·82d. for the previous year. The principal increases in expenditure were : Carriage repairs, £43,500 ; guards' van and postal-van repairs, £8,558 ; conversions and alterations, £1,313.

A total of 1,391 carriages received repairs in workshops during the year, of which number 1,089 were heavy repairs and 302 light repairs. Three hundred and forty-one vans received heavy repairs, as against 314 last year, while 161 vans received light repairs, as compared with 150 last year.

The following table shows the cost of maintenance per vehicle and per vehicle-mile over a period of five years :—

Cost per Vehicle.					Cost per Vehicle-mile.				
1934.	1935.	1936.	1937.	1938.	1934.	1935.	1936.	1937.	1938.
£	£	£	£	£	d.	d.	d.	d.	d.
124	112	139	156	184	1·67	1·57	1·70	1·82	2·06

The maintenance of wagons during the year entailed an expenditure of £698,497, an increase of £101,593 (17·02 per cent.) over the previous year. The main items of expenditure were: Wagon repairs, £86,340; and conversions and alterations, £12,846.

Wagons receiving repairs in workshops during the year totalled 21,467, of which number 15,320 received heavy repairs and 6,147 light repairs. The comparative figures for the previous year are 21,101, 14,488, and 6,616 respectively.

The following table shows the cost of maintenance per vehicle and per vehicle-mile over a period of five years :—

Cost per Vehicle.					Cost per Vehicle-mile.				
1934.	1935.	1936.	1937.	1938.	1934.	1935.	1936.	1937.	1938.
£	£	£	£	£	d.	d.	d.	d.	d.
16	17	20	22	26	0·64	0·65	0·69	0·72	0·77

Examination, Lubrication, and Lighting of Rolling-stock.

The expenditure on examination and lubrication of rolling-stock was £41,156, an increase of £5,905 (16·75 per cent.) compared with the previous year. The increase is due to the increased number of vehicles passing through workshops, higher wage-rates, the forty-hour week, and a greater vehicle-mileage.

The expenditure on the lighting of coaching vehicles was £37,571, an increase of £7,774 (26·09 per cent.), the main cause being higher wage-rates, the introduction of the shorter working-week, and greater consumption on account of increased mileage.

Locomotive Transportation.

This item of expenditure shows an increase of £277,254 (20·58 per cent.), the total amount expended being £1,624,383, as against £1,347,129 last year. In keeping with other items of maintenance the increase in expenditure under this head was largely attributable to various concessions granted to the staff in the way of improved wage and salary schedules, and the operation of the shorter (forty-hour) working-week. The increased expenditure in each Island is as follows: North Island, £203,069; South Island, £74,185. The disparity in the increases shown as between the two Islands is due to the higher cost of coal in the North Island, the advance under this head being 26·68 per cent. in the North against 15·18 per cent. in the South, and to the fact that traffic showed a larger increase in the North Island than in the South.

The quantity of coal used was 473,233 tons, an increase of 39,967 tons. This was due to an increase of 1,328,139 engine-miles (8·31 per cent.).

The total consumption and cost of coal during the last three years are shown hereunder :—

					Consumption. Tons.	Cost. £
1936	..	..	..	..	.. 420,251	475,706
1937	..	..	..	..	.. 433,266	554,420
1938	..	..	..	..	.. 473,233	690,029

The average consumption of coal and cost of same per engine-mile, per engine-hour, and per 1,000 gross ton-miles for the last three years are shown in the following table :—

			Consumption.			Cost.	
			1938.	1937.	1936.	1938.	1937.
			lb.	lb.	lb.	d.	d.
Per engine-mile ..	..	..	63·50	62·45	64·07	9·92	8·56
Per engine-hour ..	..	..	651·06	650·81	673·78	101·71	89·23
Per thousand gross ton-miles	..	..	389·46	389·72	405·90	60·84	53·43
							49·23

The following table furnishes statistics of locomotive operation for the last five years:—

			1938. d.	1937. d.	1936. d.	1935. d.	1934. d.
Cost per engine-mile	..	..	22·52	20·23	18·40	18·04	17·88
Cost per train-mile	..	..	30·04	26·84	24·51	23·91	23·68
Cost per engine-hour	..	..	233·26	212·03	193·42	190·78	189·87
Cost per 1,000 gross ton-miles	..	..	141·43	128·24	117·09	116·59	118·66
Engine-miles per engine-hour	..	..	10·36	10·48	10·51	10·58	10·62
Gross ton-miles per engine-hour	..	..	1,649	1,653	1,652	1,636	1,600

The cost per engine-mile increased over the previous year by 2·29d. (11·32 per cent.), due to increased wages-costs, the operation of the shorter working-week, and to higher fuel and stores costs.

Traffic Transportation.

The expenditure under this head was £2,090,471, as against £1,797,058 last year, an increase of £293,413 (16·33 per cent.).

Of the increase, salaries and wages accounted for £259,930. The restoration of salaries and wages operating for a full year, compared with nine months in the previous year, absorbed £30,002, a full year's operation of the forty-hour week as against seven months in the previous year accounted for £90,129, while the debiting on 31st March, 1938, of wage and salary arrears due but not paid absorbed a further £27,428. Man-hours reached the high total of 14,187,520, an increase of 954,081 (7·21 per cent.) as compared with last year.

Taking the year 1926 as the standard, and fixing the index figure for that year at 100, the following shows the position in respect of traffic-transportation expenditure over a period of five years:—

			1926.	1934.	1935.	1936.	1937.	1938.
Total expenditure	..	..	100	72	78	84	103	120

General Charges.

The expenditure under this head totalled £247,770, as compared with £237,996, an increase of £9,774 (4·11 per cent.). The increase was mainly due to salary restoration to the pre-depression level, revised salary schedules as from 1st April, 1937, and increased payments to the female staff.

SUBSIDIARY SERVICES.

Subsidiary Service Revenue.—The revenue from subsidiary services amounted to £1,042,361, as compared with £887,047 for the previous year, the figures for the past three years being as follow:—

			1937-38. £	1936-37. £	1935-36. £
Lake Wakatipu steamers	..	..	7,624	7,112	10,598
Refreshment service	..	..	142,786	103,351	89,132
Bookstall service	..	..	76,719	54,417	45,798
Advertising service	..	..	37,397	34,535	31,774
Departmental dwellings	..	..	130,683	131,187	129,255
Leases of bookstalls, &c.	..	..	20,292	19,020	17,909
Road motor services	..	..	276,527	198,751	103,280
Miscellaneous	..	..	350,333	338,674	333,052
			<u>£1,042,361</u>	<u>£887,047</u>	<u>£760,798</u>

Subsidiary Service Expenditure.—The particulars of the expenditure in connection with subsidiary services over a period of three years are as follow:—

			1937-38. £	1936-37. £	1935-36. £
Lake Wakatipu steamers	..	..	11,144	10,855	9,399
Refreshment service	..	..	140,937	101,125	84,976
Bookstall service	..	..	73,232	51,245	43,042
Advertising service	..	..	32,627	31,151	29,391
Departmental dwellings	..	..	183,182	164,746	156,692
Leases of bookstalls, &c.	..	..	13,929	12,233	11,464
Road motor services	..	..	254,553	177,053	94,682
			<u>£709,604</u>	<u>£548,408</u>	<u>£429,646</u>

The variations shown above are analysed under their separate heads later in this report.

PASSENGER TRAFFIC.

An analysis of the passenger traffic is as follows :—

				1938.	1937.	Variation.	
				Number.	Number.	Number.	Per Cent.
Passenger journeys—							
Ordinary				8,069,018	8,284,956	— 215,938	2·61
Season				14,372,194	12,950,472	+1,421,722	10·98
Total				22,441,212	21,235,428	+1,205,784	5·68
Revenue—				£	£	£	
Ordinary				1,475,829	1,421,633	+ 54,196	3·81
Season				222,192	189,672	+ 32,520	17·15
Total				1,698,021	1,611,305	+ 86,716	5·38
Passenger train-miles				5,322,050	5,066,860	+ 255,190	5·04
Revenue—							
Per mile of line				£511	£485	+ £26	5·36

Compared with the year 1936–37, the variations in passenger traffic, other than season tickets, are as follow :—

Description.	Journeys.		Variation.	
	1938.	1937.		
	Number.	Number.	Number.	Per Cent.
Standard fare	3,431,168	3,480,655	— 49,487	1·42
Suburban	1,933,535	2,360,962	—427,427	18·10
Day and special excursion and other reduced fares	2,704,315	2,443,339	+260,976	10·68
	8,069,018	8,284,956	—215,938	2·61

Description.	Revenue.		Variation.	
	1938.	1937.		
	£	£	£	Per Cent.
Standard fare	1,155,946	1,119,968	+ 35,978	3·21
Suburban	61,363	76,421	— 15,058	19·70
Day and special excursion and other reduced fares	258,520	225,244	+ 33,276	14·77
	1,475,829	1,421,633	+ 54,196	3·81

The variations in ordinary passenger traffic were distributed between first class and second class as follow :—

		First Class.		Second Class.		Total.	
		Number.	Per Cent.	Number.	Per Cent.	Number.	Per Cent.
Journeys		—30,277	7·00	—185,661	2·36	—215,938	2·61
		£		£		£	
Revenue		+ 6,521	2·45	+ 47,675	3·94	+ 54,196	3·81

It is pleasing to record that the upward trend in respect of passenger revenue and number of passengers carried, as noted in last year's report, has been steadily maintained throughout the whole of the twelve months under review, the total increase for the year being 1,205,784 passenger journeys and £86,716 in revenue. In relation to last year's figures this result can be considered very

satisfactory when it is remembered that two Easters fell within the financial year ended 31st March, 1937, while none occurred during the year under review, this adversely affecting the 1938 figures to the extent of approximately £80,000.

The visit of the South African Rugby Football Team which toured New Zealand during the winter months of 1937 gave a decided flip to rail traffic, the widespread interest in the various matches participated in by the visiting team being reflected in heavy patronage of the train services arranged in connection with the various fixtures. During the twelve weeks the team was in the Dominion passenger revenue increased by £39,750, whereas the average increase for the preceding twelve weeks was at the rate of £1,000 per week.

The infantile-paralysis epidemic in the summer of last year adversely affected the passenger returns for 1937 by an estimated amount of £100,000, and for comparative purposes this year's accounts may be said to have benefited by a corresponding amount.

Special attention continues to be devoted to the organization of day and week-end excursions at specially reduced fares from city to city and from the more populous areas to popular seaside and scenic resorts, and it is satisfactory to note that the definite appeal made by these outings when they were first instituted some years ago continues without diminution, as the large increase in the number of tickets issued at day, special-excursion, and other reduced fares indicates. The extended facilities available for recreational travel by rail are being taken advantage of by more and more people as providing a pleasant and inexpensive means of employing the increased hours of leisure now enjoyed by the community generally following upon the general application to industry of the principle of the shorter (forty-hour) working-week, and it can be fairly claimed that the policy of the Department in liberalizing the conditions of week-end travel by the charging of fares at low rates to suit the pockets of all sections of the community, and in other directions, has been fully justified by the splendid public response to the special facilities provided.

Standard fare traffic shows a decrease of 1.42 per cent. in number and an increase of £35,978 (3.21 per cent.) in revenue as compared with the previous year. This is due to an increase in the average distance travelled per passenger. The figures for 1938 are revealed in a much more favourable light, however, when allowance is made for the 1937 figures having benefited by the inclusion of two Easter periods. If for purposes of analysis the complications arising from the varying incidence of Easter are removed, the revenue for 1938 on this basis is shown as exceeding that of 1937 by 11.73 per cent.

Suburban traffic at ordinary day fares decreased by 427,427 journeys and £15,058 in revenue, a decrease of 18.10 per cent. and 19.70 per cent. respectively as compared with 1937. The decline is attributable to the introduction in suburban areas as from May, 1937, of a new type of bearer ticket, at rates substantially below those for ordinary single or return suburban tickets. The new bearer ticket is transferable and is available for six second-class single trips in either direction at any time up to the end of the month following the month of issue. Sales of the new bearer tickets are accounted for under the heading of season tickets, the increase in which much more than offsets the decrease referred to.

Day and special excursion and other reduced fares showed an increase of 10.68 per cent. in number and 14.77 per cent. in revenue. Revenue from day and special excursion traffic exceeded that of last year by £10,350.

The revenue from season tickets was £222,192 and exceeded that of the previous year by £32,520 (17.15 per cent.). The substantial increase recorded is mainly attributable to the success of the new issue of suburban twelve-trip and bearer six-trip tickets, introduced for suburban travel in May, 1937. Other increases shown under this heading are half-fare seasons for young folk, £1,655, and privilege issues, £1,223. Revenue from all lines and sectional annuals shows a small decline due to a smaller debit for tickets issued to the Legislative Department.

PARCELS, LUGGAGE, AND MAILS.

The revenue from this source amounted to £318,457, an increase of £12,931 (4.23 per cent.). An analysis of the revenue is as follows:—

				1938.	1937.	Variation.	
				£	£	£	Per Cent.
Parcels	..	..	..	155,942	159,206	—3,264	2.05
Excess luggage	..	..	..	7,435	6,935	+500	7.21
Left luggage, luggage-checks, bicycles, dogs, newspapers, &c.	..	..	..	54,142	48,389	+5,753	11.89
Mails	..	..	..	100,938	90,996	+9,942	10.93
Total	..	..	..	<u>£318,457</u>	<u>£305,526</u>	<u>+£12,931</u>	<u>4.23</u>

Revenue from the carriage of parcels traffic was adversely affected by a falling off in the conveyance of cream due to the introduction of a system of zoning of cream-supplies in the Auckland district during the dairying season. The loss of revenue from this cause is, however, somewhat compensated for by the increased parcels traffic dealt with at Wellington following upon the opening of the new station for business on 19th June, 1937. The close proximity of the Wellington new railway terminal to the main business area of the city and the excellent facilities provided for the receipt and despatch of parcels there have, as anticipated, offered strong inducements to traders and others to favour the rail for the carriage of parcels, and the increase in this class of traffic dealt with at Wellington has been most encouraging.

All items in the miscellaneous luggage group show increases. Revenue from the carriage of dogs, bicycles, &c., and from “left” and “checked” luggage shows the satisfactory increase of 11·89 per cent., which is considerably in excess of the increase in passenger travel. Revenue from bulk newspaper traffic again shows an increase (9·59 per cent.), due to a continued improvement in the circulation of newspapers and periodicals.

The following table shows the variations under the heading of “Mails” :—

			1938.	1937.	Variation.	
			£	£	£	Per cent.
Mails in guards' vans at half parcel rates..			55,080	50,904	+4,176	8·20
Railway travelling post-office service ..			27,818	27,627	+191	0·69
Mails carried in wagons			18,040	12,465	+5,575	44·73
Total			£100,938	£90,996	+£9,942	10·93

The travelling post-office service is paid for on a mileage basis.

GOODS AND LIVE-STOCK.

The revenue and tonnage of goods and live-stock for 1938 compare with the previous year as follow :—

		1938.	1937.	Increase.	Per Cent.
Revenue	..	£5,411,297	£4,846,417	£564,880	11·66
Tonnage	..	7,516,049	6,813,240	Tons 702,809	10·32

Although the tonnage of goods and live-stock carried is 3·50 per cent. below the peak year of 1930, the business handled was far greater in 1938, as is shown by an increase over 1930 of 9·63 per cent. in net ton-miles. The revenue earned in 1938 is the highest for any year on record. The average haul rose from 66 miles in 1930 to 75 miles in 1938. Little variation was shown in the receipt per ton-mile, the 1930 figure being 2·32d., compared with 2·35d. in 1938.

The beneficial effects of the generally favourable season have been reflected in the financial returns for the year, and the tonnage of general merchandise, live-stock, wool, dairy-produce, and manures handled was such as to tax the available rolling-stock to the utmost limit.

A comparison of tonnage and revenue from 1930 to 1938 is afforded in the following table :—

Year.	Tons.	Revenue.	Variation as compared with Previous Year in each Case.			
			Tons.	Per Cent.	Revenue.	Per Cent.
		£			£	
1930	7,788,973	4,904,324	+ 175,324	2·31	+ 58,199	1·20
1931	6,957,709	4,487,357	— 831,264	10·67	—116,967	8·50
1932	5,824,811	4,019,600	—1,132,898	16·28	—467,757	10·42
1933	5,490,686	3,745,777	— 334,125	5·74	—273,823	6·81
1934	5,642,199	3,911,245	+ 151,513	2·76	+165,468	4·42
1935	6,023,960	4,138,434	+ 381,761	6·77	+227,189	5·81
1936	6,188,805	4,359,750	+ 164,845	2·74	+221,316	5·35
1937	6,813,240	4,846,417	+ 624,435	10·09	+486,667	11·16
1938	7,516,049	5,411,297	+ 702,809	10·32	+564,880	11·66

A comparison with 1937 of the tonnage of commodities under six main headings is as follows :—

			1938. Tons.	1937. Tons.	Variation	
					Tons.	Per Cent.
Agricultural products			585,181	588,255	— 3,074	0·52
Animals and their products			1,386,996	1,298,848	+ 88,148	6·79
Products of mines			2,231,051	2,070,207	+160,844	7·77
Products of forests			579,216	531,111	+ 48,105	9·06
Benzine, cement, and manures			1,234,365	959,542	+274,823	28·64
Miscellaneous			1,499,240	1,365,277	+133,963	9·81
Totals			7,516,049	6,813,240	+702,809	10·32

A further comparison on the same basis of the composition of the revenue from goods traffic, as shown immediately above, for the last five years is as under:—

	1938.	1937.	1936.	1935.	1934.
	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.
Agricultural products	6·85	7·47	6·95	8·78	8·64
Animals and their products	25·16	25·95	27·36	27·98	30·50
Products of mines	18·67	19·75	20·23	20·16	20·51
Products of forests	9·28	9·54	9·62	8·69	7·52
Benzine, cement, and manures	15·55	13·90	13·46	13·12	12·61
Miscellaneous	24·49	23·39	22·38	21·27	20·22
Totals	100·00	100·00	100·00	100·00	100·00

A detailed comparison of 1938 with 1937 is as follows:—

Traffic in agricultural products decreased by 3,074 tons. Grain traffic shows a serious decline of 27,414 tons and £10,295 in revenue. Last year's figures were considerably augmented by the very late season in 1936, the result being that traffic which would normally have been included in the 1935–36 year was included in the 1936–37 figures.

Fruit traffic shows an increase of 7,472 tons and £12,259 in revenue. Favourable climatic conditions in both Islands, resulting in heavy crops, coupled with the fact that traffic handled last year was light owing to a late frost having practically ruined the Hawke's Bay crops, are the factors responsible for the favourable result shown this year. The revenue from root crops again shows a substantial improvement, the increase being £8,609 (14·52 per cent.).

Animals and their products increased by 88,148 tons. The number of cattle forwarded again shows a substantial increase of 107,582 (24·58 per cent.), which can be attributed to the favourable market conditions, with the result that heavy yardings were in evidence at all sales. The increased demand for suitable cattle to meet the expanding needs of the chilled-beef trade also had an important bearing on the number of cattle transported by rail during the year. Sheep increased by 752,641 (7·83 per cent.). The increase shown is, however, more or less artificial in that last year the season was very late and large numbers of sheep came forward in April and May, while this year the season being early, was almost finished by the end of March. The number of pigs carried, 736,804, shows an increase of 3·21 per cent. compared with last year. The progress being made in this branch of the farming industry is evidenced by the fact that the number of pigs railed in 1938 is more than double the number dealt within 1930.

With an increase of 24,251 tons (11·07 per cent.) and £27,270 (15·49 per cent.) in revenue the returns for frozen-meat traffic compare more than favourably with the figures for last year, when a decline was recorded. The bulk of the increase was in the North Island and is attributable to the expansion of chilled-beef exports, this commodity advancing by 46·55 per cent., while the export of mutton and lamb increased by 22·32 per cent. Traffic in the South Island, while showing a satisfactory financial result, was down in tonnage to the extent of 2,652 tons when compared with last year. Butter shows little variation, an increase in the North Island being partly offset by a decrease in the South Island. Cheese traffic fell away slightly with a decrease in revenue of £1,652 (2·36 per cent.). Traffic in fat, skins, tallow, &c., was normal. Very little fluctuation occurred in the quantity of wool handled, the comparative figures for 1938 as compared with the previous year being as follows:—

	1938.	1937.	Variation.
Tons	159,442	159,743	— 301
Revenue	£156,807	£154,391	+£2,416

Having regard to the lower prices obtained by growers for their product this year and to the fact that there was very little, if any, carry-over of wool stocks from the previous season, the quantity of wool brought forward to rail may be regarded as satisfactory.

In products of mines coal continues to show an upward tendency, an improvement of 54,326 tons (3·33 per cent.) and £14,725 (1·80 per cent.) in revenue having been shown as compared with the previous year. With the exception of the Westport section, which showed an increase in the quantity of coal carried, the returns from coal generally did not come up to expectations. This was due to a variety of causes, the chief of which were stoppages of work at the mines on account of labour disputes and to the closure of the mine at Hikurangi since June, 1937, owing to flooding. Increased purchases of Westport coal by the Railways Department for locomotive purposes in the North Island were responsible for the Westport section showing a good increase amounting to 74,680 tons (21·16 per cent.) and £13,908 (21·96 per cent.) in revenue.

The quantity of coal carried during the year was as follows :—

	1938.	1937.	Variation.	
	Tons.	Tons.	Tons.	Per Cent.
North Island Main Line and Branches ..	545,635	546,988	— 1,353	0·25
South Island Main Line and Branches ..	705,913	726,286	—20,373	2·81
Westport	427,660	352,980	+74,680	21·16
Small sections	7,434	6,062	+ 1,372	22·63
Total	1,686,642	1,632,316	+54,326	3·33

A highly satisfactory position is revealed in regard to the quantity of agricultural lime carried, a further substantial increase in tonnage of 81,686 tons and £27,577 in revenue having been shown. A similar position obtains in respect of traffic in artificial manures, which shows an improvement of 32·77 per cent. in tonnage and 36·70 per cent. in revenue. The tonnage of artificial manures carried rose from 746,492 tons in 1937 to 991,119 tons in 1938. The phenomenal increases in the quantity of lime and manures conveyed by rail during the past two years is significant as affording substantial evidence that higher prices for farm products together with guaranteed prices for butterfat and cheese, has reacted beneficially upon the Dominion's primary industries, by enabling farmers and others to make a much more general use of fertilizers and lime in cropping operations and for general farm purposes, and in the rehabilitation of deteriorated and waste lands.

The products of forests increased by 48,105 tons. Timber traffic shows an increase of 8·36 per cent. in tonnage and 8·41 per cent. in revenue. The main increase occurred in the Auckland district, which recorded an improvement of 31,718 tons, the increase for the whole Dominion being 37,832 tons. Imported timber shows a revenue increase of 17·95 per cent.

The quantities of native and imported timber carried were as follows :—

	1938.	1937.	Variation.	
	Tons.	Tons.	Tons.	Per Cent.
New Zealand	469,687	434,204	+35,483	8·17
Imported	20,520	18,171	+ 2,349	12·93

In the “benzine, cement, and manures” group benzine carried in tank wagons again shows an increase, the amount involved being £23,940 (10·93 per cent.). The revenue from benzine, kerosene, &c., in containers increased by £8,411 (23·95 per cent.). The substantial increase recorded in the quantity of benzine carried is due to the buoyant economic conditions and to the continued rapid expansion of motor transport. Revenue from the carriage of cement increased by £6,589 (10·46 per cent.). This increase is no doubt a reflection of the continued activity in the building trade.

The remaining item in this group, “manures,” is referred to above.

The traffic in miscellaneous goods, which comprises commodities not dealt with above, amounted to 1,499,240 tons, as compared with 1,365,277 tons in the previous year, an increase of 133,963 tons (9·81 per cent.). In the North Island the revenue increased by £98,512 and in the South Island by £46,840.

GOODS STATISTICS.

The principal statistical figures dealing with the operation of goods traffic are shown below :—

	1938.	1937.	Variation.	Per Cent.
Goods-train mileage	7,455,802	6,801,223	+654,579	9·62
Goods earnings	£5,411,297	£4,846,417	+564,880	11·66
Revenue goods tonnage	7,516,049	6,813,240	+702,809	10·32
Average haul (miles)	75	73	+2	2·74
Average revenue per ton-mile	2·35d.	2·37d.	—0·02d.	0·84
Average revenue per ton	14s. 8d.	14s. 5d.	+3d.	1·67

Goods revenue per goods train-mile increased by 1·85 per cent. The increase in the average haul has resulted in a slight decrease in the average revenue per ton-mile.

	1938.	1937.	Variation.	Per Cent.
Total gross ton-miles revenue freight	1,813,585,028	1,626,352,414	+187,232,614	11·51
Goods-vehicle miles (loaded)	134,663,510	123,219,295	+11,444,215	9·29
Goods-vehicle miles (empty)	68,896,119	62,106,142	+6,789,977	10·93
Total goods-vehicle miles	203,559,629	185,325,437	+18,234,192	9·84

The fact that “empty” goods-vehicle miles have increased in a greater degree than “loaded” miles is due to fluctuations in traffic. The difference is plus 1·64 per cent., made up of the following district results: Auckland, +4·18 per cent.; Wanganui, +2·33 per cent.; Wellington, +5·79 per cent.; Christchurch, —3·33 per cent.; Dunedin, —0·37 per cent.; Invercargill, —3·42 per cent. The variations in traffic shown by the different districts were in each case in the same ratio as the above figures, the districts recording the greatest increase in traffic showing the biggest increase in empty

miles. It would thus appear that the more than proportionate rise in “empty” haulage was due to the necessity of providing wagons on account of the acute shortage due to the heavy demands on rolling-stock caused by the phenomenal increase in traffic.

Averages : Revenue, Freight Traffic.

<i>Per Mile of Line :—</i>			1938.	1937.	Variation.	Per Cent.
Goods revenue .. ..	..	..	£1,636	£1,474	+£162	10·99
Total tonnage .. ..	..	..	2,272	2,072	+200	9·65
Net ton-miles .. ..	..	..	169,626	150,973	+18,653	12·36
Gross ton-miles .. ..	..	..	548,242	494,633	+53,609	10·84
<i>Per Train :—</i>						
Gross load (tons) .. ..	..	..	243·24	239·13	+4·11	1·72
Net load (tons) .. ..	..	..	75·26	72·99	+2·27	3·11
Number of vehicles (loaded) .. ..	..	..	18·06	18·12	—0·06	0·33
Number of vehicles (empty) .. ..	..	..	9·24	9·13	+0·11	1·20
<i>Per 1,000 Gross Ton-miles :—</i>						
Revenue .. ..	..	..	£2·983	£2·980	+£0·003	0·10
Net ton-miles .. ..	..	..	309	305	+4	1·31
<i>Per Train-mile :—</i>						
Revenue .. ..	..	..	174·19d.	171·02d.	+3·17d.	1·85
<i>Wagon User :—</i>						
Revenue per 4-wheeled goods vehicle ..	..	..	£192	£175	+£17	9·71
Revenue per 4-wheeled live-stock vehicle ..	..	..	£193	£166	+£27	16·26
Average wagon-load (tons) .. ..	..	..	4·17	4·03	+0·14	3·47
Average miles per wagon per day .. ..	..	..	26·21	24·09	+1·12	4·65
Average net ton-miles per wagon per annum (ordinary goods) .. ..	..	..	20,593	18,592	+2,001	10·76
Average net ton-miles per wagon per annum (live-stock) .. ..	..	..	15,286	12,854	+2,432	18·92

The above figures, which are a fairly complete record of the freight operations of the Department, disclose some interesting facts. As there was little variation in the miles of track the figures show good increases for the traffic handled per mile of line. The gross train-load shows an increase of 1·72 per cent. and the net train load an increase of 3·11 per cent. This latter was brought about despite a slight decrease in the loaded vehicles per train, by an increase of 3·47 per cent. in the average wagon-load. The slight increase in the number of empty vehicles per train is in accordance with the empty haulage discussed above. Revenue earned per vehicle shows big increases, particularly live-stock vehicles, due to the very heavy season experienced. An appreciable increase is shown in the miles travelled per wagon per day, while the annual turnover per wagon was excellent.

ADVERTISING SERVICE.

	1938.	1937.	Variation.	Per Cent.
	£	£	£	
Revenue	37,397	34,535	+2,862	8·29
Expenditure	32,627	31,151	+1,476	4·74
Net revenue	£4,770	£3,384	+1,386	40·96

An analysis of the revenue is as under :—	1938.	1937.	Variation.
	£	£	£
Outdoor advertising	28,168	26,067	+ 2,101
Publications	5,657	5,314	+ 343
Miscellaneous	3,255	2,851	+ 404
Advertising in buses	317	303	+ 14
	<u>£37,397</u>	<u>£34,535</u>	<u>+£2,862</u>

The revenue of this branch has shown a steady improvement during the past year, an increase in revenue of £2,862, or 8·29 per cent., being shown on the previous year's figures.

New business written up during the last four years is as under :—

	1938.	1937.	1936.	1935.
	£	£	£	£
Outdoor advertising	34,907	32,056	37,515	30,539
Publications	4,848	5,707	4,827	3,144
Buses	228	288	973	47
	<u>£39,983</u>	<u>£38,051</u>	<u>£43,315</u>	<u>£33,730</u>

“Terminable” contracts, which are not included in the above figures, were as follow : 1935, £1,192; 1936, £809; 1937, £1,256; 1938, £10,967.

The increase in all business written up during the year was therefore £11,643 in excess of the previous year, which is evidence of the improved trading conditions now prevailing.

The following table shows the profit and ratio to turnover for the past nine years :—

					Net Profit.	
					Amount.	Ratio to Turnover.
					£	Per Cent.
1930	..	..	..	..	381	0·71
1931	..	..	..	..	1,249	2·50
1932	..	..	..	..	2,898	7·37
1933	..	..	..	..	3,677	10·94
1934	..	..	..	..	2,548	7·79
1935	..	..	..	..	2,088	6·95
1936	..	..	..	..	2,383	7·50
1937	..	..	..	..	3,384	9·80
1938	..	..	..	..	4,770	14·62

The total return to the Department in respect of operations of the Advertising Branch for selected years since 1930 is as under :—

	1930.	1932.	1934.	1935.	1936.	1937.	1938.
Rent—	£	£	£	£	£	£	£
Land and buildings	1,000	1,000	800	797	800	800	800
Advertising-sites	10,390	8,741	7,890	7,259	8,325	9,315	10,066
Commission on cash collections ..	1,458	960	786	737	728	838	901
Interest	2,335	1,697	1,261	1,017	889	836	761
Railage	323	293	390	357	373	171	217
Net profit	381	2,898	2,548	2,088	2,383	3,384	4,770
	15,887	15,589	13,675	12,255	13,498	15,344	17,515

REFRESHMENT SERVICE.

				1938.	1937.	Variation.	
				£	£	£	Per Cent.
Revenue .. ..	..	..	..	142,786	103,351	+39,435	38·16
Expenditure .. ..	..	..	..	140,937	101,125	+39,812	39·37
Net revenue .. ..	..	..	..	£1,849	£2,226	—£377	16·94

Revenue.—An analysis of receipts discloses the following position :—

				1938.	1937.	Variation.	
				£	£	£	Per Cent.
Dining-rooms .. ..	..	..	..	27,882	11,651	+ 16,231	139·31
Counter .. ..	..	..	..	111,757	90,513	+ 21,244	23·47
Miscellaneous .. ..	..	..	..	3,147	1,187	+ 1,960	165·12
Total .. ..	..	..	..	£142,786	£103,351	+ £39,435	38·16
Meals sold .. ..	..	..	..	Number. 136,595	Number. 116,514	Number. +20,081	Per Cent. 17·23
Meals sold at Wellington ..	..	..	..	171,231	..	..	..

Despite increased labour and other costs, no increases in respect of the tariff for meals and other refreshments were made during the year.

The opening of the new station at Wellington on 19th June, 1937, was instrumental in greatly increasing the turnover of the Refreshment Branch, the receipts from Wellington being £22,412, or 15·70 per cent. of the total turnover. The increase shown by the remaining rooms is 16·47 per cent.

The main factors contributing to the improved turnover were the visit of the 1937 South African Rugby Football Team, which drew record attendances at all fixtures participated in by the visitors, and the improved economic conditions prevailing making it possible for those undertaking journeys by rail to spend more freely. The latter aspect is one which is particularly noticeable among excursionists.

The expenditure for the year increased by £39,812 (39·37 per cent.), this being mainly due to the restoration of wages and salaries to the 1931 level, to the granting of an improved wages schedule to waitresses and general staff, and to increased consumption of stores and provisions consequent upon the greater turnover of business.

The actual return to the Department in respect of the operations of the Refreshment Branch for selected years since 1930 is as under :—

	1930.	1932.	1934.	1935.	1936.	1937.	1938.
	£	£	£	£	£	£	£
Rent	11,170	9,100	9,230	9,230	9,230	9,219	9,817
Commission on cash collections ..	970	715	620	667	742	842	1,130
Rail fares	1,287	1,066	1,066	1,066	1,066	1,066	1,066
Rail freights	3,234	2,349	1,818	1,825	1,790	2,084	2,443
Interest	1,099	1,291	1,124	1,102	1,108	1,111	1,230
Net profit	6,981	1,681	785	2,132	4,156	2,226	1,849
Total	24,741	16,202	14,643	16,022	18,092	16,548	17,535

BOOKSTALL SERVICE.

	1938.	1937.	Variation.	
	£	£	£	Per Cent.
Revenue	76,719	54,417	+22,302	40·98
Expenditure	73,232	51,245	+21,987	42·91
Net Revenue	<u>£3,487</u>	<u>£3,172</u>	<u>+ £315</u>	<u>9·93</u>

The number of bookstalls (18) at present being operated by the Department is the same as during the previous year. The increased passenger traffic and the improved economic conditions have resulted in increased patronage.

The increase in wages and salaries as a result of the return to the 1931 level and other wage increases to attendants, together with the higher cost of commodities, were the chief causes of the higher expenditure this year.

The actual return to the Department in respect of the operation of bookstalls is as under :—

	1938.	1937.
	£	£
Net profit	3,487	3,172
Rent	6,905	5,442
Railages	189	192
Commission on cash collections ..	537	381
Total	<u>£11,118</u>	<u>£9,187</u>

ROAD MOTOR SERVICES.

	1938.	1937.	Increase.	
	£	£	£	Per Cent.
Revenue	276,527	198,751	77,776	39·13
Expenditure	254,553	177,053	77,500	43·77
Net Revenue	<u>£21,974</u>	<u>£21,698</u>	<u>£276</u>	<u>1·27</u>

After providing for interest on capital and for writing down capital by way of depreciation, the operations of this service show a net revenue of £21,974, compared with £21,698 last year, an increase of £276.

A comparison of the results obtained on the various services is as follows :—

	1938 Profit. £	1937 Profit. £	Net Revenue Variation. £
Auckland–Rotorua	3,532	..	+3,532
Wellington–Wanganui	1,491	1,901	— 410
Wellington–Johnsonville	1,768	2,567	— 799
Hutt Valley – Wellington	11,396	9,894	+1,502
Napier–Hastings	3,403	3,405	— 2
Christchurch services	297	105	+ 192
Hokitika services	129	2,667	—2,538
Dunedin services	370	2,026	—1,656
Waipahi–Edievale	Loss 109	Loss 78	— 31
Invercargill services	Loss 303	Loss 789	+ 486
Total	£21,974	£21,698	+ £276

During the year several new services were inaugurated, while nine additional services were purchased and taken over. Revenue for the year increased by £77,776 (39·13 per cent.), this being mainly due to the expansion effected in the activities of the Branch and also to the satisfactory degree of patronage accorded the various services during the year. The increased receipts consequent upon the visit of the South African Rugby Football Team, together with the increased traffic resulting from the visit of a larger number of “cruise” tourist ships, and the improved economic conditions prevailing generally all combined to make the results of the year’s operations one of the most satisfactory in the history of the Branch.

A comparison of passenger journeys and mileage operated is as follow :—

	1938.	1937.	Increase. Per Cent.
Passenger journeys ..	5,446,339	4,556,316	890,023 19·53
Mileage ..	4,856,503	3,531,623	1,324,880 37·51

Expenditure increased by £77,500 (43·77 per cent.). This increase is mainly due to higher wages-costs and to the improved working-conditions now operative throughout the Branch and also to the increased cost of fuel, the cost of motor-spirit having been increased twice during the year (1d. per gallon from 27th April, 1937, and 1d. per gallon from 1st March, 1938). No increase in the fare schedules has been made to meet the increased operating-costs.

Passenger services taken over during the year were as follow :—

Name.	Route.	Date taken over.
Olsen’s	Hokitika–Rimu	12th July, 1937.
“K” Motors, Ltd.	Hamilton–Rotorua–Opotiki	} 6th September, 1937.
	Rotorua–Wairakei, and Rotorua thermal district sight-seeing	
J. Gibson’s	Auckland–Auckland (tourist)	25th October, 1937.
Markey’s	Auckland–Hamilton	25th October, 1937.
Patterson’s	Reefton County (goods)	13th December, 1937.
Hunter’s	Wellington – Titahi Bay	19th December, 1937.
Kingston’s	Akaroa (sight-seeing)	20th December, 1937.
Curran’s	Blenheim–Parnassus	} 31st January, 1938.
	Kaikoura–Waiau	
Riseley’s	Invercargill–Dunedin (goods)	21st March, 1938.

New passenger services inaugurated during the year were :—

Christchurch – Arthur’s Pass	18th June, 1937.
Culverden–Wesport (via Lewis Pass)	1st November, 1937.
Hokitika–Greymouth	14th February, 1938.

The route mileage of the road services is now 2,294 miles.

The total fleet operated by the Branch as at 31st March, 1938, was 263 vehicles of all types, comprising 86 omnibuses, 135 service and rental cars, 26 lorries, and 16 miscellaneous vehicles. During the year 14 new omnibuses, 6 new service-cars, and 8 new private-hire cars (procured for tourist work) have been put into service.

The results of operating the various services are set out in detail below:—

AUCKLAND-ROTORUA-OPOTIKI (PASSENGER).

					1938. £
Revenue	..	..	..	..	23,375
Expenditure	..	..	..	..	19,843
Net revenue	..	..	..	..	£3,532
Passenger journeys	..	..	..	..	30,875
Mileage	..	..	..	..	409,381

This service comprises the license taken over from "K" Motors, Ltd., Rotorua, on 6th September, 1937, operating between Hamilton-Rotorua-Opotiki, Rotorua-Wairakei, and thermal districts sight-seeing, and that taken over from Markeys Motors, Ltd., Auckland, on 25th October, 1937, covering the route Auckland-Hamilton, also a tourist license taken over from J. Gibson on the same date.

Revenue was 12·91d. per mile and expenditure 10·96d. Special trip traffic is a feature of the operations of this service, and provision for the future development of this class of traffic has been met by placing up-to-date sedan cars on these routes.

WELLINGTON-WANGANUI (PASSENGER).

			1938. £	1937. £	Variation. £	Per Cent.
Revenue	..	..	14,455	12,174	+ 2,281	18·74
Expenditure	..	..	12,964	10,273	+ 2,691	26·19
Net revenue	..	..	£1,491	£1,901	— £410	21·57
Passengers journeys	..	..	15,003	13,633	+ 1,370	10·05
Mileage	..	..	353,999	328,659	+25,340	7·71

Ordinary passenger receipts improved by £209, special trips by £2,030, and miscellaneous by £42.

The increase in expenditure was due to increased wages-costs, the increased price and consumption of petrol, and higher maintenance charges due to heavier repairs to vehicles.

WELLINGTON-JOHNSONVILLE (PASSENGER).

			1938. £	1937. £	Variation. £	Per Cent.
Revenue	..	..	32,087	21,296	+10,791	50·67
Expenditure	..	..	30,319	18,729	+11,590	61·88
Net revenue	..	..	£1,768	£2,567	— £799	31·13
Passenger journeys	..	..	1,275,386	848,554	+426,832	50·30
Mileage	..	..	467,600	298,319	+169,281	56·74

This service includes the Wellington-Johnsonville license taken over from Mr. S. A. Crichton on 10th April, 1936, and the Wellington-Ngaio-Khandallah service (including Wellington sight-seeing) taken over from the Bell Bus Co., Ltd., on 1st July, 1936. During the year this service was further added to by the inclusion of the Wellington-Titahi Bay service purchased from Mr. J. A. Hunter on 19th December, 1937. The taking-over of the latter service completes the chain of services operating in this locality and has enabled a satisfactory degree of co-ordination to be effected in the area. The Titahi Bay vehicles now connect with trains at Porirua, providing a more speedy and frequent service to and from Wellington than formerly, and a service operating via the new route between Johnsonville and Khandallah provides direct access between Titahi Bay and the city.

HUTT VALLEY - WELLINGTON (PASSENGER).

			1938. £	1937. £	Variation. £	Per Cent.
Revenue	..	..	79,843	73,820	+ 6,023	8·16
Expenditure	..	..	68,447	63,926	+ 4,521	7·07
Net revenue	..	..	£11,396	£9,894	+ £1,502	15·18
Passenger journeys	..	..	3,031,358	2,731,492	+299,866	10·98
Mileage	..	..	1,223,167	1,044,617	+178,550	17·09

This service continues to show satisfactory results. Ordinary passenger revenue increased by £4,962, school by £53, special trip by £975, while other miscellaneous receipts improved by £33.

As from December, 1937, a ten-minute service was inaugurated on this route in place of the fifteen-minute service previously operated, while a further improvement was the provision of purely local services in the Hutt and Petone areas. Six 32-seater and one 22-seater Diesel engined vehicles were added to the fleet during the year, and three 21-seater vehicles transferred to other services.

Expenditure increased by £4,521 (7·07 per cent.), this being attributed to increased wages and fuel costs and in running-expenses due to the increased mileage operated.

NAPIER-HASTINGS (PASSENGER).

			1938.	1937.	Variation.	
			£	£	£	Per Cent.
Revenue	..	..	21,144	20,224	+920	4·55
Expenditure	..	..	17,741	16,819	+922	5·48
Net revenue	..	..	<u>£3,403</u>	<u>£3,405</u>	— £2	0·06
Passenger journeys	..	..	533,301	533,314	— 13	0·00
Mileage	..	..	361,714	343,124	+18,590	5·42

This service continues to give satisfactory results. Receipts from ordinary passenger revenue increased by £153, school by £705, other miscellaneous items by £125, while special trips decreased by £63. The big increase in school receipts is due to an adjustment in rates and consequent improvement in traffic. Expenditure increased by £922 (5·48 per cent.), due to increased staff, increase in salaries and wages, and to higher maintenance and depreciation charges.

During the year a Diesel 33-seater omnibus and a Diesel 21-seater de luxe omnibus were added to the fleet, which has been brought up to a good standard.

CHRISTCHURCH SERVICES (PASSENGER).

			1938.	1937.	Variation.	
			£	£	£	Per Cent.
Revenue	..	..	7,596	3,712	+3,884	104·63
Expenditure	..	..	7,299	3,607	+3,692	102·36
Net revenue	..	..	<u>£297</u>	<u>£105</u>	+ £192	182·86
Passenger journeys	..	..	18,049	11,618	+6,431	55·35
Mileage	..	..	129,932	74,573	+55,359	74·23

These services operate passenger-vehicles over the following routes :—

Christchurch—Akaroa	..	..	..	Commenced running 1st May, 1936.
Little River—Akaroa	..	..	..	Commenced running 22nd June, 1936.
Parnassus—Blenheim	..	..	..	} Commenced running 31st January, 1938.
Kaikoura—Waiau	..	..	..
Christchurch—Arthur's Pass (fortnightly service)	..	..	..	Commenced running 1st June, 1937.
Culverden—Westport via Lewis Pass (thrice weekly) ..	..	..	..	Commenced running 1st November, 1937.

It will be noticed that the three last-mentioned services are additional this year. The number of vehicles in use at the close of the year was twenty-five as compared with nine last year.

Revenue shows an increase of 2·08d. per mile and expenditure an increase of 1·87d. per mile. Expenditure includes full provision for depreciation of vehicles and interest on capital, together with a writing-down of a portion of the goodwill. Other increased charges were for wages due to increased rates and the operation of the forty-hour week for the whole of the year.

HOKITIKA SERVICES.

			1938.	1937.	Variation.	
			£	£	£	Per Cent.
Revenue	..	..	26,933	13,822	+ 13,111	94·86
Expenditure	..	..	26,804	11,155	+ 15,649	140·29
Net revenue	..	..	<u>£129</u>	<u>£2,667</u>	— £2,538	95·16
Passenger journeys	..	..	44,726	12,733	+ 31,993	250·87
Mileage	..	..	335,690	175,716	+159,974	91·04

This service contains the following groups :—

Route.			
Passenger :—			
Hokitika—Weheka — Arthur's Pass (seasonal)			} Commenced running 13th September, 1936.
December—April	..	..
Hokitika — Westland Hospital	..	..	} Commenced running 12th July, 1937.
Hokitika—Rimu	..	..
Hokitika—Greymouth	..	..	Commenced running 7th February, 1938.
Goods:—			
Hokitika — Cooks River	..	..	} Commenced running 10th November, 1936.
Ross—Weheka	..	..
Reefton — Lewis Pass	..	..	Commenced running 13th December, 1937.

HOKITIKA SERVICES—*continued*.

Details of the operations of each section (passenger and goods) are set out separately :—

<i>Passenger.</i>					1938.	1937.	Variation.
					£	£	£
Revenue	..	..	..	..	12,967	7,525	+5,442
Expenditure	..	..	..	..	10,302	4,809	+5,493
Net revenue	..	..	..	..	£2,665	£2,716	— £51
Mileage	..	..	..	..	142,596	82,037	+60,559
Revenue, per mile	..	..	..	..	21·82d.	22·01d.	..
Expenditure, per mile	..	..	..	..	17·34d.	14·07d.	..
<i>Goods.</i>					1938.	1937.	Variation.
					£	£	£
Revenue	..	..	..	..	13,965	6,297	+7,668
Expenditure	..	..	..	..	16,502	6,346	+10,156
Loss	..	..	..	..	£2,537	£49	+£2,488
Mileage	..	..	..	..	193,094	93,679	+99,415
Revenue, per mile	..	..	..	..	17·36d.	16·13d.	..
Expenditure, per mile	..	..	..	..	20·51d.	16·26d.	..

Revenue rose from 18·88d. per mile to 19·25d., the main increase being in goods revenue, which shows an improvement of 1·38d. (16 per cent.) per mile over the figures for the previous year. Receipts from ordinary passenger traffic fell from 8·35d. to 7·06d. per mile, due to the non-operation of the service during the slack period of the 1936-37 year, the main portion of the service not being operated until September. The absence of Easter traffic this year also adversely affected the returns. Expenditure rose from 15·24d. to 19·16d. per mile due to increased costs generally, particularly maintenance and driving expenses.

With increased activity in the timber-milling industry in South Westland it is expected that improved financial results will be achieved by this service in the future.

DUNEDIN SERVICES.						
			1938.	1937.	Variation.	
			£	£	£	Per Cent.
Revenue	..	..	56,281	42,897	+ 13,384	31·20
Expenditure	..	..	55,911	40,871	+ 15,040	36·80
Net revenue	..	..	£370	£2,026	— £1,656	81·74
Passenger journeys	..	..	468,187	380,600	+ 87,587	23·01
Mileage	..	..	1,261,795	1,008,188	+253,607	25·15

The operation of the various services comprising this group show the following results :—

				Revenue.	Expenditure.	Profit.	Loss.
				£	£	£	£
Dunedin—Port Chalmers	..	..	..	6,614	6,452	162	..
Oamaru—Tokarahi	..	..	..	2,663	2,268	395	..
Dunedin—Eglinton Valley	..	..	..	725	502	223	..
Read and Smith	..	..	..	598	1,243	..	645
Earl's Motors	..	..	..	7,451	6,095	1,356	..
Hope's Motors	..	..	..	1,998	2,456	..	458
Wanaka Motors, Ltd.	..	..	..	17,226	16,889	337	..
Hunters' D.O.T. Motors, Ltd.	..	..	..	11,921	12,427	..	506
O'Fee's South Road Services	..	..	..	6,992	7,492	..	500
Riseley's Ltd.	..	..	..	93	87	6	..
Total	..	..	..	£56,281	£55,911	£370	..

All the above are passenger-services with the exception of O'Fee's South Road Dunedin-Balclutha service and Riseley's Dunedin-Invercargill service, both of which cater for the carriage of goods. The latter service was acquired on 21st March, 1938.

The number of vehicles operated in the above group of services is fifty-four and the mileage run was 1,261,795, an increase of 253,607 miles (25·15 per cent.) as compared with the previous year. The revenue

per mile was 10·70d. and the expenditure 10·63d., as against 10·20d. and 9·73d. last year. The main increases in expenditure were due to a higher rate being fixed to cover maintenance, to the increased price of fuel, and to the engagement of additional staff to cope with the improvement in traffic.

WAIPAHI—EDIEVALE.

			1938.	1937.	Variation.	
			£	£	£	Per Cent.
Revenue	..	..	1,102	1,103	— 1	0·09
Expenditure	..	..	1,211	1,181	+ 30	2·54
Loss	..	..	£109	£78	+ £31	39·74
Passenger journeys	..	..	8,570	8,628	— 58	0·67
Mileage	..	..	30,031	29,136	+ 895	3·07

The revenue from this service shows very little variation when compared with last year—ordinary revenue decreased by £8, school increased by £18, while revenue from carriage of mails decreased by £11, the net variation for the year being a decrease of £1. Due to increasing costs, rise in wage-level, and shorter working-hours, expenditure increased by £30 for the year.

INVERCARGILL.

			1938.	1937.	Variation.	
			£	£	£	Per Cent.
Revenue	..	..	13,711	9,703	+ 4,008	41·31
Expenditure	..	..	14,014	10,492	+ 3,522	33·57
Loss	..	..	£303	£789	+ £486	61·60
Passenger journeys	..	..	20,884	15,744	+ 5,140	32·65
Mileage	..	..	283,194	229,291	+ 53,903	23·51

The groups comprising this service are made up as follow :—

			Commenced running.	
Queenstown—Lumsden	..	..	4th May, 1936	(goods).
Queenstown—Kingston	..	..	6th May, 1936	(now running only as required).
Queenstown—Invercargill	..	..	4th May, 1936.	
Garston—Invercargill	..	..	11th May, 1936.	
Lumsden—Eglinton Valley	..	..	9th July, 1936.	
Invercargill—Dunedin	..	..	3rd May, 1936.	

As from 4th October, 1937, the Queenstown—Invercargill service was reorganized and co-ordinated with rail, and a through daily service is now maintained between these points. The rearrangement of services resulted in the discontinuance of the mixed train services between Lumsden and Kingston and the passenger service between Kingston and Queenstown by the Lake steamers except at holiday periods. A substantial saving in running-costs (both road and rail) has been brought about by the reallocation of the network of services operating in this area, together with an improvement in the standard and frequency of the service given.

Revenue increased from 10·16d. per mile in 1937 to 11·62d. this year. Expenditure, which included depreciation on all vehicles, interest on capital, increased cost of fuel, rise in wages, and improvement in working-conditions of staff, increased by 0·90d. per mile, the cost per mile this year being 11·88d. The Garston—Invercargill and the Lumsden—Eglinton Valley Services both show substantial losses on the year's running, and in the case of the former, consideration is being given to the reorganization of this service to obviate overlapping with the Queenstown—Invercargill run. The revenue from the Lumsden—Eglinton Valley service was seriously affected by the cessation of work on the Homer Tunnel during the winter months.

LAKE WAKATIPU STEAMERS.

			1938.	1937.	Variation.	
			£	£	£	Per Cent.
Revenue	..	..	7,624	7,112	+ 512	7·20
Expenditure	..	..	11,144	10,855	+ 289	2·66
Loss	..	..	£3,520	£3,743	— £223	5·96

Passenger traffic shows an improvement as compared with last year, when the restrictions due to the infantile-paralysis epidemic adversely affected the returns. The running of an increased number of special trips and night excursions has also helped to augment the passenger revenue this year. Goods traffic improved by 8·02 per cent. in tonnage and 3·15 per cent. in revenue.

Expenditure increased by £289, due principally to higher running-costs and to the improved working-conditions of staff.

RAIL-CAR SERVICES.

Rail-car services on two routes were in operation throughout the year, viz. :—

Route.	Commenced running.
Christchurch—Greymouth—Hokitika	5th August, 1936.
Wellington—Wairarapa—Palmerston North	17th September, 1936.

The following statement shows the results of the operation of these services for the full year 1937–38 compared with the part year of 1936–37 :—

Revenue—				1937–38.	1936–37 (Part Year).	Variation.
				£	£	£
Passenger .. ..	..	..	..	25,983	11,977	+ 14,006
Parcels, mails, and newspapers .. ..	..	..	..	3,123	1,724	+ 1,399
Total				£29,106	£13,701	+£15,405
Expenditure .. ..	..	..	Total	£26,043	£13,762	£12,281
Net revenue .. ..	..	..	..	£3,063	£61*	+ £3,124
Mileage .. ..	..	..	..	362,991	201,448	+161,543

* Loss.

Details of the operations of the two services are set out below :—

CHRISTCHURCH—GREYMOUTH—HOKITIKA.

The revenue for the year amounted to £9,192, as compared with £5,207 for the part year of 1936–37, an increase of £3,985. Expenditure rose from £3,293 to £6,272, an increase of £2,979. The revenue and expenditure per mile for 1938 were 20·14d. and 13·74d. respectively, as compared with 16·58d. and 10·48d. per mile for the part year of 1936–37.

The mileage per gallon of fuel consumed was 18·59, compared with 17·90 last year, an improvement of 0·69 of a mile.

This service is maintained primarily for the purpose of conveying newspapers from Christchurch to the West Coast of the South Island, accommodation for passengers being limited to nineteen persons in each of the two small Diesel units operating the service.

WELLINGTON—WAIRARAPA—PALMERSTON NORTH.

The revenue for the year ended 31st March, 1938, was £19,914, as compared with £8,494 for the part year of 1936–37, an increase of £11,420. Expenditure totalled £19,771, an increase of £9,841. The net revenue, added to the saving in direct cost of steam-train miles replaced during the year (43,680 at 4s. 2·8d. per mile), gives a total gain from the operation of rail cars on this route of £9,389, whilst the rail-car mileage run in this area (253,430 miles) affords some indication of the substantial improvement in the passenger transport facilities provided. Revenue per mile this year was 18·86d. and expenditure 18·72d. per mile.

Six passenger-vehicles and one passenger and goods composite unit are employed on this service. The composite vehicle is Diesel-engined, while the passenger units are equipped with 130-horse-power petrol-engines and torque converters.

DEPARTMENTAL DWELLINGS.

				1938.	1937.	Variation.	
				£	£	£	Per Cent.
Revenue .. ..	..	..	..	130,683	131,187	— 504	0·38
Expenditure .. ..	..	..	..	183,182	164,746	+ 18,436	11·19
Loss .. ..	..	..	..	£52,499	£33,559	+£18,940	56·44

The decrease in revenue is due to the fact that ordinarily fifty-two weeks' rents are accounted for in each year, with the consequence that every fifth or sixth year the number of weeks' rents accounted for is increased to fifty-three. This year the receipts for fifty-two weeks have been accounted for, as against fifty-three weeks last year—hence the decline in revenue. An additional number of houses were, however, occupied this year, thus counteracting the above influence to a large extent.

The increase in expenditure is largely due to an extensive programme of repairs and painting of dwellings having been carried out during the year; also to improvements made to houses in the form of porches, 179 of which were erected during the year. The increase in wages and the full year's working of the forty-hour week, together with the higher prices of commodities, were also reflected in the expenditure.

Two hundred and sixty dwellings were equipped with hot-water services and one hundred and sixty-two with electric lighting in the financial year under review, this expenditure being charged to the Capital Account.

SICK BENEFIT FUND.

The result of the year's operations of the New Zealand Government Railway Employees' Sick Benefit Fund was a surplus of £6,433, compared with a surplus of £6,549 last year.

The receipts and sick-benefit payments were as under :—

				1938.	1937.	Variation.	
				£	£	£	Per Cent.
Receipts	..	..	..	33,523	29,895	+3,628	12·14
Payments	..	..	..	27,090	23,346	+3,744	16·04
Surplus	..	..	..	<u>£6,433</u>	<u>£6,549</u>	<u>—£116</u>	<u>1·77</u>

Receipts include £8,000 annual subsidy from the Working Railways Account.

The total membership on 31st March, 1938, was 15,294, compared with 13,380 in 1937, an increase of 1,914, due to an increase in the number of staff employed.

The accumulated funds now stand at £47,392, of which £46,916 is represented by investments, the balance being cash in hand.

SUGGESTIONS AND INVENTIONS COMMITTEE.

During the year a total of 483 suggestions and inventions were dealt with, as compared with 558 during the previous year. Sixty suggestions and inventions were recommended for adoption in whole or in part, 90 referred to heads of branches were already in operation or related to matters of policy, 299 were not recommended for adoption, and 34 were under trial or investigation at the end of the financial year.

The suggestions recommended for adoption included 10 in connection with rolling-stock, 16 connected with workshop practice, 1 connected with way and works, 2 connected with signal and electrical work, 13 in connection with traffic working, and 18 with railway working generally.

During the year several suggestions and inventions were dealt with in accordance with the reciprocal agreement made between the Suggestions and Inventions Board and Committees of the various Australian State Railways and the Suggestions and Inventions Committee of the New Zealand Railways.

STORES BRANCH.

An analysis of the amount expended in connection with the purchases of stores during the year is as under :—

				£	s.	d.
To merchants, manufacturers, and others in New Zealand	..	..	..	905,693	14	3
Through Trade Commissioner in Australia	..	..	..	92,854	3	5
Through High Commissioner in London	..	..	..	961,213	6	10
Material manufactured in railway workshops	..	..	..	405,084	0	8
Coal and coke	..	..	..	761,665	13	9
Manufactured and used material recovered from other branches, &c.	..	..	..	85,191	7	0
Timber from railway sawmill and stores used	..	..	..	59,444	19	8
				<u>£3,271,147</u>	<u>5</u>	<u>7</u>

The net increase in the year's expenditure compared with the previous year was £895,649 5s. 9d., the principal increases, omitting shillings and pence, being : To merchants, manufacturers, and others in New Zealand, £272,598 ; through High Commissioner in London, £309,986 ; material manufactured in railway workshops, £73,021 ; coal and coke, £232,628 ; and timber from railway sawmill and stores used, £29,531. There was a decrease of £17,289 under the head "Through Trade Commissioner in Australia."

The increases enumerated above are chiefly due to the purchase of materials for building programmes, extra stocks of native and hardwood timber, and imported material.

For the year ended 31st March, 1938, the amount paid by the Department for exchange on purchases made through the High Commissioner, London, was £184,579 18s. 5d.

The total issues (including coal) to all branches for the year amounted to £2,809,282 9s. 8d., compared with £2,301,504 9s. 7d. for the previous year, an increase of £507,778 0s. 1d.

A summary for six years showing the value of purchases and issues of stores (exclusive of coal), together with the value of stocks on hand (stores and coal), at the close of each year, is as under :—

Year.				Purchases.	Issues.	Stocks on Hand.		
						Stores.	Coal.	Total.
				£	£	£	£	£
1933	..	..	..	755,100	875,285	360,871	165,576	526,447
1934	..	..	..	1,059,879	969,067	451,683	157,637	609,320
1935	..	..	..	1,269,171	1,136,243	584,611	160,177	744,788
1936	..	..	..	1,436,696	1,400,858	622,899	144,888	767,787
1937	..	..	..	1,971,314	1,719,414	874,800	107,653	982,453
1938	..	..	..	2,662,302	2,082,195	1,107,653	167,347	1,275,000

COAL-SUPPLIES.

The following return shows the purchases of coal made during the last six years :—

Year.	Tons.	Year.	Tons.
1932-33	388,005	1935-36	437,959
1933-34	381,596	1936-37	433,795
1934-35	422,334	1937-38	544,222

Of the purchases of coal made in 1938, 315,207 tons were hard coal and 229,015 tons soft coal.

It is worthy of note that only New Zealand coal is used by the Railways Department, which has imported no coal during the last six years. The Department consumes approximately 20 per cent. of all the coal produced in the Dominion.

The average consumption of coal per week during the year was 9,843 tons, an increase of 1,103 tons per week compared with the previous year.

TIMBER AREAS.

Milling operations at the Department's sawmill at Mamaku were resumed on the 15th June, 1936, after a period of inactivity covering one year and ten months.

There was no timber on hand when the mill resumed operations, the stock having previously been disposed of.

The logging account shows that 5,514,936 superficial feet of timber (log measurement) were felled and crosscut, as compared with 3,985,133 ft. (log measurement) for the period of a little less than ten months worked during year ended 31st March, 1937.

The milling account discloses that a total of 3,855,167 superficial feet of sawn timber was produced, as compared with 2,897,056 superficial feet for approximately ten months' operations in 1937. During the year 3,842,736 superficial feet of timber was issued or sold. The operations for the year disclose a net profit of £3,704.

Not for long will the Department be able to continue to draw its supplies from Mamaku as the area is now nearing the end of its productive life. Accordingly the necessary arrangements have been made to establish a new mill on an area of approximately 1,500 acres of bush land owned by the Department and situated thirty-six miles from Putaruru on the Putaruru-Taupo Main Highway. This area is known as the Maroa Block, and contains approximately 45,000,000 superficial feet of rimu, matai, and totara timbers. The erection of the new mill and the work of assembling the necessary plant and machinery is being pushed ahead, and it is anticipated that major cutting operations will commence early in 1939.

The Department's timber area at Pokaka, on the Main Trunk Line, is now being operated under license to private interests.

FORESTRY BRANCH.

No major developments have taken place during the year, the work of the Branch having been largely directed towards the consolidation of the areas already taken up and in general maintenance-work.

At Athenree tree-planting operations were continued, and as at 31st March, 1938, the total area actually established in trees was 2,044 acres.

At the Rotorua eucalyptus plantations work of a general cleaning-up nature was undertaken. Certain of the trees adjacent to the Rotorua Railway-station were endangering the power-lines and railway dwellings in the vicinity, and opportunity was taken of the presence of the plantation maintenance gang to have these felled. For the greater portion of the year general maintenance-work has occupied the plantation maintenance gang at the Waiharoa, Matamata, and Foxton plantations. At Foxton the intention is to plant parts of the old and burnt-out plantations during the winter months of the present year.

At Lower Hutt an area of railway reserve comprising approximately 60 acres of steep hill country on the western side of the Hutt Railway-station has been set aside for tree-planting purposes. Unemployed relief workers are engaged in clearing the gorse and undergrowth which at present covers the area preparatory to tree-planting operations being commenced at an early date. The seedlings required for this project, as well as those required for planting-out purposes at the Foxton plantations, have been raised at the Woburn Tree Nursery.

In the South Island cutting operations were continued at the Rolleston, Burnham, and Chertsey plantations. From the two former plantations 1,498 cords of firewood have been obtained during the last two years. At Chertsey plantation the remainder of the pine wood, some 490 cords, was sold to outside interests.

The tree-planting and other work of the Branch has been carried on with much success during the year, the favourable season having facilitated the nursery and planting operations generally.

WORKSHOPS.

The number of locomotives in service as at 31st March, 1938, was the same as that for the previous year—viz., 559 steam, 11 electric, and 5 electric-battery shunting engines, a total of 575. Eighteen petrol shunting-units were in use at the close of the year.

The tractive effort of the locomotives in service during the year compared with the two previous years is as follows :—

	1938.	1937.	1936.
Number of locomotives in service ..	575	575	578
Total tractive power, in pounds ..	10,684,559	10,691,829	10,594,084
Average tractive power per locomotive, in pounds	18,582	18,594	18,234

Six class³G locomotives of new design were completed in the workshops during the year. The design of these locomotives departs somewhat from New Zealand standard design as in their construction were embodied many parts of the imported Garratt locomotives which previously operated on the North Island Main Trunk Line. The G class locomotive develops greater power than does the AB class, but is not as powerful as the K class locomotive.

Twenty class KA and 7 electric locomotives for the North Island were under construction at the close of the year and 6 class KB and 2 electric for the South Island. Six locomotives were scrapped during the year, making a total of 223 obsolete locomotives scrapped since 1926. Four hundred and twenty locomotives passed through the workshops during the year, and of these 218 received heavy repairs.

During the year 56 locomotives were fitted with electric headlights, making the total number of locomotives so fitted 458, while 16 engines were equipped with the new type "Waikato" spark-arrester.

CARRIAGES.

The number of carriages built during the year was 11, while the number in service as at 31st March, 1938, was 1,471, a decrease of 6 compared with the previous year. One hundred and three carriages of varying types and classes were under construction in the workshops at the close of the year. Eleven new carriages and 4 existing carriages were fitted with roller-bearing bogies, making a total of 118 carriages in service fitted with these bearings. Six carriages were written off during the year.

Forty-five carriages had their lavatories improved (water-sealed hoppers fitted), 6 had new lavatories added, 7 had Westinghouse water-heating apparatus installed in lavatories, 5 were fitted with steam-heating equipment, 1 had air-conditioning equipment fitted, and 6 had their bogies fitted with "Isothermos" axle-boxes. Five carriages had alterations made in their internal structure and one old ministerial car and one old vice-regal car were converted to second-class.

Thirty-seven carriages had the seating rearranged, chair-seats being installed in all cases. These changes eliminated longitudinal seats in 14 carriages.

BRAKE-VANS.

On 31st March, 1938, there were 477 brake-vans in service with 29 building. Three brake-vans were built in workshops during the year, six were written off, and 497 passed through the workshops, of which number 336 received heavy repairs.

There were 11 postal-vans in service at the close of the year, and six vans passed through the workshops during the year, five receiving a major overhaul.

WAGONS.

At the close of the year there were 27,235 wagons in service with 2,866 building. Seven hundred and thirty-six wagons were built in workshops and placed in service during the year, while 356 were written off. The new wagons placed in service include 600 LA general-utility wagons, 16 bogie and 40 four-wheel cattle-wagons, 32 platform wagons, 18 VB chilled beef and 10 W frozen-meat wagons, and 20 ballast wagons. Five petrol-tank wagons were built in workshops for private companies during the year.

The number of wagons that passed through the workshops was 21,467, and of these, 15,320 received heavy repairs.

RAIL CARS.

Ten rail cars were in service at 31st March, 1938, while one rail car (Clayton steam-propelled) was withdrawn from service and written off. Six 66 ft. standard double-bogied rail cars, each equipped with two 10-litre high-speed compression-ignition oil-engines were under construction in the workshops at the close of the year.

CRANES.

One coaling-grab crane and three 10-ton steam-cranes were imported from England during the year and placed in service.

TARPAULINS.

At the close of the year 24,138 tarpaulins were in service. Tarpaulins repaired in the workshops numbered 12,512, while 5,808 new tarpaulins were placed on issue.

TRANSPORTATION.

The train-mileage for the year (exclusive of shunting and departmental mileage) was 12,777,852, compared with 11,868,083 for the previous year, an increase of 909,769 train-miles. The passenger-miles run were 5,322,050, compared with 5,066,860, an increase of 255,190. The goods and mixed train-miles were 7,455,802, compared with 6,801,223 for the previous year, an increase of 654,579.

Particulars of the revenue train-mileage run in the various sections are as under :—

Section.						1937-38.	1936-37.	Variation.
Kaihu	..	..	..	..	..	13,632	13,392	+ 240
Gisborne	..	..	..	..	..	43,940	38,149	+ 5,791
North Island Main Line and Branches						8,036,723	7,353,727	+682,996
South Island Main Line and Branches						4,530,610	4,313,028	+217,582
Westport	..	..	..	..	..	69,782	65,890	+ 3,892
Nelson	..	..	..	..	..	39,826	39,612	+ 214
Picton	..	..	..	..	..	43,339	44,285	— 946
Totals						12,777,852	11,868,083	+909,769

TRAIN SERVICES.

The following table shows the average late arrivals of the express, mixed and suburban trains for the year :—

AVERAGE LATE ARRIVAL OF TRAINS, YEAR ENDED 31ST MARCH, 1938.

Year ended	Period ended													Average for Year, in Minutes.	
	1st May.	29th May.	26th June.	24th July.	21st August.	18th Sept.	16th Oct.	13th Nov.	11th Dec.	8th Jan.	5th Feb.	5th March.	31st March.		
<i>Express and Mail Trains.</i>															
1938	5.28	6.99	5.67	8.51	7.73	5.79	3.58	3.20	3.11	12.15	9.37	9.70	6.17	6.71
1937	8.32	6.46	4.69	4.26	3.58	5.81	3.51	3.03	3.45	9.27	6.03	7.94	7.69	5.69
<i>Long-distance Mixed Trains.</i>															
1938	8.74	8.81	5.40	7.78	6.32	4.71	4.65	4.66	4.78	6.31	7.16	12.66	12.23	7.24
1937	8.28	8.28	5.16	3.95	3.80	4.41	3.84	4.29	4.75	6.31	3.85	7.19	9.62	5.67
<i>Suburban Trains.</i>															
1938	0.60	0.77	1.54	1.43	0.99	0.67	0.55	0.69	0.48	1.01	0.85	1.00	0.83	0.87
1937	0.81	0.85	0.58	0.90	0.78	0.63	0.42	0.59	0.53	0.81	0.50	0.71	0.88	0.69

These figures include delays arising from all causes, including slips, floods, washouts, engine and other mechanical failures, and traffic delays at stations.

The average late running of trains for the year is slightly higher than last year. Slips, floods, washouts, and other line interruptions, which have been unusually severe during the past few years, were again prevalent during the year under review and accounted largely for the poorer timekeeping of trains as disclosed in the above analysis.

On 16th May, 1937, flooding between Te Aroha and Paeroa necessitated the cancellation of services running between these points until 19th May. Flood-waters also rendered the roads in the locality impassable, thus preventing transhipment of passengers and luggage.

The Outram Branch line was impassable owing to floods on 24th and 25th May, 1937.

Serious flooding occurred in the North Auckland area on 30th June, 1937, and services north of Helensville and on the Kirikopuni and Kaikohe Branches were interrupted until 3rd July, when restricted working was resumed. Normal running was resumed on Monday, 5th July.

On 31st August, 1937, floods and washouts on the Napier-Putorino line interrupted train services, which were unable to resume normal running until 2nd September. Further flooding occurred on 5th September and prevented the resumption of services until 7th September.

The line between Napier and Putorino was again blocked by washouts and slips on 24th January, 1938, and remained closed for traffic until 2nd February.

On 12th February, 1938, a severe electrical storm accompanied by a cloud-burst in the Wellsford district dislocated traffic until 14th February.

On 21st March, 1938, a large slip came down between Greymouth and Kaiata covering the line for approximately 3 chains. Passengers, &c., were conveyed between Stillwater and Greymouth by road until 10 a.m. on 24th March, when normal services were resumed.

The following is a *résumé* of the more important alterations to the train services :—

On 19th June, 1937, the new Wellington Station was opened for business, and after that date all trains for the Manawatu line were routed via the Tawa Flat Deviation. At the same time the Wellington-Johnsonville line was redesignated as a purely suburban route.

The change-over to the deviation made it possible to reduce appreciably the running-time of trains using the Wellington – Palmerston North portion of the Main Trunk line. The more important trains rescheduled were—

The arrival and departure times of No. 227, Auckland–Wellington and No. 626, Wellington–Auckland express trains, were synchronized, these trains being scheduled to leave their respective terminals at 3 p.m. and arrive at destination station at 7 a.m. the following day. The new schedules provide for a saving in time of 42 minutes in the case of No. 227 and of 6 minutes in the case of No. 626.

Nos. 229 and 688, Auckland–Wellington and Wellington–Auckland “Limited” express trains, were rescheduled to leave their respective terminals at 7.15 p.m. and arrive at destination station at 9.30 a.m. next day, thereby effecting a saving of twenty-six minutes in the schedule of No. 229 and ten minutes in the running time of No. 688.

Savings of twenty minutes and fourteen minutes respectively were effected in connection with the schedules of the “Up” and “Down” Wellington–Napier express trains. In the case of the Wellington–New Plymouth “Up” and “Down” express trains savings of twenty minutes and eight minutes respectively were effected.

Other trains affected by the opening of the new terminal at Wellington and the routing of traffic via the Tawa Flat Deviation were the Wellington – Palmerston North and Wellington–Paekakariki passenger-trains. Considerable savings in time were effected in the schedules of these trains, while it was also found possible to provide improved connections at Taumarunui between the Auckland–Wellington and Auckland – New Plymouth expresses.

Having arrived at the stage when it could no longer be economically operated, the Clayton steam rail car, which had been in operation on the Invercargill–Bluff line, was withdrawn from service as from 4th June, 1937. The withdrawal of the rail car necessitated minor alterations to the time-table on that line, the services previously maintained by the rail car being replaced by mixed trains.

A further improvement in the Wellington–Wairarapa Sunday rail-car services was effected during the year by the extension of the schedule of the 10.30 a.m. Wellington – Upper Hutt rail car to Masterton.

As from 16th July, 1937, the trains operating on the Tapanui Branch were rescheduled to run in the afternoons instead of the mornings. This alteration was decided upon in order to meet the convenience of loaders of live-stock.

As from 23rd August, 1937, the line from Napier to Wairoa was reopened for traffic, and from that date the Department operated night goods-trains between Napier and Putorino, connecting at the latter station with trains operated by the Public Works Department and operating between Putorino and Wairoa. Unfortunately, on 25th April, 1938, unprecedented flooding, causing widespread damage, occurred in this region and resulted in a complete blockage of the line. Present indications are that some months will elapse before it will be possible to again operate trains over this line.

Two new suburban passenger stations on the Wellington–Johnsonville line (Awarua Street and Simla Crescent) were brought into use for “off-peak” trains as from 10th January, 1938. Both these stations were brought into general use coincident with the inauguration of electric multiple-unit services on this line.

GENERAL.

The goods and live-stock tonnage for the year was 7,516,049 tons, as compared with 6,813,240 tons for the previous year, an increase of 702,809 tons (10.32 per cent.).

The year's operations have been noteworthy by reason of the sustained and heavy demand for transport facilities due to the abnormal movement of practically every class of goods traffic. In the late autumn months of 1937 and again in February and March of this year, the demand for railway wagons throughout the entire system, but particularly in the Auckland Province, was such that the whole of the resources of the Department were taxed to the utmost in order to meet the increased traffic accruing to the rail as a result of the expansion of business in the Dominion's primary and secondary industries brought about by the improvement in the general economic conditions of the country.

In addition, heavy shipments of overseas cargoes of basic slag have been regularly arriving at the main ports of the Dominion, particularly those in the North Island, and the increased shipping traffic, together with heavy traffic in primary produce, coal, lime, and general lines, have together combined to greatly accentuate the difficulties associated with the provision of an adequate supply of goods-carrying and live-stock wagons at the peak season of the year.

A contributing factor which has to some extent retarded the efforts made by the Department to meet the position in regard to wagon supply has been the slow rate of discharge of inward consignments of fertilizer and other lines of goods, particularly the former, at country stations. In this connection, although the Department has not hesitated to incur additional expense and has authorized the running of numerous special trains for the purpose of moving wagons from one area to another in an endeavour to augment the supply of available wagons at points where the demand was greatest, it cannot be said that the Department has been accorded that full measure of co-operation from primary producers and others in the matter of the discharge of inward loads, which, in the special and abnormally difficult circumstances which have obtained during the past and previous years in regard to wagon supply, it was entitled to expect.

The difficulties experienced by farmers, fertilizer and mining companies, and other interests in obtaining an adequate supply of empty railway wagons for the conduct of their operations are fully appreciated by the Department, which is most anxious that its rolling-stock should not be in short supply, and every effort has been made in the conduct of operations to provide for the accelerated turnover of

the available wagons and equipment and the transference of wagons from one area to another in order to relieve the pressure wherever heaviest.

Six hundred wagons of the LA general utility type were built in the workshops and passed into service during the year. In addition, repeated and sustained efforts have been made to obtain early deliveries of materials ordered from overseas in order that the Department might proceed with the construction of further wagons of the LA type, of which 1,930 are included in the 1937-38 rolling-stock building programme and an additional 750 in the 1938-39 programme. Unfortunately, the delivery of this material has been delayed owing to the high pressure at which the Home manufacturers have been working for a considerable time past, but during recent weeks shipments of materials have been coming forward much more freely, and it is anticipated that within a few months it will be possible for the Department to overtake much of the leeway which has been occasioned by lack of materials in connection with its rolling-stock building programme.

A considerable number of live-stock and insulated wagons (for chilled-beef and frozen-meat traffic) were constructed during the year, and a further heavy building programme of rail cars, carriages, and all classes of wagons has been authorized in addition to the construction of the class LA wagons referred to above. This programme will be proceeded with as soon as the necessary material is available.

Steady progress is being made in the matter of providing better seating, steam-heating, and of carrying out general improvement to carriages.

BRANCH LINES.

The operating revenue from branch lines totalled £386,165, an increase of £35,796 (10.22 per cent.) compared with the previous year. Parcels traffic declined slightly, but otherwise increases were shown by all lines of traffic. Goods traffic revenue increased by £30,685 and passenger revenue by £1,381.

The operating expenditure was £554,301, an increase of £59,325 (12.99 per cent.) compared with the previous year. Increased wages and a general increase in costs were responsible for the increase in expenditure.

After allowing for the main line "feeder value" of branch line traffic, the operating loss on branch lines was £145,729. Interest charges amounted to £386,224, making a total loss of £531,953, as against a loss of £475,666 for the previous year, an increase of £56,287 (11.83 per cent.).

Of the total revenue of £386,165, the South Island branches earned £275,365, or 71.3 per cent. The increase over last year in the South Island was £28,516, or 11.55 per cent., while the improvement in the North Island amounted to £7,280, or 7.03 per cent.

Goods traffic was responsible for £24,215 of the total increase of £28,516 shown for the South Island. Passenger traffic showed an increase of £3,748. In the North Island the six branches all contributed to the increase of £7,280 in revenue, of which goods receipts are responsible for £6,470.

The branch lines on which the main revenue fluctuations took place were :—

Branch.				Increase.	Decrease.	Per Cent.
				£	£	
Kaikohe	..	..	..	1,416	..	26.35
Taneatua	..	..	..	3,079	..	3.72
Cheviot	..	..	..	5,555	..	28.24
Little River	..	..	..	1,618	..	24.26
Kurow	..	..	..	..	1,150	12.43
Waihemo	..	..	..	331	..	16.54
Otago Central	..	..	..	15,560	..	15.94
Roxburgh	..	..	..	1,783	..	13.76
Catlins River	..	..	..	1,356	..	9.55
Waikaka	..	..	..	..	409	20.16

ISOLATED SECTIONS.

The results of operations of isolated sections were as follow :—

Kaihu.—Revenue amounted to £4,740, an increase of £415 (9.60 per cent.). Passenger traffic shows a sharp decline, but goods traffic increased by £849, despite a decrease of 3,339 tons in the quantity of road metal carried for local bodies.

Expenditure amounted to £8,381, an increase of £265 (3.27 per cent.). Increased wages and fuel costs were responsible for the small increase shown.

The total operating loss on the section was £3,641, compared with £3,791 for the previous year.

Gisborne.—Revenue amounted to £23,499, an increase of £4,947 (26.67 per cent.). Goods traffic increased by £5,275, of which receipts from the conveyance of road metal for local bodies accounted for £3,364.

The expenditure amounted to £26,800, an increase of £3,432 (14.69 per cent.). Increased fuel and wages costs were the main items of increased expenditure.

The operating loss on the section was £3,301, as compared with £4,816 for the previous year.

Nelson.—Revenue amounted to £11,955, an increase of £621 (5·48 per cent.). Expenditure amounted to £23,127, an increase of £3,161 (15·83 per cent.).

Goods traffic shows an increase of £1,051, the commodities contributing to the increase being fruit (£281), coal (£667), wool (£689), and tallow (£318). Receipts from timber and other miscellaneous items show a decline.

The increase in expenditure was largely due to heavy repairs to locomotives and increased maintenance charges.

The operating loss on the section increased from £8,632 last year to £11,172 this year.

Pictou.—Revenue amounted to £33,920, an increase of £81. Expenditure totalled £38,683, an increase of £4,591 (13·47 per cent.).

Revenue remained practically stationary. The sharp rise in expenditure was largely due to heavy expenses incurred in connection with locomotive repairs. Traffic and locomotive transportation charges also increased on account of increased wages and fuel-costs.

The operating loss on the section was £4,763, compared with £253 last year.

Westport.—Revenue amounted to £91,726, an increase of £14,289 (18·45 per cent.). Expenditure totalled £75,570, an increase of £10,081 (15·39 per cent.).

The operating profit on this section was £16,177, an increase of £4,208 (35·22 per cent.).

Receipts from coal traffic were almost entirely responsible for the substantial increase shown in goods revenue—viz., £13,434. The tonnage of coal carried in 1938 was 427,660 tons, as compared with 352,980 tons last year.

The main increases in expenditure were in maintenance of way and works, locomotive transportation, and traffic transportation charges.

The operation of wharves was responsible for the greater portion of the increase in traffic transportation charges, the expenditure under this head having risen by £2,187 (25·83 per cent.). Increased fuel and wages costs were responsible for the rise in locomotive transportation charges.

PUBLICITY BRANCH.

The principal feature of this Branch's operations during the year has been the greatly increased use made of radio as an advertising medium. From a modest beginning in the way of experimental broadcasts from Station 1ZB, Auckland, its activities in this field have expanded to such an extent that programmes sponsored by the Department are now broadcast at regular intervals from each of the four stations of the National Commercial Broadcasting Service. This innovation in the Department's publicity arrangements has been completely successful, the efficacy of these programmes having been borne out by actual results.

Newspaper advertising has continued to be the Branch's chief means of disseminating its publicity, a well-prepared series of attractive advertisements, presenting the Department's many services, having appeared in most of the established newspapers and periodicals published throughout the country. A natural adjunct to this publicity has been the preparation of special articles on railway matters, the newspapers again having demonstrated their readiness to co-operate with the Department in providing readers with an impartial and interesting presentation of facts and news relating to its activities.

"Informograph" machines, mechanical aids to obtaining general information, were introduced with the opening of the new Wellington Station, and these have become so popular with the travelling public that the installation of further machines is being arranged.

Noteworthy publications issued by the Branch during the year were the *New Zealand Railways Illustrated* and *A Record of Progress*. The *Railways Illustrated* has been so well received that the preparation of a second edition has been found necessary. This valuable publicity has been achieved without charge, receipts from sales having more than covered the production costs of the book. Very favourably received by the press of practically every country in which it has circulated—one of the foremost railway journals of the world describes it " . . . the most remarkable publicity album ever produced by a railway administration that we have seen"—the *Railways Illustrated* has served to emphasize the leading part the Department now takes in attracting tourists and promoting travel within New Zealand.

Published simultaneously with the opening of the Wellington Station, the *Record of Progress*—a book that featured prominently at the official opening of the building when over a thousand copies were distributed among the guests—has also been in great demand in New Zealand and overseas, a fact that affords proof of its value as a contribution to railway literature.

Large numbers of illustrated folders and leaflets were also printed and distributed, among these being many thousands of folders of the *See New Zealand by Rail* type.

The expert presentation of the Branch's publicity through the many channels employed—hoardings, posters, Neon signs, theatre screens, radio, newspapers, and other media—has met with a definite response from the public, as evidenced by the record traffic handled during the year. In the preparation of their printed matter and general advertising, other Branches likewise have benefited from the Publicity Branch's specialist organization.

So wide and varied have the continually expanding activities of the Branch become that strengthening of the staff was found necessary, the work now turned out by the Photographic and Plan Printing Division, in particular, being exceptionally heavy.

Continued use is being made, by the press and other publications, of the Branch's extensive range of photographs and illustration blocks, the frequent reproduction of which is serving a double purpose; furthering the "Know-your-own-country-first" movement, and pleasantly "tied-up" with the Department's constant admonition to the public of New Zealand, "Your Railways for Your Welfare."

The New Zealand Railways Magazine, now in its thirteenth year of publication, continues its reputation as "New Zealand's national monthly." National features and illustrations have been increased, and the value of this publication from the railway viewpoint has been well maintained. The success of this progressive policy is seen in the response of the general public and advertisers.

The returns from sales and advertising totalled £4,458 16s. 1d., an increase of £575 1s. 9d. (14.9 per cent.) over the previous year.

During the year it was found necessary to increase the circulation from 20,000 copies per issue to 23,500 copies in order to supply increased staff and to make a full distribution to ledger-account holders. Increasing numbers of readers are buying copies of the *Magazine* for despatch to friends or relatives overseas. Altogether, sufficient copies go to residents of other countries to give the *Magazine* an important place among publications planned to attract visitors to the Dominion.

COMMERCIAL BRANCH.

The remarkable growth in practically all sections of the Dominion's trading and industrial activities during the past year has naturally been attended by a proportionate increase in the volume of goods requiring transport, and the activities of the Commercial Branch have been concentrated on securing to the railway such portion of the total business offering as it might reasonably expect to handle. To this end the Business Agents in the various districts have maintained a close personal contact with the business, industrial, and farming sections of the community. Apart altogether from purely commercial considerations, this association has been of definite value in gaining for the railway administration a first-hand knowledge of the problems and requirements of individual users and enabling it in many cases to so adjust either the services or conditions of transport as to best meet their particular needs.

An encouraging feature of the year's operations has been the marked expansion of railway business, as evidenced by the record gross revenue earned, this result having been achieved despite the continued existence of strong road competition. To the extent that this condition has resulted in a serious wastage of capacity arising from the existence of transport services on a scale far beyond actual requirements, the co-ordination of the long-distance road-transport services with the rail, as contemplated by the policy now being implemented, promises welcome relief in the direction of a lowering of the Dominion's transportation costs. The measures which have been adopted in the past in the matter of the licensing of goods road services, whilst effective in more or less maintaining the *status quo* as it existed when the system was introduced, provided no real solution of the problem, inasmuch as road transport had already become established up to near saturation point and the licensing system merely had the effect of regularizing its operations and giving a monopoly value to the established services.

Past experience, not only in New Zealand but in other countries, has clearly demonstrated that no system of transport control which permits of the development of services on a competitive basis without due regard to the economic necessity of preserving a proper relationship between the requirements of the area to be served and the capacity of the transport services to meet those requirements can hope to function successfully. If the position is examined impartially, consideration being given to the interest of the country as a whole and not to that of the individual user or owner, the objective should be the regulation of the available transport facilities in such a way as to ensure the provision of services capable of fulfilling efficiently and at the lowest possible cost the whole of the work they are required to perform. To the extent that the policy that has been adopted is designed to create the position where road and rail transport will function efficiently as part of a comprehensive whole and not as separate entities, its application in New Zealand will undoubtedly be a vital contributing factor towards the attainment of this objective.

An aspect of the competition between road and rail which has been referred to in previous reports, but which, by reason of the importance of its bearing on the general question, merits further emphasis, is the clash between two systems of rate-making—one, developed by the railway, being based on value of service; the other, adopted by road operators, based on cost of service. The low rates fixed by the railway for the conveyance of raw products and other commodities essential to production are made possible by charging relatively higher rates on manufactured goods and high-priced commodities. In this way the movement of all classes of goods at rates within the limit of their capacity to bear has been facilitated, and the principle of rating has therefore a strong economic background.

The road operator, on the other hand, makes no similar discrimination in rates, nor have the conditions under which his business has been developed rendered it necessary for him to do so, for the reason that his attention has been devoted almost exclusively to the conveyance of the higher-rated goods from which he secures the best financial return. Rather than accept the alternative of sacrificing the whole of the merchandise traffic to their competitors, the railways have been compelled to adjust their rates to meet the changed conditions, and the railway-rate question has as a result become more and more involved in its relation to the balance of transport values with each step in the broadening field of transport competition. The position is exemplified by the existence in many areas throughout New Zealand of freight rates for specified classes of goods having purely local application between defined points. The standard of the charges has been determined by the elementary consideration of "get what you can," provided always that the revenue return is sufficient to meet the costs incidental to the movement of goods and make some contribution to fixed expenses. In this way the stability of the railway-rates structure has been seriously undermined and the financial ability of the Department to continue to assist industry in transporting raw materials and bulk goods at low freight rates has been weakened.

Notwithstanding the changes which have occurred in the transport industry throughout the world as a result of developments during recent years, it is beyond dispute that the national interest is best served by adherence to the broad principles of the established railway-rating system. With the disappearance of the competitive aspect to the extent contemplated by the policy which is now being given effect to and the application of the principles of co-ordination, the way will be paved for a general overhaul of freight rates along lines which, whilst preserving the best features of the present system, will bring the classification and rates more into line with present-day requirements.

PASSENGERS' LUGGAGE.

A matter of considerable importance to those travelling by the steamer-express service between the North and South Islands is the extended facilities which have been provided for dealing with inter-Island checked luggage at Wellington. Owing to the inconvenient location and the lack of facilities at the old Lambton and Thorndon Stations, the checking of luggage from Wellington to South Island stations and the receipt at Wellington of checked luggage from southern stations had of necessity to be undertaken exclusively at the luggage office on the Wellington wharf. The terminal facilities provided at the new Wellington Station have, however, permitted of arrangements being made for these services to be also undertaken at the station luggage-room, and this has proved very popular with the travelling public.

Another aspect of the checked-luggage system which has engaged attention is in connection with passengers travelling to tourist resorts located beyond the limits of the railway. It has been recognized that passengers are put to some inconvenience in attending to the transshipment of their luggage at the railway terminal, and the objective has been to relieve them of this obligation. With this end in view arrangements have been concluded with the several interests concerned whereby visitors to the Chateau Tongariro may have their luggage checked without additional charge for the through journey by rail and road direct to and from the Chateau. It is the intention that the framework of this arrangement will form the basis of a general scheme of through-checking to other resorts so located as to render it desirable for the facilities to be given.

TRUCK RATES.

The application of the truck-rate principle to the Christchurch—Little River section of railway has been effective in bringing about a co-ordination of the services of the railway and the Christchurch—Akaroa goods road service, previously operating in competition with the Department, under conditions mutually acceptable to both parties. The general terms of the arrangement are on the same lines as those already adopted in certain other areas, where similar conditions have had to be met and which have been effective in securing to the railway a material increase in business.

SUBURBAN PASSENGER TRAFFIC.

As indicated in the last annual report, following on a comprehensive review of the whole position, certain adjustments in the fares and conditions of travel on suburban lines designed to remove inequalities as between different sections of the community were decided upon. The new scale of fares was brought into operation in May of last year and met with a most gratifying response from the public, whilst from the Department's point of view the results for eleven months up to the end of the financial year disclosing, as they do, an increase of 691,955 suburban passenger journeys compared with the same period of the previous year, are highly satisfactory. It is worthy of mention that the new low-priced six-trip ticket, which was specially introduced to meet the needs of the casual suburban travellers, has proved most popular, no less than 197,223 of these tickets (representing 1,183,340 passenger journeys) having been sold in the first eleven months of their issue.

HOUSEHOLD REMOVALS.

The special service of house-to-house furniture removals, including, in addition to rail transport, cartage to and from rail and packing and unpacking, continues to show a steady expansion. The removals handled during the year totalled 1,231, compared with 971 for the previous year. No less than 72 per cent. of the transactions were undertaken on behalf of private individuals as distinct from employees of other Government Departments, thus clearly demonstrating that the value of this service, built up over a number of years, is fully appreciated by the public.

FARMERS' EXCURSIONS.

The improved economic position of the farming industry has resulted in a revival of interest in the special farmers' excursions so successfully inaugurated by the Department prior to the depression period. The purpose of these tours is to provide opportunity for those engaged in farming pursuits to study farming conditions and operations in various parts of the Dominion, and the itineraries provide for visits to the more important farming areas, agricultural colleges, and industrial establishments throughout New Zealand.

The present indications are that parties varying in size from 80 to 300 members will undertake comprehensive tours during the winter season, and the Department's Business Agents are co-operating with the various farmers' organizations concerned in making the necessary arrangements. The successful establishment of the Young Farmers' Club movement in New Zealand has also resulted in a growing demand for transport facilities for parties of members undertaking educational travel, and several such tours have been organized during the present winter.

“SAVE TO TRAVEL” STAMPS.

The “Save to Travel” scheme, which was introduced for the purpose of providing facilities, for those who desire to do so, to set aside small amounts to be devoted to the purchase of rail tickets, continues to meet with a satisfactory response from the public. The results achieved since the inception of the scheme have been sufficiently encouraging to warrant the further provision made during the year whereby savings stamps to the value of 10s. and multiples of 10s. may be exchanged for travel vouchers bearing interest at the rate of 5 per cent. per annum for each calendar month, further adding to the popularity of the scheme.

WAY AND WORKS BRANCH.

The following are the principal features connected with the operations of the Way and Works Branch during the year:—

Permanent-way.—The relaying carried out during the year was as follows:—

<i>Main Line and Branches—</i>	M. Ch.
100 lb. rails relaid with 100 lb. new rails	0 23
53 lb., 55 lb., and 70 lb. rails relaid with 70 lb. new rails	17 03
55 lb. rails relaid with 55 lb. new rails	0 40
Main line and branches relaid with 53 lb., 55 lb., 56 lb., and 70 lb. second-hand rails	3 19
Total	21 05

Mileage.—The total mileage of track open for traffic on 31st March, 1938, was 3,318 miles 58 chains.

New Works.—Good progress was made during the year in connection with the duplication of the main line between Papakura and Horotiu, a further section of double track between Horotiu and Ngaruawahia (3 miles 54 chains) having been opened for traffic on 5th December, 1937. This makes a total of 30 miles duplicated on the 87-mile section of main line between Auckland and Frankton Junction.

Operations in connection with the grade-easement work and deviation of the line at Scroggy Hill have made satisfactory progress, about 35,000 cubic yards of spoil having been shifted during the year. An average of thirty-eight casual workers are employed on this work, which it is anticipated will take two years to complete.

Work in connection with the grade easement between Swanson and Waitakere is also well in hand. This project is providing work for approximately eighty-eight workers.

During the year a start was made with the work of deviating the line between St. Leonards and Sawyers Bay, near Dunedin. This project involves the construction of a tunnel, duplication of line, and the provision of a new station and a rearrangement of the yard at Sawyers Bay. An average of eighty-seven casual workers have been engaged on the work.

Sleepers and Ballast.—During the year 220,085 sleepers were laid (including 10,522 laid in the new station-yard at Wellington). The cubic yards of ballast placed on the track during the year totalled 183,485.

Bridges.—The work of renewing and strengthening bridges has been continued during the year, the principal works in hand being the renewal of the Rangitikei, Rakaia, Waitangi, and Waitangi Washout bridges. The foundations of the first three bridges are in course of being constructed by the contractor, while the Waitangi Washout Bridge is being reconstructed on a new alignment.

Roads and Level Crossings.—The work of eliminating a number of level crossings by the provision of subways and overbridges has been proceeded with during the year. This work is being carried out in collaboration with the Main Highways Board. A number of level crossings were tar-sealed during the year.

Fences and Cattle-stops.—Several fencing gangs have been employed throughout the year in erecting and repairing boundary fences. This work, which is subsidized by the Labour Department, is being carried out in pursuance of the policy that the Department should undertake the repair and maintenance of boundary fences paralleling the railway-line in order to relieve adjoining owners of expense in that connection and to ensure an adequate standard of safety against straying stock.

Protective Works.—The work of placing concrete blocks between Kaiwarra and Petone in order to prevent sea-erosion was completed during the year. Foreshore-protection work at Oamaru has been continued by the driving of piles and the placing of stone.

Buildings.—All buildings have been maintained in a satisfactory condition. A store shed at Lyttelton and two dwellings—one at Wairio and the other at Omana—were destroyed by fire during the year. Five dwellings and four other departmental buildings in various parts were damaged by fire during the year.

Dwellings.—All dwellings have been maintained in good order.

Wellington New Station and Yard.—New works completed during the year included the following: Engine-shed, rail-car shed, social hall, and overbridge at Davis Street. The old station buildings at Lambton and Thorndon were demolished, as was the old engine-shed at Thorndon.

Tawa Flat Deviation.—Coincident with the opening of the new station at Wellington on 19th June, 1937, all traffic for stations north of Johnsonville was transferred to the new line via Tawa Flat.

Unemployed Relief.—During the year an average of 210 men were employed on new works at Wellington (exclusive of contract for erection of station building). The wages of these men were subsidized by the Labour Department. An average of 17 sedentary relief workers have been employed assisting in offices. An average of 922 casual-relief workers have been employed on earthworks for grade-easements, deviations, repairing fences, &c., on various portions of the system.

SIGNAL AND ELECTRICAL.

All installations have been maintained in good order and condition.

The following is a summary of the principal activities of the Signal and Electrical Branch during the year :—

SIGNALLING.

Stratford-Okahukura.—Good progress has been made with the installation of automatic signalling on this route, and it is anticipated that it will be possible to commence automatic operation over a section of the line from Stratford in the near future. The centralized traffic-control equipment for the Taumarunui-Okahukura section is now being installed. When in operation the signals and points at Taringamotu (2 miles 65 chains north of Taumarunui) will be operated and controlled from Taumarunui).

Napier-Gisborne.—Orders have been placed for the overseas material required for this installation, and delivery has commenced.

Papakura-Horotiu Duplication.—Extensive line alterations have been made during the year, and double-line automatic signalling has been brought into use on the section between Horotiu and Ngaruawahia (3 miles 54 chains), superseding the existing single-line automatic signalling. Material for which tenders have been accepted is continuing to arrive from overseas, and sections of the work are being resignalled as progress of the work of duplicating the track permits.

Wellington New Station and Yard.—The new station was opened for traffic on 19th June, 1937, from which date all platforms were brought into use. All offices in the new building are now occupied, and lighting and power reticulation for all services is in use. With the exception of certain work of a minor nature, the interlocking of the new yard is now complete.

Wellington-Tawa Flat-Porirua.—Coincident with the opening of the new station double-line automatic signalling was brought into use between Wellington and Tawa Flat (8 miles 43 chains) an all-electric interlocking installation being provided at Tawa Flat. The Junction points at the latter station (when switched "Out") are controlled from Porirua, special provision having been made for the relay interlocking installation at Porirua to perform this operation. The Tawa Flat-Porirua section (2 miles 37 chains) is single line with automatic signalling.

Porirua-Paekakariki.—The work connected with the installation of automatic signalling between Porirua and Paekakariki, with centralized traffic control of the section from Wellington, is in hand. This work is being proceeded with in connection with the duplication of the main line between Plimmerton and Paekakariki.

Wellington-Johnsonville Electrification.—This installation was completed in readiness for the inauguration of electric multiple unit services.

Whakapara Opua.—The installation of tablet working and fixed signals on this section is in hand. The signals used are of the colour light searchlight type.

Christchurch Station.—Preliminary work in connection with the signalling and interlocking systems has been investigated. The shifting of the Signal and Electrical Depot from Christchurch to Addington has been commenced.

Frame-levers.—Frame-levers with facing-point locks were installed at forty-nine stations.

General.—Works of less importance undertaken during the year included the provision of motor points at a number of crossing-loops, installation of electric power for signals at several stations, and the equipment of a number of stations and sidings with tablet locks.

A switch-locked service siding was brought into use at Blanket Bay between St. Leonards and Sawyer's Bay in connection with the duplication of the line.

Fixed home and distance signals of the colour-light type have been installed at Manunui and Taringamotu consequent upon these stations having been opened as switch-out tablet stations.

Alterations and additions to the existing signalling and interlocking systems have been carried out at Papakura, Ngaruawahia, Horotiu, Frankton Junction, Paekakariki, Plimmerton, and Ngahauranga.

The track circuiting of the Lyttelton yard was completed during the year.

Darfield and Sheffield were converted to switch-out interlocked stations on automatic signalling territory.

The total number of signalling installations in use throughout the systems is as follows :—

				M. ch.	Number.
Miles of single line automatic signalling	..	..	..	189 44	..
Miles of double line automatic signalling	..	..	..	90 13	..
Automatic crossing-loops	..	..	..	..	33
Automatic switch-locked sidings	..	..	..	..	38
Power interlockings	..	..	..	..	38
Mechanical interlockings	..	..	..	..	90
Interlocked tramway crossings	..	..	..	..	7
Mechanical fixed signals and Woods locked stations	..	..	..	..	305
Tablet locked sidings	..	..	..	..	269

Block-working.—New tablet stations equipped for switch-out working were installed at Taringamotu and Manunui. Woodside, Prebbleton, and Kamahi were equipped for switch-out working, the installation at the latter station being of special design for switching out two adjacent stations.

Porirua-Tawa Flat, Tawa Flat-Johnsonville, and Tawa Flat-Wellington (via deviation) tablet sections were cancelled during the year.

The present position with regard to block-working is as follows :—

Total mileage equipped with tablet instruments	1,570
Number of tablet instruments in use	877
Number of tablet stations	357
Number of tablet exchangers	315

Telegraph and Telephone Facilities.—During the past year 69 miles of pole-line were rebuilt, 89 miles of copper conductors replaced iron conductors on these sections, and 90 miles of copper wire were erected in new circuits. In addition, 21 miles of wire for earth-working circuits were converted for metallic circuits.

The sections rebuilt were—

Masterton—Woodville	49 miles 22 chains.
Paeroa—Thames	19 miles 24 chains.

A metallic circuit was installed between Westport—Conn's Creek—Ngakawau.

A two-channel carrier-telephone system was installed between Auckland and Wellington and single-channel carrier systems between Wellington and Wanganui and Auckland and Frankton Junction.

The automatic telephone exchange in the Wellington Station was completed and a teleprinter service introduced between Auckland and Wellington.

In the Wanganui District Traffic Manager's Office a fifty-line automatic telephone exchange was installed with direct access to the Post and Telegraph Exchange and lines rearranged to give a more comprehensive service.

A small twenty-five-line automatic exchange was installed in the District Traffic Manager's Office, Christchurch, and manual exchanges were installed at Napier, Whangarei, Taumarunui, and Marton.

The erection of a train-control circuit, Wellington—Palmerston North, via Wairarapa, is in hand.

Orders have been placed for the supply of telephone-exchanges for Dunedin and Frankton Junction stations.

Pole-lines are being built in conjunction with the work being undertaken by the Public Works Department on the Napier Gisborne and South Island Main Trunk lines.

Platform announcement systems were installed at Auckland and Christchurch stations.

The statistics of communication facilities are as follows :—

Morse instruments	148
Telephones	3,250
Miles of wire	17,801
Miles of poles	3,086
Railway exchanges, automatic	8
Railway exchanges, manual	13
Public exchange connections	625

LEVEL CROSSING ALARMS.

Flashing-light signals were installed at Mangaiti and at Kelso during the year.

Following the erection of overhead bridges level-crossing alarms were removed from Ruatangata ; Tarukenga ; Davis Street, Wellington ; Kiwi Road, Brunner ; Deborah ; and Kartigi.

The total number of level crossings now fitted with automatic devices is 120. In addition, there is a number of manually controlled bell signals.

Traction.—At Otira further progress has been made with the erection of the positive feeder overhead alongside the existing catenary wire. Approximately three-quarters of the worn original contact wire in the tunnel has been replaced with standard 0.25 square inch grooved section.

Tenders have been invited for the supply of the necessary equipment for a new mercury arc rectifier substation at Otira to replace the existing steam-generating power-house there, which is to be abandoned. This action was taken following a decision reached during the year to take power from the national power network which is being extended through Otira to the West Coast. Arrangements are also in hand to effect the change-over of the local reticulation of Otira Village.

Main Workshops.—Systematic maintenance of the substations attached to the main workshops has been carried out during the year.

Considerable alterations and additions to various workshops have taken place and are in hand at the different centres, and electrical reticulation work has followed closely on these alterations.

Additional lighting-points and motors have been wired by the workshops' electricians under permit, and this work has been inspected.

Electrical Reticulation.—During the year electric lighting was installed in the station buildings and yards at Woodcocks, Kaipara Flats, Ahuroa, Tahকেরoa, Sturgess Road, Rangiriri, Ruakura, Eureka, Motumaoho, Kiwitahi, Taringamotu, Whangamomona, Silverhope, Maewa, Takapu Road, Pigeon Bush, Cross Creek, Southbrook, Oxford East, Omakau, Balfour.

Dwellings reticulated for electric lighting during the year totalled 162.

Statistics of electrical equipment are as follows :—

Number of houses electrically lighted	2,910
Number of stations electrically lighted	389
Number of substations	21
Total capacity of substations	12,890 kVA.
Number of station yards flood lighted	13

GENERAL.

At Frankton Junction the increased demand and consumption of electric power for railway purposes necessitated the replacement of the existing 35 kVA. local transformer feeding the services with one of 50 kVA. capacity.

During the year the station and yard electrical installation at Maungaturoto was connected with the local Power Board's supply, thus releasing for service elsewhere a Diesel electric lighting plant which the Department had installed and maintained at that station. The lighting-plant removed from Maungaturoto was installed at National Park, where the Diesel-lighting plant in use was unable to cope with the demand made upon it. An electric-lighting plant was required for Whangamomona, and advantage was taken of this arrangement to transfer the original National Park plant to Whangamomona, where a lighting system was installed.

Special arrangements were completed during the year for the supply of electric power for railway use at Pigeon Bush and Cross Creek.

An additional floodlight-tower has been erected in the Wellington Station yard, and the remaining two towers to be erected will be completed shortly.

TRACK, PLANT, AND ROLLING STOCK.

The track, bridges, structures, signalling-appliances, rolling-stock, locomotives, and other plant are in good order and efficient for the work required of them.

ACCIDENT TO SPECIAL EXCURSION PASSENGER TRAIN NEAR RATANA.

A regrettable happening, fortunately rare in the annals of the Department, occurred in the early morning hours of Saturday, 26th March, 1938, when a special passenger-excursion train *en route* from Wellington to New Plymouth became derailed at a point just north of Ratana Station, the locomotive and five of the six carriages on the train leaving the rails. Six passengers and the fireman of the train were killed outright or died of injuries received at the time of the disaster. The engine-driver sustained serious injuries, as did several passengers, while other passengers received minor injuries.

A Board of Inquiry set up under section 63 of the Government Railways Act, 1926, made investigations regarding the cause of the derailment. The conclusion at which this Board arrived after close investigation and most exhaustive inquiry was that the accident resulted from the overturning of the engine, due to it entering a curve of 64 chains radius at a speed of approximately 50 miles per hour. A special speed-restriction to 20 miles per hour is applicable to the particular sector of the line where the mishap occurred, and the failure to reduce speed to within the limits prescribed was found by the Board to have been due to an honest error of judgment on the part of the engine-driver in calculating his speed and location, to which error of judgment the presence of haze and fog contributed.

It was clearly established in evidence adduced before the Board that unremitting vigilance and a high degree of care are exercised by the Department in the operation of its services, and that a high standard of maintenance is observed in respect of locomotives, rolling-stock, and permanent-way.

This is an appropriate place to reiterate the expressions of appreciation which have been voiced on behalf of the Department of the assistance rendered by the medical profession and hospital staff at Wanganui, passengers on the train, police, and ambulance officers, and numerous other willing helpers who gave ready and effective assistance in connection with the accident. The Department also recognizes, and appreciates, the promptitude and energy displayed by the railway staff in meeting the emergency. The manner and rapidity with which relief was organized and despatched to the scene of the disaster reflected credit on all concerned, and the work of the staff in that connection has been generally recognized and appreciated by passengers and others.

STAFF.

The total number of staff employed at the 31st March, 1938, including those on works chargeable to capital, was 22,963, as compared with 20,729 for the previous year. The average number actually at work throughout the year was 21,954, as compared with 19,115 the previous year.

Of the average number of staff at work during the year 14,482 were permanent and 7,472 were casual employees. The average number of men engaged on works chargeable to capital was 1,816, as compared with 1,366 during the previous year.

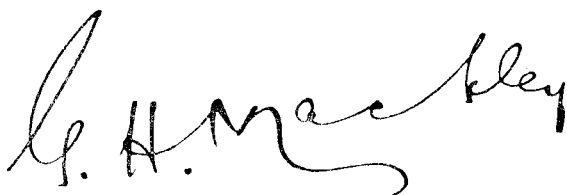
During the year 210 members of the permanent staff resigned, 127 retired on superannuation, 56 died, and 32 were dismissed or paid off.

Employees to the number of 1,664 were engaged.

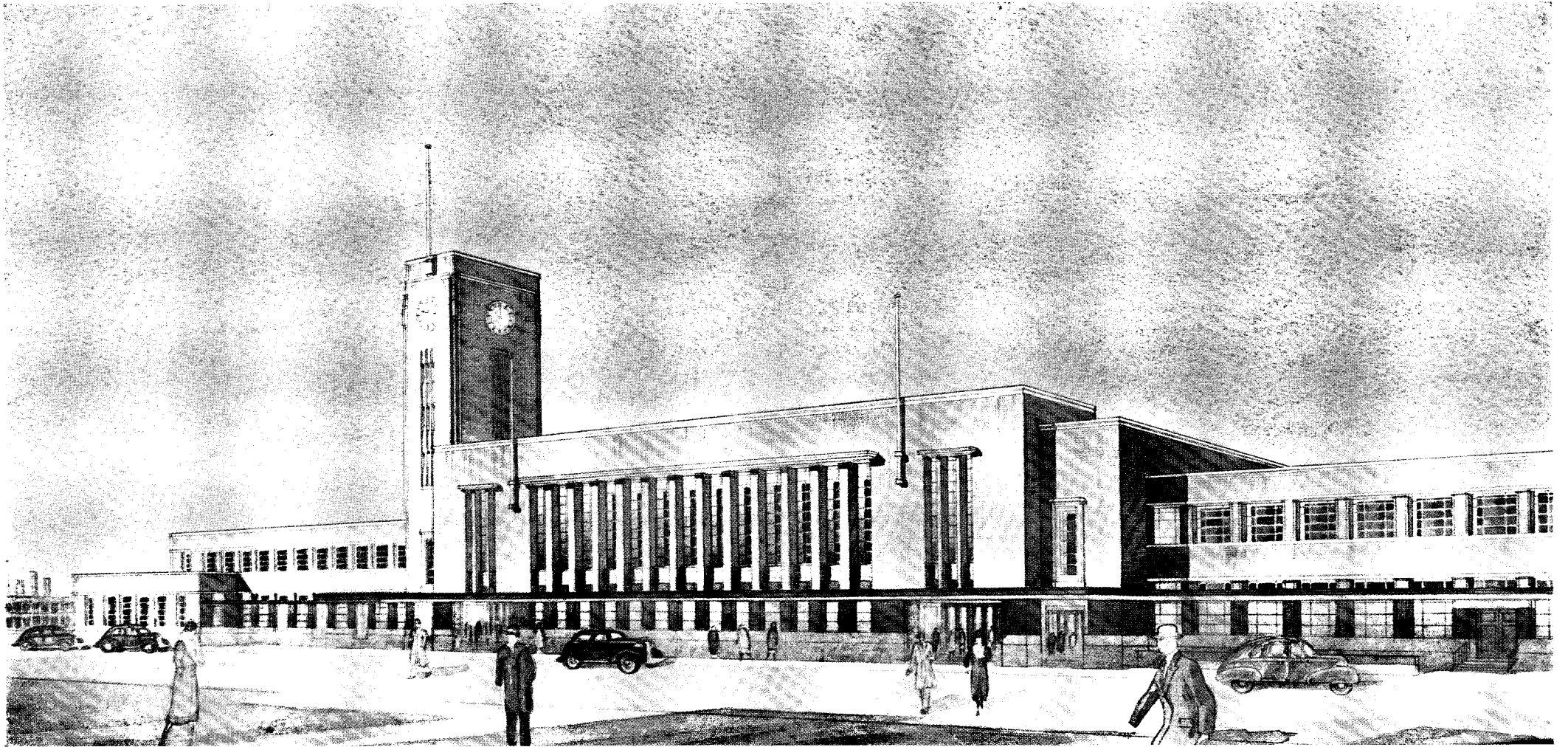
Sixty-eight members of the Second Division were promoted to the First Division.

A total of £48,150 was paid under the Workers' Compensation Act during the year to members of the Second Division who suffered injury in the course of their employment.

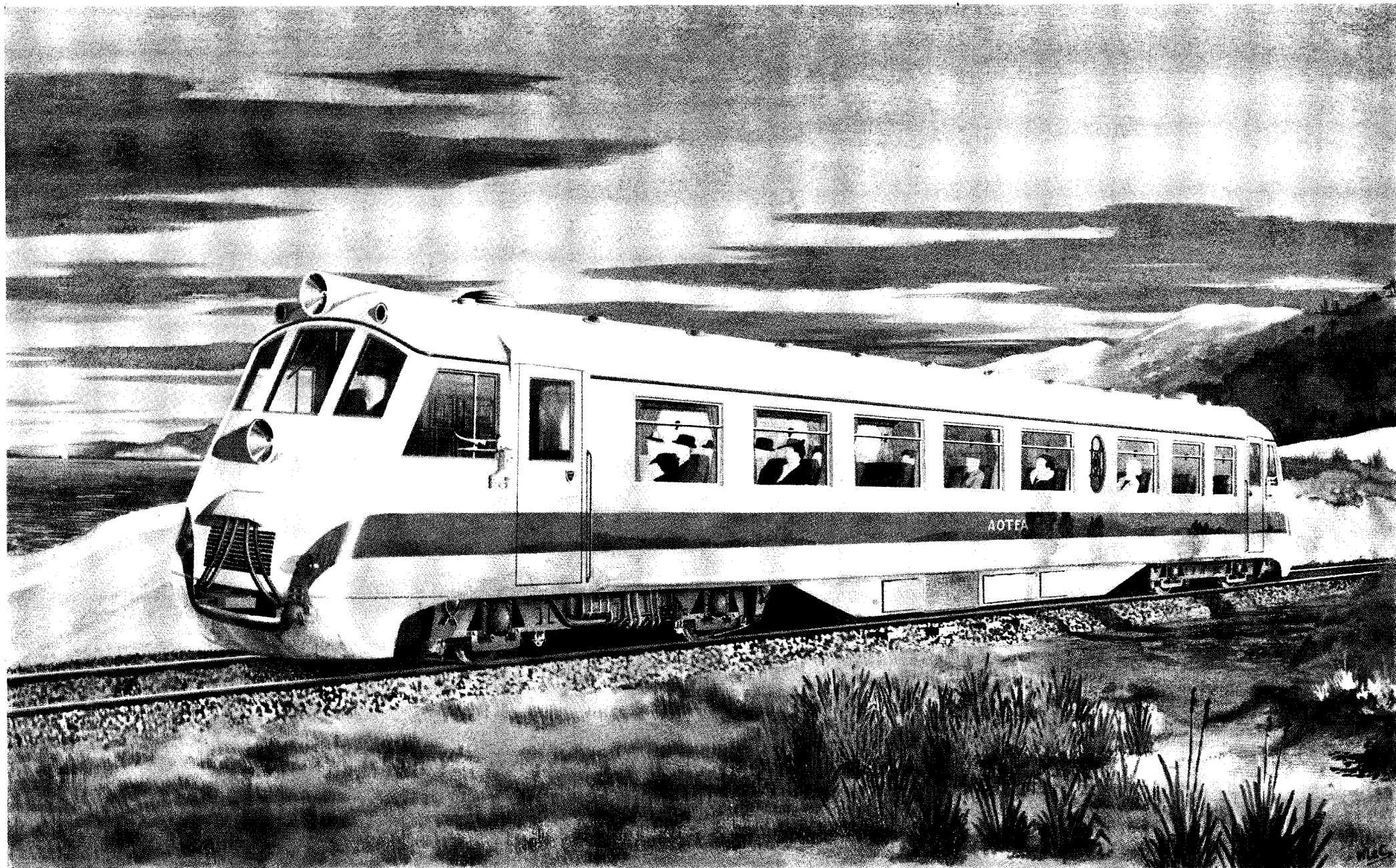
In conclusion, I desire to place on record my appreciation of the loyal service rendered by the staff and of their co-operation with the management in carrying on the services of the Department.



General Manager.



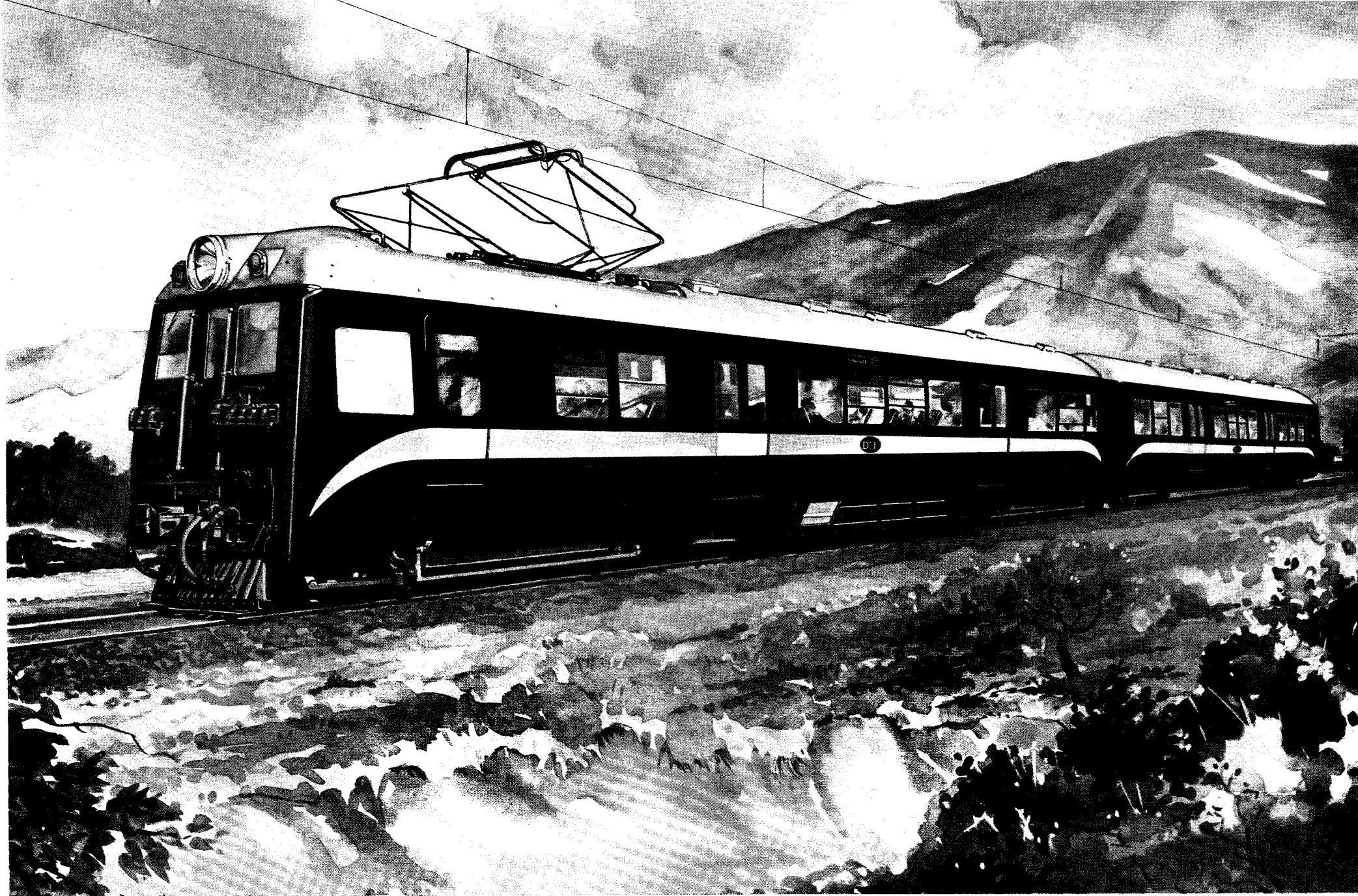
ARCHITECT'S DRAWING OF THE NEW RAILWAY STATION FOR CHRISTCHURCH.



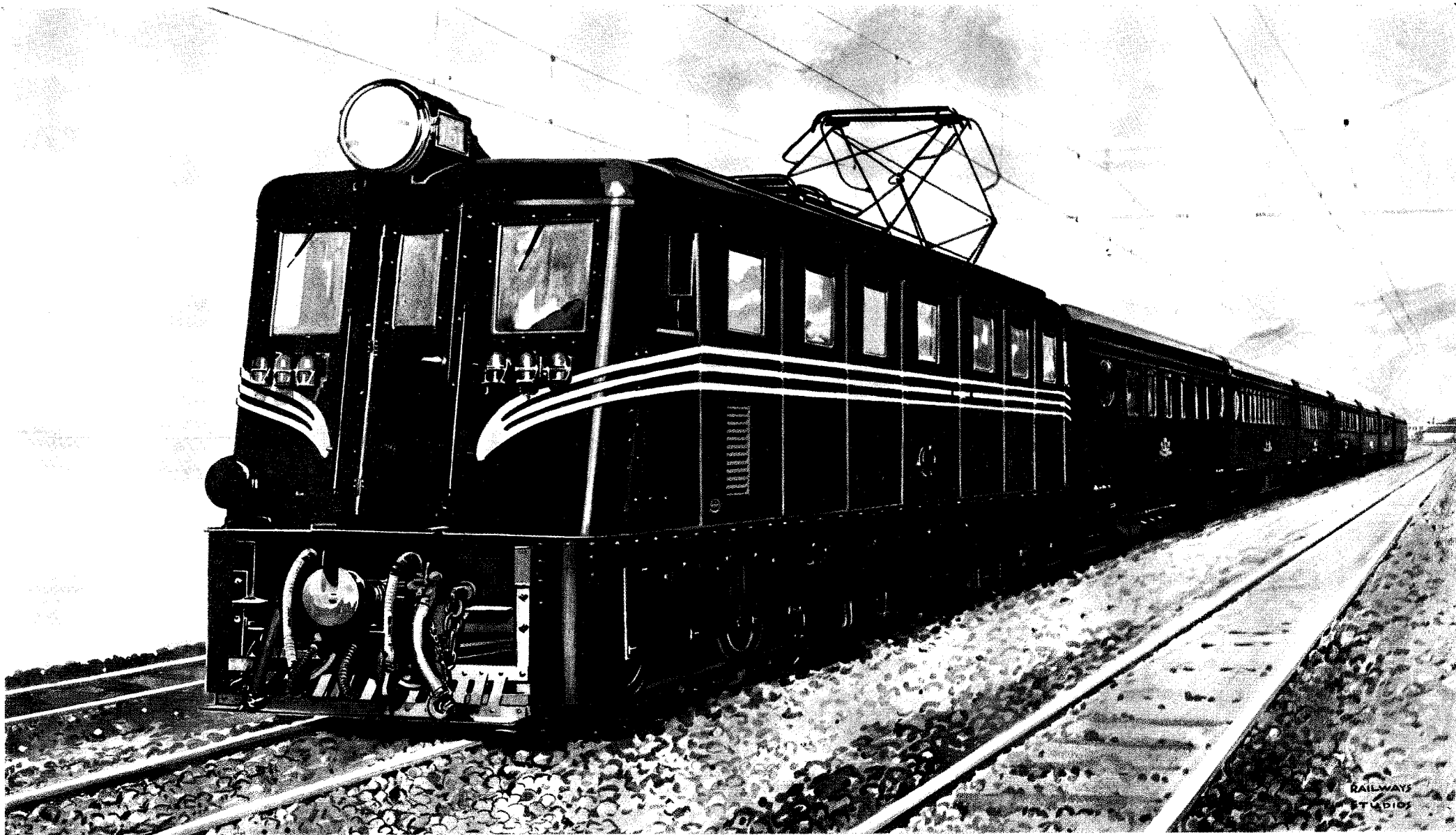
“AOTEA,” STANDARD TYPE OF RAIL-CAR FOR USE ON MAIN LINES AND FOR LONG DISTANCE RUNNING.

Length, 66 ft. ; Seating capacity, 52 ; Horse-power, 240 ;

Weight (loaded), 32 tons.



AN ELECTRIC MULTIPLE-UNIT TRAIN ON THE WELLINGTON-JOHNSONVILLE SUBURBAN LINE.
The normal unit consists of one motor coach and one trailer, providing seating accommodation for 132 passengers, but to deal with varying traffic conditions the units can be made up into trains of as many as eight coaches.



ONE OF THE NEW ELECTRIC LOCOMOTIVES FOR USE ON THE WELLINGTON-PAEKAKARIKI ELECTRIFIED SECTION.

Weight, 87 tons; Maximum permissible speed, 55 m.p.h.;
Maximum trailing load, 500 tons; Horse-power, 1240.

BALANCE-SHEETS,
STATEMENTS OF ACCOUNTS,
AND
STATISTICAL RETURNS,
1938.

INDEX OF STATEMENTS

ACCOMPANYING THE ANNUAL REPORT OF THE GENERAL MANAGER OF THE NEW-ZEALAND
GOVERNMENT RAILWAYS, 1937-38.

Statement numbered	Description.
1	Capital Account and General Balance-sheet.
	Income and Expenditure Accounts:—
2	Whole Undertaking— Net Revenue Account.
3	Railway Operation— Abstract A—Maintenance of Way and Works. Abstract B—Maintenance of Signals and Electrical Appliances. Abstract C—Maintenance of Rolling-stock. Abstract D—Examination, Lubrication, and Lighting of Vehicles. Abstract E—Locomotive Transportation. Abstract F—Traffic Transportation. Abstract G—General Charges. Summary of Expenditure Abstracts.
4	Lake Wakatipu Steamers.
5	Refreshment Service.
5A	Bookstall Service.
6	Advertising Service.
7	Departmental Dwellings.
8	Buildings occupied by Refreshment Service, Bookstall Proprietors, &c.
9	Road Services.
10	Railway Employees' Sick Benefit Society— Balance-sheet.
11	Losses on Developmental Branch Lines and Isolated Sections.
12	Cash Receipts and Payments—Working Railways Account:— Reconciliation Statement.
13	Renewals, Depreciation, and Equalization Reserve Accounts:— General Reserve Account. Insurance Reserve Account. Workers' Compensation Reserve Account. Slips, Floods, and Accidents Equalization Reserve Account. Betterments Reserve Account. Renewals Reserve Account. Depreciation Reserve Account.
14	Expenditure on Construction of Railways, Rolling-stock, &c.:— Net Revenue, and Rate of Interest earned on Capital expended on Opened Lines.
15	Expenditure out of Working Railways Account (Depreciation Fund) and Public Works Fund.
16	Season Tickets issued.
17	Operating Traffic and Revenue:— (1) Operating Traffic. (2) Operating Revenue.
18	Traffic and Revenue for each Station.
19	Classification of Goods and Live-stock Traffic and Earnings by Commodities.
20	Mileage, Capital Cost, Traffic, Operating Revenue, and Operating Expenditure.
21	Number of Employees.
22	Accidents.
23	Carriage and Wagon Stock and Tarpaulins.
24	Locomotive Stock.
25	Locomotive-running Costs.

STATEMENT No. 1.

CAPITAL ACCOUNT AS AT 31ST MARCH, 1938.

	Total to 31st March, 1937.	Year ended 31st March, 1938.	Total to 31st March, 1938.	—	Total to 31st March, 1937.	Year ended 31st March, 1938.	Total to 31st March, 1938.
<i>Expenditure.</i>							
Permanent-way.—Works, buildings, machinery, plant, and dwellings	£ 50,652,463 13 10	£ s. d. 724,806 0 5	£ s. d. 51,377,269 14 3		Receipts. Capital included in public debt ..	£ s. d. 56,028,771 8 0	£ s. d. 57,326,681 4 11
Rolling-stock, lake steamers, and road motors	11,455,193 17 2	829,597 17 11	12,284,791 15 1		Other capital ..	9,033,902 6 6	9,033,902 6 6
Lanes closed for traffic	290,981 17 10	71,680 11 6	362,662 9 4	Deduct accrued depreciation and other losses of capital written off in accordance with subsection (2), section 23, of the Government Railways Amendment Act, 1931		65,062,673 15 3	66,380,583 11 5
Deduct accrued depreciation on existing assets	62,398,639 8 10 7,913,692 8 4	1,626,084 9 10 367,466 10 3	64,024,723 18 8 8,281,158 18 7	Outstanding liabilities		10,400,000 0 0	10,400,000 0 0
Add unexpended balance : Depreciation Reserve	54,484,947 0 6 211,489 16 11	1,258,617 19 7 110,132 5 7	55,743,565 0 1 321,622 2 6				
	£54,696,436 17 5	£1,368,750 5 2	£56,065,187 2 7				

NORR.—Unopened lines are under the control of the Public Works Department, and all expenditure out of the Public Works Fund in connection therewith is included in the accounts of that Department

STATEMENT No. 2.
INCOME AND EXPENDITURE OF THE WHOLE UNDERTAKING FOR THE YEAR ENDED 31ST MARCH, 1938.

Statement No.		Year 1937-38.			Year 1936-37.		
		Gross Revenue.	Expenditure.	Net Revenue.	Gross Revenue.	Expenditure.	Net Revenue.
		£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Railway operation ..	3	7,591,824 10 10	7,291,785 1 7	300,039 9 3	6,903,604 0 3	6,338,385 5 3	565,218 15 0
Lake Wakatipu steamers ..	4	7,624 3 9	11,143 13 9	Dr. 3,519 10 0	7,111 17 6	10,855 0 0	Dr. 3,743 2 6
Refreshment service ..	5	142,786 2 6	140,936 17 3	1,849 5 3	103,351 0 4	101,124 11 11	2,226 8 5
Bookstall service ..	5A	76,719 6 10	73,231 18 10	3,487 8 0	54,417 5 2	51,245 6 11	3,171 18 3
Advertising service ..	6	37,396 14 4	32,626 17 10	4,769 16 6	34,535 1 11	31,150 11 5	3,384 10 6
Dwellings ..	7	130,683 6 7	183,182 8 7	Dr. 52,499 2 0	131,187 6 0	164,745 13 0	Dr. 33,558 7 0
Buildings occupied by refreshment service, book-stall proprietors, &c. ..	8	20,291 10 9	13,928 13 0	6,362 17 9	19,019 10 0	12,233 2 9	6,786 7 3
Road services ..	9	276,526 16 2	254,553 6 8	21,973 9 6	198,751 4 5	177,953 8 2	21,697 16 3
Miscellaneous revenue ..	..	350,333 3 0	..	350,333 3 0	338,673 17 7	..	338,673 17 7
Total net revenue to Net Revenue Account..	..	8,634,185 14 9	8,001,388 17 6	632,796 17 3	7,790,651 3 2	6,886,792 19 5	903,858 3 9

NET REVENUE ACCOUNT.

Dr.	1937-38.		1936-37.		Or.	1937-38.		1936-37.	
	£ s. d.	£ s. d.	£ s. d.	£ s. d.		£ s. d.	£ s. d.	£ s. d.	£ s. d.
Interest charges ..	2,335,807 11 1	2,309,754 6 4	Net earnings before charging interest on capital ..	632,796 17 3		632,796 17 3	903,858 3 9		903,858 3 9
			Reduction on account of interest charges, vide section 14, Finance Act, 1930 (No. 2)	1,703,010 13 10		1,703,010 13 10	1,405,896 2 7		1,405,896 2 7
	£2,335,807 11 1	2,309,754 6 4		2,335,807 11 1		2,335,807 11 1	2,309,754 6 4		2,309,754 6 4

STATEMENT NO. 3.

INCOME AND EXPENDITURE IN RESPECT OF RAILWAY OPERATION FOR THE YEAR ENDED 31ST MARCH, 1938.

EXPENDITURE.	See Abstract.	1937-38.			1936-37.			Per Cent. of Operating Revenue.			REVENUE.	See Statement No.	1937-38.			1936-37.			Per Cent. of Operating Revenue.		
		£	s.	d.	£	s.	d.	£	s.	d.			£	s.	d.	£	s.	d.	1937-38.	1936-37.	1937-38.	1936-37.
Maintenance of way and works	A	1,278,980	8	7	1,171,963	12	8	16.85	16.98	Passengers, ordinary ..	..	17	1,475,829	4	7	1,421,632	12	11	19.44	20.59
Maintenance of signals and electrical appliances	B	178,891	13	8	154,107	15	8	2.36	2.23	Passengers, season tickets ..	..	17	222,191	6	8	189,672	5	6	2.93	2.75
Maintenance of rolling-stock	C	1,792,562	5	3	1,565,082	16	8	23.60	22.67	Parcels, luggage, and mails ..	..	17	318,456	14	10	305,525	11	8	4.19	4.43
Examination, lubrication, and lighting of vehicles	D	78,726	19	0	65,047	16	4	1.04	0.94	Goods .. ..	..	17	5,411,296	17	11	4,846,417	4	0	71.28	70.20
Locomotive transportation	E	1,624,382	14	7	1,347,129	4	11	21.40	19.51	Labour demurrage, &c. ..	..	17	164,050	6	10	140,356	6	2	2.16	2.03
Traffic transportation	F	2,090,470	15	4	1,797,658	4	7	27.53	26.03												
General charges	G	78,787	4	0	69,690	17	11	1.04	1.01												
Superannuation subsidy 187,665 0 4 Less amount allocated to subsidiary services, &c. 18,681 19 2	..	168,983	1	2	168,304	16	6	2.23	2.44												
Total operating expenses .. ..	..	7,291,785	1	7	6,338,385	5	3	96.05	91.81											
Net operating revenue .. ..	..	300,039	9	3	565,218	15	0	3.95	8.19											
	..	£7,591,824	10	10	£6,903,604	0	3	100.00	100.00			..	£7,591,824	10	10	£6,903,604	0	3	100.0	100.00	

Item.	Kaihu.		Gisborne.		North Island Main Line and Branches.		South Island Main Line and Branches.		Westport.		Nelson.		Picton.		Total.	
	Total.	Per Mile of Rail- way.	Total.	Per Mile of Rail- way.	Total.	Per Mile of Rail- way.	Total.	Per Mile of Rail- way.	Total.	Per Mile of Rail- way.	Total.	Per Mile of Rail- way.	Total.	Per Mile of Rail- way.	Total.	Per Mile of Rail- way.
ABSTRACT A.—MAINTENANCE OF WAY AND WORKS.																
General expenses—	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Branch	6	0.2	37	0.6	6,966	4.7	4,326	2.7	134	3.7	17	0.3	55	1.0	11,541	3.5
District	143	6.0	351	5.8	24,399	16.4	19,033	11.9	390	10.8	313	4.9	353	6.3	44,982	13.5
Road-bed	730	30.4	2,599	43.4	119,901	80.5	87,158	54.7	2,359	65.6	3,217	50.2	3,883	69.3	219,847	66.1
Track-renewals ..	1,552	64.8	3,559	59.4	308,021	206.8	260,832	163.6	6,329	175.9	3,214	50.2	2,176	38.9	585,683	176.2
Ballasting	32	1.3	130	2.2	41,510	27.9	10,015	6.3	15	0.4	63	1.0	297	5.3	52,062	15.7
Slips and floods ..	6	0.2	524	8.7	21,025	14.1	11,428	7.2	467	13.0	59	0.9	242	4.3	33,751	10.2
Fences, gates, cattle- stops	1	0.0	783	13.1	13,978	9.4	19,981	12.5	185	5.1	327	5.1	517	9.2	35,772	10.8
Roads, level-crossings, approaches	8	0.3	81	1.3	4,440	3.0	5,146	3.2	60	1.7	119	1.9	293	5.2	10,147	3.1
Bridges, viaducts, cul- verts, &c.	1,370	57.1	1,494	24.9	68,205	45.8	52,068	32.7	367	10.2	946	14.8	200	3.6	124,650	37.5
Water-services, cranes, weighbridges, &c.	7	0.3	108	1.8	9,221	6.2	10,165	6.4	4,581	127.2	111	1.7	162	2.9	24,355	7.3
Wharves	8	0.3	..	..	268	0.2	..	..	992	27.6	..	..	8	0.1	1,276	0.4
Cattle-yards, loading- banks, platforms, coal-stages	..	..	218	3.6	13,719	9.2	9,390	5.9	5	0.1	88	1.4	116	2.1	23,536	7.1
Operating buildings ..	105	4.4	567	9.4	64,031	43.0	43,974	27.6	1,481	41.1	661	10.3	559	10.0	111,378	33.5
	3,968	165.3	10,451	174.2	695,684	467.2	533,516	334.7	17,365	482.4	9,135	142.7	8,861	158.2	1,278,980	384.9
Per cent. of operating revenue	83.71		44.47		15.15		18.83		18.93		76.41		26.12		16.85	
Per cent. of operating expenditure	47.35		39.00		16.25		18.80		22.98		39.50		22.91		17.54	
Per train-mile (pence)	69.86		57.08		20.77		28.26		59.72		55.05		49.07		24.02	

ABSTRACT B.—MAINTENANCE OF SIGNALS AND ELECTRICAL APPLIANCES.																
General expenses ..	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Signals and interlocking ..	5	0.3	26	0.4	5,175	3.5	3,193	2.0	99	2.7	13	0.2	39	0.7	8,550	2.6
Automatic and power signalling	..	..	8	0.2	20,117	13.5	13,501	8.5	200	5.6	28	0.4	15	0.3	33,869	10.2
Level-crossing signals ..	..	..	..	..	23,435	15.7	13,235	8.3	..	..	..	..	..	..	36,670	11.0
Instruments, block- working, tablets, &c.	..	..	18	0.3	2,883	1.9	913	0.6	..	..	..	..	..	..	3,796	1.1
Overhead lines, block- working, tablets, &c.	..	..	..	..	13,352	9.0	7,407	4.6	174	4.8	12	0.2	20	0.4	20,983	6.3
Overhead lines, auto- matic signalling	30	1.2	27	0.4	12,525	8.4	12,099	7.6	541	15.1	50	0.9	48	0.8	25,320	7.6
Electric lighting used in operation	..	..	..	..	3,119	2.1	6,120	3.8	..	..	..	..	..	..	9,239	2.8
Overhead electrification and bonding	..	..	20	0.3	10,758	7.2	6,932	4.3	188	5.2	20	0.3	65	1.1	17,983	5.4
Electric-power ap- pliances	..	..	..	..	4,583	3.1	9,963	6.3	..	..	..	..	..	..	14,546	4.4
Buildings .. ..	..	..	..	..	2,026	1.4	1,045	0.7	123	3.4	9	0.1	..	..	3,203	1.0
	..	..	..	..	2,922	2.0	1,782	1.1	29	0.8	..	..	..	..	4,733	1.4
	35	1.5	99	1.6	100,895	67.8	76,190	47.8	1,354	37.6	132	2.1	187	3.3	178,892	53.8
Per cent. of operating revenue	0.74		0.42		2.20		2.69		1.48		1.10		0.55		2.36	
Per cent. of operating expenditure	0.42		0.37		2.36		2.68		1.79		0.57		0.48		2.45	
Per train-mile (pence)	0.62		0.54		3.01		4.04		4.66		0.80		1.04		3.36	

Item.	Kaihu.		Gisborne.		North Island Main Line and Branches.		South Island Main Line and Branches.		Westport.		Nelson.		Picton.		Total.	
	Total.	Per Train- mile.	Total.	Per Train- mile.	Total.	Per Train- mile.	Total.	Per Train- mile.	Total.	Per Train- mile.	Total.	Per Train- mile.	Total.	Per Train- mile.	Total.	Per Train- mile.
ABSTRACT C.—MAINTENANCE OF ROLLING-STOCK.																
General expenses—	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
Branch	8	0·1	50	0·3	9,522	0·3	5,896	0·3	187	0·6	24	0·1	72	0·4	15,759	0·3
District .. ..	..	..	..	..	3,699	0·1	2,747	0·1	..	..	..	..	..	..	6,446	0·1
Locomotives ..	446	7·8	1,255	6·9	425,474	12·7	268,936	14·3	4,086	14·1	2,568	15·5	5,991	33·2	708,756	13·3
Cars	1	0·0	273	1·5	201,551	6·0	113,019	6·0	678	2·3	634	3·8	650	3·6	316,806	6·0
Vans and postal vans	3	0·1	103	0·6	28,246	0·8	17,353	0·9	245	0·8	136	0·8	212	1·2	46,298	0·9
Wagons	259	4·6	1,765	9·5	381,753	11·4	247,572	13·2	10,548	36·4	856	5·2	1,856	10·3	644,609	12·1
Service vehicles ..	..	..	30	0·2	8,471	0·3	4,409	0·2	42	0·1	..	..	8	0·0	12,960	0·2
Tarpaulins, ropes, and nets	18	0·3	21	0·1	23,290	0·7	17,268	0·9	279	1·0	18	0·1	34	0·2	40,928	0·8
	735	12·9	3,497	19·1	1,082,006	32·3	677,200	35·9	16,065	55·3	4,236	25·5	8,823	48·9	1,792,562	33·7
Per cent. of operating revenue	15·51		14·88		23·56		23·90		17·51		35·43		26·01		23·61	
Per cent. of operating expenditure	8·77		13·05		25·27		23·86		21·26		18·32		22·81		24·58	
Per mile of railway £	30·62		58·28		726·67		424·84		446·25		66·19		157·55		539·44	

ABSTRACT D.—EXAMINATION, LUBRICATION, AND LIGHTING OF VEHICLES.

	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
Examination and lubri- cation of cars, vans, and wagons	34	0·6	75	0·4	22,158	0·7	17,795	0·9	851	2·9	134	0·8	109	0·6	41,156	0·8
Gas lighting of vehicles	2	0·1	49	0·3	10,452	0·3	4,349	0·2	206	0·7	57	0·4	58	0·3	15,173	0·3
Electric lighting of vehicles	..	..	..	..	12,623	0·4	5,389	0·3	..	..	..	..	..	..	18,012	0·3
Depot expenses ..	2	..	..	..	2,873	..	1,510	0·1	1	..	..	..	..	..	4,386	0·1
	38	0·7	124	0·7	48,106	1·4	29,043	1·5	1,058	3·6	191	1·2	167	0·9	78,727	1·5
Per cent. of operating revenue	0·80		0·53		1·05		1·02		1·15		1·60		0·49		1·04	
Per cent. of operating expenditure	0·45		0·46		1·12		1·02		1·40		0·83		0·43		1·08	
Per mile of railway £	1·58		2·07		32·31		18·22		29·39		2·98		2·98		23·69	

ABSTRACT E.—LOCOMOTIVE TRANSPORTATION.

	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
General expenses—	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
Branch	5	0·1	27	0·1	5,203	0·2	3,226	0·2	104	0·4	14	0·1	39	0·2	8,618	0·2
District .. ..	..	..	..	..	4,626	0·1	3,526	0·2	..	..	..	..	..	0·2	8,152	0·2
Depot supervision ..	..	..	2	..	28,137	0·8	17,657	0·9	245	0·8	7	..	41	..	46,089	0·9
Wages, allowances, and expenses	688	12·2	2,257	12·4	392,196	11·7	239,186	12·7	5,547	19·0	1,915	11·5	2,933	16·2	644,722	12·0
Fuel	621	10·9	4,455	24·4	524,645	15·7	212,760	11·3	3,335	11·5	1,972	11·9	3,049	16·9	750,837	14·0
Water	19	0·3	64	0·3	19,015	0·6	6,473	0·3	139	0·5	48	0·3	72	0·4	25,830	0·5
Stores	13	0·2	113	0·6	16,275	0·5	8,344	0·4	175	0·6	70	0·4	102	0·6	25,092	0·5
Shed expenses ..	293	5·2	272	1·5	70,906	2·1	41,244	2·2	1,476	5·1	230	1·4	622	3·4	115,043	2·2
	1,639	28·9	7,190	39·3	1,061,003	31·7	532,416	28·2	11,021	37·9	4,256	25·6	6,858	38·0	1,624,383	30·5
Per cent. of operating revenue	34·58		30·60		23·10		18·79		12·02		35·60		20·22		21·40	
Per cent. of operating expenditure	19·56		26·83		24·78		18·76		14·58		18·40		17·73		22·28	
Per mile of railway £	68·29		119·83		712·56		334·01		306·14		66·50		122·46		488·83	

Item.	Kaihu.		Gisborne.		North Island Main Line and Branches.		South Island Main Line and Branches.		Westport.		Nelson.		Picton.		Total.	
	Total.	Per Train- mile.	Total.	Per Train- mile.	Total.	Per Train- mile.	Total.	Per Train- mile.	Total.	Per Train- mile.	Total.	Per Train- mile.	Total.	Per Train- mile.	Total.	Per Train- mile.
ABSTRACT F.—TRAFFIC TRANSPORTATION.																
General expenses—	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
Branch ..	27	0·5	156	0·9	29,356	0·9	18,171	1·0	596	2·0	74	0·4	217	1·2	48,597	0·9
District ..	8	0·1	972	5·3	76,123	2·3	52,978	2·8	1,135	3·9	965	5·9	1,611	8·9	133,792	2·5
Station expenses—																
Supervision and office	998	17·5	1,276	7·0	282,822	8·5	230,705	12·1	3,595	12·4	1,981	12·0	3,177	17·6	524,554	9·8
Platform ..	51	0·9	97	0·5	104,826	3·1	48,785	2·6	632	2·2	48	0·3	290	1·6	154,729	2·9
Signalling ..	..	..	229	1·3	121,483	3·6	63,632	3·4	1,191	4·1	2	..	27	0·1	186,564	3·5
Shunting and marshal- ling yards	50	0·9	289	1·6	149,247	4·5	110,412	5·8	3,757	12·9	285	1·7	662	3·7	264,702	5·0
Goods - sheds and goods-yards	49	0·9	96	0·5	118,679	3·5	132,527	7·0	1,261	4·3	294	1·8	1,324	7·3	254,230	4·8
Wharves ..	25	0·4	..	..	31,454	0·9	109,410	5·8	10,784	37·1	..	..	3,779	21·0	155,452	2·9
Fuel, water, station- ery, and other expenses	139	2·4	324	1·8	17,539	0·5	11,111	0·6	228	0·8	238	1·4	231	1·3	29,810	0·6
Train expenses—																
Running ..	450	7·9	995	5·4	140,497	4·3	86,331	4·6	2,230	7·7	667	4·0	989	5·5	232,159	4·4
Cleaning and heating vehicles	26	0·5	110	0·6	50,873	1·5	27,455	1·5	226	0·8	240	1·4	332	1·8	79,262	1·5
Sleeping-cars ..	..	..	..	..	12,970	0·4	1,002	0·1	..	..	..	..	..	..	13,972	0·3
Miscellaneous ..	Cr. 5	0·1	154	0·8	8,018	0·2	4,408	0·2	42	0·1	1	..	30	0·2	12,648	0·2
	1,818	32·1	4,698	25·7	1,143,887	34·2	896,927	47·5	25,677	88·3	4,795	28·9	12,669	70·2	2,090,471	39·3
Per cent. of operating revenue	38·35		19·99		24·91		31·65		27·99		40·11		37·35		27·54	
Per cent. of operating expenditure	21·69		17·53		26·72		31·61		33·98		20·73		32·75		28·67	
Per mile of railway £	75·75		78·30		768·22		562·69		713·25		74·92		226·23		629·09	

ABSTRACT G.—GENERAL EXPENSES.

Head Office ..	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
Appeal Board ..	28	0·5	140	0·8	28,215	0·8	17,446	0·9	571	2·0	72	0·4	211	1·2	46,682	0·9
Chief Accountant ..	1	..	2	..	467	..	288	..	9	..	1	..	3	..	771	..
Training School ..	17	0·3	85	0·5	17,297	0·5	10,695	0·6	350	1·2	44	0·3	129	0·7	28,618	0·5
	2	..	8	..	1,642	0·1	1,015	0·1	33	0·1	4	..	12	0·1	2,716	0·1
	48	0·8	235	1·3	47,621	1·4	29,444	1·6	963	3·3	121	0·7	355	2·0	78,787	1·5
Per cent. of operating revenue	1·01		1·00		1·04		1·04		1·05		1·01		1·05		1·04	
Per cent. of operating expenditure	0·57		0·88		1·11		1·04		1·27		0·52		0·92		1·08	
Per mile of railway £	2·00		3·92		31·98		18·47		26·75		1·89		6·34		23·71	
Superannuation subsidy	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
	100	1·8	506	2·8	102,135	3·1	63,151	3·3	2,067	7·1	261	1·6	763	4·2	168,983	3·2

SUMMARY OF EXPENDITURE ABSTRACTS.

Abstract and Item.	Kaihu.	Gisborne.	North Island Main Line and Branches.	South Island Main Line and Branches.	Westport.	Nelson.	Picton.	Total.
A.—Maintenance of Way and Works ..	£	£	£	£	£	£	£	£
B.—Maintenance of Signals and Electrical Appliances	3,968	10,451	695,684	533,516	17,365	9,135	8,861	1,278,980
C.—Maintenance of Rolling-stock ..	35	99	100,895	76,190	1,354	132	187	178,892
D.—Examination, Lubrication, and Lighting of Vehicles	735	3,497	1,082,006	677,200	16,065	4,236	8,823	1,792,562
E.—Locomotive Transportation ..	38	124	48,106	29,043	1,058	191	167	78,727
F.—Traffic Transportation ..	1,639	7,190	1,061,003	532,416	11,021	4,256	6,858	1,624,383
G.—General Expenses ..	1,818	4,698	1,143,887	896,927	25,677	4,795	12,669	2,090,471
Superannuation Subsidy ..	48	235	47,621	29,444	963	121	355	78,787
	100	506	102,135	63,151	2,067	261	763	168,983
Total ..	8,381	26,800	4,281,337	2,837,887	75,570	23,127	38,683	7,291,785
Per cent. of operating revenue ..	176·81	114·05	93·23	100·14	82·39	193·45	114·04	96·05
Per mile of railway ..	£	£	£	£	£	£	£	£
Per train-mile ..	147·55	146·38	127·85	150·33	259·91	139·37	214·22	136·95

STATEMENT No. 4.

INCOME AND EXPENDITURE IN RESPECT OF LAKE WAKATIPU STEAMERS.

EXPENDITURE.	1937-38.	1936-37.	Per Cent. of Revenue.		REVENUE.	1937-38.	1936-37.	Per Cent. of Revenue.	
			1937-38.	1936-37.				1937-38.	1936-37.
	£	£				£	£		
Salaries and wages, shore staff ..	1,252	1,359	16·42	19·12	Ordinary passengers ..	2,648	2,316	34·73	32·56
Salaries and wages, steamer staff ..	4,183	3,914	54·86	55·04	Season tickets ..	38	30	0·50	0·42
Coal and stores ..	1,559	1,447	20·44	20·36	Parcels, luggage, and mails ..	521	494	6·83	6·95
Repairs, steamers ..	1,090	1,278	14·30	17·98	Goods ..	4,387	4,253	57·55	59·80
Repairs, wharves, &c. ..	920	612	12·07	8·61	Miscellaneous ..	30	19	0·39	0·27
Insurance, depreciation, &c. ..	846	844	11·10	11·82					
Motor-lorry expenses ..	634	719	8·32	10·11					
	10,484	10,173	137·51	143·04	Operating loss ..	7,624	7,112	100·00	100·00
						2,860	3,061	37·51	43·04
	10,484	10,173	137·51	143·04		10,484	10,173	137·51	143·04
Operating loss ..	2,860	3,061	37·51	43·04					
Payments to railway revenue ..					Net loss ..	3,520	3,743	46·17	52·63
Interest on capital ..	660	682	8·66	9·59					
	3,520	3,743	46·17	52·63		3,520	3,743	46·17	52·63

STATEMENT No. 5.

INCOME AND EXPENDITURE IN RESPECT OF REFRESHMENT SERVICE.

EXPENDITURE.	1937-38.	1936-37.	Per Cent. of Revenue.		REVENUE.	1937-38.	1936-37.
			1937-38.	1936-37.			
	£	£				£	£
Salaries and wages ..	49,074	31,887	34·37	30·86	Receipts from Refreshment-rooms ..	142,786	103,351
Provisions used ..	66,285	15,036	46·42	13·58			
Light, fuel, and water ..	2,653	1,823	1·86	1·76			
Renewals and depreciation ..	4,109	2,747	2·87	2·66			
Insurance and miscellaneous ..	4,260	5,152	2·99	5·94			
	126,381	87,645	88·51	84·80			
Operating profit ..	16,405	15,706	11·49	15·20			
	142,786	103,351	100·00	100·00		142,786	103,351
Payments to railway revenue —					Operating profit ..	16,405	15,706
Interest on capital ..	1,230	1,111	0·86	1·07			
Rent ..	9,817	9,219	6·87	8·93			
Freights and fares ..	3,509	3,150	2·46	3·05			
Net profit ..	1,849	2,226	1·30	2·15			
	16,405	15,706	11·49	15·20		16,405	15,706

STATEMENT No. 5A.

INCOME AND EXPENDITURE IN RESPECT OF BOOK-STALL SERVICE.

EXPENDITURE.	1937-38.	1936-37.	Per Cent. of Revenue.		REVENUE.	1937-38.	1936-37.
			1937-38.	1936-37.			
	£	£				£	£
Salaries and wages ..	8,639	4,997	11·26	9·18	Receipts ..	76,719	54,417
Stores ..	56,489	39,625	73·64	72·82			
Miscellaneous ..	1,010	990	1·31	1·82			
	66,138	45,612	86·21	83·82			
Operating profit ..	10,581	8,805	13·79	16·18			
	76,719	54,417	100·00	100·00		76,719	54,417
Payments to railway revenue —					Operating profit ..	10,581	8,805
Rents ..	6,905	5,442	9·60	10·00			
Rail freights ..	189	191	0·25	0·35			
Net profit ..	3,487	3,172	4·54	5·83			
	10,581	8,805	13·79	16·18		10,581	8,805

STATEMENT No. 6.

INCOME AND EXPENDITURE IN RESPECT OF ADVERTISING SERVICE.

EXPENDITURE.	1937-38.	1936-37.	Per Cent. of Revenue.		REVENUE.	1937-38.	1936-37.
			1937-38.	1936-37.			
	£	£				£	£
Salaries, wages, and allowances	8,396	7,388	22·45	21·39	Advertising-signs, publications, &c.	37,397	34,535
Stores and materials ..	1,483	1,853	3·96	5·37			
Insurance and depreciation ..	7,067	7,243	18·89	20·97			
Office and general expenses ..	2,935	2,707	7·86	7·84			
	19,881	19,191	53·16	55·57			
Operating profit ..	17,516	15,344	46·84	44·43			
	37,397	34,535	100·00	100·00		37,397	34,535
Payments to railway revenue—					Operating profit	17,516	15,344
Interest on capital ..	761	836	2·03	2·42			
Rent of premises and sites ..	10,866	10,115	29·07	29·28			
Commission ..	902	838	2·41	2·43			
Freights ..	217	171	0·58	0·50			
Net profit ..	4,770	3,384	12·75	9·80			
	17,516	15,344	46·84	44·43		17,516	15,344

STATEMENT No. 7.

INCOME AND EXPENDITURE IN RESPECT OF DEPARTMENTAL DWELLINGS.

EXPENDITURE.	1937-38.	1936-37.	Per Cent. of Revenue.		REVENUE.	1937-38.	1936-37.
			1937-38.	1936-37.			
	£	£				£	£
Wages and charges ..	62,126	46,081	47·54	35·12	Rentals	130,683	131,187
Materials ..	21,694	19,179	16·60	14·62			
Insurance ..	668	1,294	0·51	0·99			
Depreciation ..	35,033	33,927	26·81	25·86			
	119,521	100,481	91·46	76·59			
Operating profit ..	11,162	30,706	8·54	23·41			
	130,683	131,187	100·00	100·00		130,683	131,187
Payments to railway revenue—					Operating profit	11,162	30,706
Interest ..	63,661	64,265	48·71	48·98			
	63,661	64,265	48·71	48·98			
					Net loss	52,499	33,559
						63,661	64,265

STATEMENT No. 8.

INCOME AND EXPENDITURE IN RESPECT OF BUILDINGS OCCUPIED BY REFRESHMENT SERVICE, BOOK-STALL PROPRIETORS, ETC.

EXPENDITURE.	1937-38.	1936-37.	Per Cent. of Revenue.		REVENUE.	1937-38.	1936-37.
			1937-38.	1936-37.			
	£	£				£	£
Wages and charges ..	2,682	2,297	13·22	12·07	Rentals	20,292	19,019
Materials ..	877	563	4·32	2·96			
Insurance and depreciation ..	3,678	3,330	18·12	17·51			
	7,237	6,190	35·66	32·54			
Operating profit ..	13,055	12,829	64·34	67·46			
	20,292	19,019	100·00	100·00		20,292	19,019
Payments to railway revenue—					Operating profit	13,055	12,829
Interest ..	6,692	6,043	32·98	31·77			
Net profit ..	6,363	6,786	31·36	35·69			
	13,055	12,829	64·34	67·46		13,055	12,829

STATEMENT No. 9.

INCOME AND EXPENDITURE IN RESPECT OF ROAD SERVICES.

EXPENDITURE.	1937-38.	1936-37.	Per Cent. of Revenue.		REVENUE.	1937-38.	1936-37.	Per Cent. of Revenue.	
			1937-38.	1936-37.				1937-38.	1936-37.
	£	£				£	£		
Superintendence — Salaries and office expenses	26,509	18,595	9·59	9·36	Passengers	234,697	173,864	84·87	87·48
Maintenance charges	39,100	28,279	14·14	14·23	Goods, parcels, mails, &c. ..	40,144	23,808	14·52	11·98
Running-expenses	127,875	87,074	46·24	43·80	Miscellaneous	1,686	1,079	0·61	0·54
License fees	8,431	6,202	3·05	3·12					
Insurance and depreciation ..	45,392	32,548	16·42	16·38					
	247,307	172,698	89·44	86·89					
Operating profit	29,220	26,053	10·56	13·11					
	276,527	198,751	100·00	100·00		276,527	198,751	100·00	100·00
Payment to railway revenue—									
Interest on capital	7,246	4,355	2·62	2·19	Operating profit	29,220	26,053	10·56	13·11
Net profit	21,974	21,698	7·94	10·92					
	29,220	26,053	10·56	13·11		29,220	26,053	10·56	13·11

STATEMENT No. 10.

RAILWAY EMPLOYEES' SICK BENEFIT SOCIETY.

Income and Expenditure.

EXPENDITURE.	1937-38.	1936-37.	INCOME.	1937-38.	1936-37.
	£	£		£	£
Sick benefits paid to members	27,090	23,346	Contributions	23,715	20,359
Balance carried down, being excess of income over expenditure	6,433	6,549	Entrance fees	337	281
			Interest on Investments	1,471	1,255
			Subsidy as per section 5, subsection (1), of Government Railways Amendment Act, 1928, charged to Working Railways Account ..	8,000	8,000
	33,523	29,895		33,523	29,895
Balance accumulated funds as at 31st March ..	47,392	40,959	Accumulated funds brought forward on 1st April	40,959	34,410
			Balance brought down	6,433	6,549
	47,392	40,959		47,392	40,959

Balance-sheet.

Liabilities.	£	£	Assets.	£	£
Accumulated funds	47,392	40,959	Investments	46,916	40,545
Sick pay due not paid	74	5	Cash in Working Railways Account ..	492	417
			Contributions outstanding at 31st March	58	2
	47,466	40,964		47,466	40,964

STATEMENT No. 11.

STATEMENT OF LOSSES ON DEVELOPMENTAL BRANCH LINES FROM 28TH FEBRUARY, 1937, TO 5TH MARCH, 1938, AND ISOLATED SECTIONS FROM 1ST APRIL, 1937, TO 31ST MARCH, 1938.

Branch.						Average per Mile of Line operated.					
	Mileage operated.	Loss on Working.	Feeder Value.	Total Net Loss.	Loss, including Interest.	Branch Revenue.	Feeder Value.	Total Revenue.	Working expenses.	Interest.	Total Loss.
	£	£	£	£	£	£	£	£	£	£	£
Kaikōhe	25	7,874	2,869	5,005	19,402	272	115	387	587	576	776
Kirikopuni	14	7,142	1,463	5,679	50,052	250	105	355	760	3,170	3,575
Waiuku	13	5,662	1,600	4,062	12,462	562	123	685	998	646	959
Taneatua	111	47,022	11,291	35,731	148,479	774	102	876	1,198	1,016	1,338
Opunake	23	4,607	2,139	2,468	20,448	300	93	393	501	782	889
Greytown	3	2,638	510	2,128	2,565	120	170	290	999	146	855
North Island totals ..	189	74,945	19,872	55,073	253,408	586	105	691	983	1,049	1,341
Eyreton-Oxford	43	4,503	56	4,447	8,386	115	1	116	220	92	195
Cheviot	44	2,835	245	2,590	17,334	573	6	579	538	335	394
Little River	23	4,875	24	4,851	9,435	360	1	361	572	199	410
Southbridge	26	1,173*	97	1,270*	2,410	712	4	716	667	142	93
Whitecliffs	12	1,487	75	1,412	2,061	209	6	215	333	54	172
Methven	23	2,515	217	2,298	5,822	449	9	458	553	153	253
Springburn	28	2,884	58	2,826	5,187	136	2	138	239	84	185
Fairlie	36	103*	132	235*	5,553	422	4	426	419	161	154
Waimate	13	5,241	160	5,081	7,067	216	12	228	619	153	544
Kurow	37	6,027	93	5,934	9,788	219	3	222	382	104	265
Ngapara	15	702	78	624	4,095	382	5	387	429	231	273
Waihemo	9	292	102	190	1,487	260	11	271	292	144	165
Otago Central	147	25,390	235	25,155	87,422	770	2	772	943	424	595
Outram	9	1,983	26	1,957	3,487	130	3	133	350	170	387
Roxburgh	61	16,133	126	16,007	45,933	241	2	243	505	491	753
Catlins River	43	2,556	253	2,303	21,745	362	6	368	421	452	506
Tapuanui	27	3,889	146	3,743	8,665	251	5	256	395	182	321
Waikaka	13	2,395	51	2,344	5,124	125	4	129	309	214	394
Switzers	14	1,158	52	1,106	4,151	109	4	113	192	218	297
Wyndham	4	850	65	785	1,386	215	17	232	428	150	347
Seaward Bush	34	5,526	79	5,447	12,648	242	2	244	405	212	372
Orawia	9	1,331	32	1,299	5,717	81	4	85	229	492	635
Forest Hill	13	1,604	78	1,526	2,413	151	6	157	274	68	186
Mararoa	12	294	58	236	1,229	110	5	115	135	83	102
South Island totals ..	695	93,194	2,538	90,656	278,545	396	4	400	530	270	401
Total both Islands ..	884	168,139	22,410	145,729	531,953	437	25	462	627	437	602
Isolated Sections.											
Kaihu	24	3,237	..	3,237	10,117	..	..	208	356	287	422
Gisborne	60	3,122	..	3,122	36,240	..	..	422	474	552	604
Nelson	64	10,988	..	10,988	32,777	..	..	203	372	340	512
Picton	56	3,724	..	3,724	28,424	..	..	639	706	441	508
Total	204	21,071	..	21,071	107,558	..	..	389	492	424	527
Grand total	1,088	189,210	22,410	166,800	639,511	..	..	..	..	..	..

* Indicates profit.

STATEMENT No. 12.

STATEMENT OF CASH RECEIPTS AND PAYMENTS.—WORKING RAILWAYS ACCOUNT.

Receipts.				Payments.			
	£	s.	d.		£	s.	d.
Balance brought forward	673,352	6	9	Investments, Sick Benefit Fund	4,900	0	0
Revenue receipts	8,750,798	15	7	Wages and vouchers	9,395,846	15	6
“Credits-in-aid” (Working Railways expenditure)	1,432,122	4	6	Refunds to Harbour Boards, shipping companies, and other carriers	428,596	8	11
Contributions to Sick Benefit Fund	32,038	16	11	Interest on capital	632,796	17	3
Interest on investments	21,853	18	10	Payments from Sick Benefit Fund	25,114	1	10
Investments realized	337,940	0	0	Balance as per general balance-sheet	760,851	19	1
	£11,248,106	2	7		£11,248,106	2	7

Reconciliation Statement.

Credit balance in Working Railways Account as per Treasury figures	£	s.	d.
Add—			
Imprests outstanding	130,079	12	5
Cash in transit	533	2	11
Balance as per above statement	£760,851	19	1

STATEMENT No. 13.

RENEWALS, DEPRECIATION, AND EQUALIZATION RESERVE ACCOUNTS.

GENERAL RESERVE ACCOUNT.

	£	s.	d.
Balance	£1,144,552	17	8

INSURANCE RESERVE ACCOUNT.

<i>Expenditure.</i>	£	s.	d.	<i>Income.</i>	£	s.	d.
Losses	2,707	17	8	Balance from previous year	98,458	10	7
Upkeep railway fire brigades and fire appliances ..	1,518	10	3	Premiums debited to working-expenses ..	11,937	0	6
Balance	106,169	3	2				
	£110,395	11	1		£110,395	11	1
				Balance	£106,169	3	2

WORKERS' COMPENSATION RESERVE ACCOUNT.

<i>Expenditure.</i>	£	s.	d.	<i>Income.</i>	£	s.	d.
Accident payments	48,150	17	2	Balance from previous year	44,217	3	2
Balance	44,558	3	6	Premiums debited to working-expenses ..	48,491	6	11
	£92,708	10	1		£92,708	10	1
				Balance	£44,558	3	6

SLIPS, FLOODS, AND ACCIDENTS EQUALIZATION RESERVE ACCOUNT.

<i>Expenditure.</i>	£	s.	d.	<i>Income.</i>	£	s.	d.
Repairs to bridges, track, &c.	53,581	17	2	Balance from previous year	54,147	0	8
Balance	20,385	3	6	Contributions debited to working-expenses ..	19,256	0	0
	£73,967	0	8	Interest	564	0	0
					£73,967	0	8
				Balance	£20,385	3	6

BETTERMENTS RESERVE ACCOUNT.

<i>Expenditure.</i>	£	s.	d.	<i>Income.</i>	£	s.	d.
Refreshment Branch	1,297	3	3	Balance from previous year	3,091	7	9
Balance	1,794	4	6				
	£3,091	7	9		£3,091	7	9
				Balance	£1,794	4	6

RENEWALS RESERVE ACCOUNT.

<i>Expenditure.</i>	£	s.	d.	<i>Income.</i>	£	s.	d.
Relaying of track	165,378	3	4	Balance from previous year	748,467	9	0
Refreshment Branch	256	8	9	Contributions debited to working-expenses ..	204,412	0	0
Balance	790,489	16	11	Interest	3,245	0	0
	£956,124	9	0		£956,124	9	0
				Balance	£790,489	16	11

DEPRECIATION RESERVE ACCOUNT.

<i>Expenditure.</i>	£	s.	d.	<i>Income.</i>	£	s.	d.
Way and works, bridges, and portable plant ..	95,315	18	5	Balance from previous year	211,489	16	11
Operating buildings	16,637	9	0	Contributions—			
Signalling and interlocking	24,273	4	5	Way and works, bridges, and portable plant ..	69,706	0	0
Rolling-stock	308,319	6	9	Operating buildings	43,578	0	0
Locomotive running and car and wagon depot				Signals, interlocking, and electric traction ..	53,760	0	0
plant	4,130	8	5	Rolling-stock	341,460	10	9
Dwellings	24,087	4	3	Locomotive running and car and wagon depot			
Refreshment, advertising, road service and stores				plant	2,870	0	0
buildings	575	5	4	Dwellings	35,439	10	0
Workshops buildings and plant	848	5	3	Head Office buildings and plant	1,460	0	0
Road services	52,176	3	10	Refreshment, advertising, road service, and			
Lake Wakatipu steamer service	143	17	7	stores buildings	6,460	0	0
Balance	321,622	2	6	Workshops buildings and plant	40,416	8	6
	£848,129	5	9	Lake Wakatipu steamer service	547	0	0
				Road services	40,103	0	4
				Wharves	838	19	9
					£848,129	5	9
				Balance	£321,622	2	6

STATEMENT No. 14.

EXPENDITURE ON CONSTRUCTION OF RAILWAYS, ROLLING-STOCK, ETC., TO 31ST MARCH, 1938; NET REVENUE AND RATE OF INTEREST EARNED ON CAPITAL EXPENDED ON OPENED LINES FOR YEAR ENDED SAME DATE.

Section of Railway.	Opened Lines.			Unopened Lines.	Net Revenue.	Rate of Interest earned.		
	Lines and Works.	Rolling-stock.	Total.					
	£	£	£	£	£	£	s.	d.
Kaihu	159,654	586	160,240	..	—3,641	..	..	..
"
Gisborne	746,379	20,840	767,219	..	—3,301	..	..	..
" .. .. .	..	..	..	1,995,855	..	..	..	..
North Island Main Line and Branches ..	28,992,474	4,348,381	33,340,855	..	310,748	0	19	0
" .. .. .	..	..	..	2,719,315	..	..	..	..
South Island Main Line and Branches ..	15,980,042	2,510,705	18,490,747	..	—3,987	..	..	..
" .. .. .	..	..	..	695,990	..	..	..	..
Westport "	312,597	45,054	357,651	..	16,156	4	10	8
" .. .. .	..	..	..	798,352	..	..	..	..
Nelson	497,240	10,498	507,738	..	—11,172	..	..	..
" .. .. .	..	..	..	254,915	..	..	..	..
Picton	564,480	16,566	581,046	..	—4,763	..	..	..
" .. .. .	..	..	..	599,786	..	..	..	..
	47,252,866	6,952,630	54,205,496	..	300,040	0	11	3
	..	..	..	7,064,213	..	..	..	..
Lake Wakatipu steamer service	17,645	..	17,645	..	—3,520	..	..	..
Subsidiary services, &c.	1,832,150	..	1,832,150	..	336,277	..	..	..
<i>In suspense—</i>								
Surveys, North Island .. .. .	..	..	..	31,235	..	..	..	..
Surveys, South Island .. .. .	..	..	..	5,763	..	..	..	..
General	9,896	..	9,896	10,337	..	..	..	..
P.W.D. stock of permanent-way ..	..	..	..	12,525	..	..	..	..
	49,112,557	6,952,630	56,065,187	7,124,073	632,797	1	3	0

Total cost of opened and unopened lines at 31st March, 1938	..	..	63,189,260	..	..	..	..	..

NOTE.—The amount stated in this return as the cost of construction of opened lines includes the Provincial and General Government expenditure on railways. It also includes the Midland Railway and expenditure by the Greymouth and Westport Harbour Boards on railways and wharves under the provisions of section 7 of the Railways Authorization Act, 1885, the information regarding the last-mentioned being furnished by the respective Boards. The rate of interest earned has been computed on the average capital.

STATEMENT No. 15.

EXPENDITURE OUT OF WORKING RAILWAYS ACCOUNT (DEPRECIATION FUND) AND PUBLIC WORKS
FUND FOR THE YEAR ENDED 31ST MARCH, 1938.

Way and Works Branch: Particulars of Works.	Working Railways Depreciation Fund.	Public Works Fund.	Total.
	£	£	£
Land	Cr. 287	Cr. 89,009	Cr. 89,296
Grading and formation	Cr. 4,361	121,650	117,289
Tunnels .. .. .	..	569	569
Bridges (structures only)	89,716	5,170	94,886
Overbridges	94	74,991	75,085
Culverts	1,005	5,848	6,853
Subways .. .. .	..	15,739	15,739
Fences, gates, and cattlestops	548	863	1,411
Permanent-way	5,480	45,149	50,629
Station buildings and platforms	13,111	152,061	165,172
Cattleyards, loading-banks	1,258	3,078	4,336
Engine-sheds, car and wagon depots, and other operating buildings	3,526	12,931	16,457
Dwellings	24,087	12,469	36,556
Land for dwellings .. .. .	..	5	5
Huts .. .. .	..	1,693	1,693
Lake Wakatipu wharves	144	..	144
Water services	88	1,126	1,214
Stores buildings	1,837	3,967	5,804
Locomotive workshops buildings	Cr. 492	5,823	5,331
Locomotive workshops plant	1,340	217	1,557
Locomotive depot plant	4,130	5,585	9,715
Refreshment, advertising, and bookstall buildings	Cr. 1,717	..	Cr. 1,717
Road service buildings	456	5,286	5,742
Cranes, weighbridges, capstans, and turntables	1,358	1,358	2,716
Movable plant for Maintenance Branch	Cr. 3	535	532
Miscellaneous (roads, sewerage, drainage, fire-fighting appliances)	419	7,714	8,133
Signalling and interlocking	9,115	1,117	10,232
Tablet installations	2,313	11,085	13,398
Automatic and power signalling	1,213	36,902	38,115
Electric lighting	Cr. 357	1,913	1,556
Communication lines and apparatus	11,181	4,856	16,037
Level-crossing warning-signals	633	259	892
Electric power appliances .. .. .	..	94	94
Overhead electrification	124	33,787	33,911
Overhead wires for automatic and power signalling .. .. .	..	6,894	6,894
Signal-cabins	53	173	226
Head Office building and plant .. .. .	..	Cr. 575	Cr. 575
	166,012	491,323	657,335
Expenditure by Public Works Department—			
Turakina—Okoia grade easement .. .. .	..	111,943	111,943
Tawa Flat deviation .. .. .	..	855	855
Tawa Flat (Paparangi water-supply) .. .. .	..	2,269	2,269
Plimmerton—Paekakariki duplication .. .. .	..	20,127	20,127
Palmerston North deviation .. .. .	..	185	185
	166,012	626,702	792,714

STATEMENT NO. 15—*continued.*EXPENDITURE OUT OF WORKING RAILWAYS ACCOUNT (DEPRECIATION FUND) AND PUBLIC WORKS FUND FOR THE YEAR ENDED 31ST MARCH, 1938—*continued.**Locomotive Branch: Particulars of Rolling-stock.*

Description of Stock ordered.	Number Incomplete on 31st March, 1937.	Number Complete on 31st March, 1938.	Number Incomplete on 31st March, 1938.	Expenditure, Working Railways Depreciation Fund.	Expenditure, Public Works Fund.	Total.
				£	£	£
Locomotives, Classes KA, KB .. ..	..	..	26	668	31,128	31,796
Spares for locomotives, Class K .. ..	..	..	..	849	..	849
Convert three Garrett locomotives to six G loco- motives	6	6	..	37,491	..	37,491
Electric head and tail lights for locomotives .. ..	..	..	..	841	..	841
Fit exhaust steam injectors to locomotives .. ..	..	..	..	1,427	..	1,427
Fit superheaters to locomotives .. ..	..	..	..	737	..	737
Electric locomotives .. ..	..	..	10	3	126,604	126,607
Build four A boilers .. ..	..	..	..	485	..	485
Build one AB boiler .. ..	..	..	..	Cr. 19	..	Cr. 19
Build six X boilers .. ..	..	..	..	13	828	841
Boiler for crane No. 139 .. ..	..	..	..	24	..	24
Rail cars	6	..	6	Cr. 179	38,497	38,318
Motor coaches and trailers .. ..	..	..	12	..	23,619	23,619
Carriages, Class A	22	11	103	82,858	29,808	112,666
Fitting new and improving lavatories in existing carriages .. ..	..	..	..	6,087	..	6,087
Fitting steam heat to carriages .. ..	..	..	..	1,401	..	1,401
Improve seating in carriages .. ..	..	..	..	8,229	..	8,229
Fitting air-conditioning equipment to carriages .. ..	..	..	..	1,281	..	1,281
Fitting electric light to carriages .. ..	..	..	..	..	25	25
Roller-bearing bogies for carriages .. ..	..	..	..	Cr. 24,954	17,992	Cr. 6,962
Brake-vans, Class F	3	2	29	5,545	96	5,641
Fitting steam heat to brake-vans .. ..	..	..	..	79	..	79
Wagons, Class G .. ..	..	..	15	..	1	1
Wagons, Class H	40	40	87	3,930	8	3,938
Wagons, Class J .. ..	..	..	516	472	32,214	32,686
Wagons, Class LA	600	600	1,930	127,801	84,696	212,497
Wagons, Class M .. ..	..	..	10	..	25	25
Wagons, Class Q .. ..	..	..	..	Cr. 2,923	..	Cr. 2,923
Rebuild Class Q coal-hopper bodies .. ..	..	..	..	2,913	..	2,913
Wagons, Class S .. ..	..	..	15	..	2,262	2,262
Wagons, Class T	16	16	..	4,043	..	4,043
Wagons, Class U .. ..	..	..	..	2,108	..	2,108
Wagons, Class UB	50	32	128	26,964	801	27,765
Wagons, Class UC .. ..	..	..	15	700	4	704
Wagons, Class VB .. ..	..	18	14	13	37,041	37,054
Wagons, Class W .. ..	..	10	34	Cr. 143	6,085	5,942
Wagons, Class XA .. ..	..	..	36	2	1	3
Wagons, Class XB .. ..	..	..	6	..	3,465	3,465
Wagons, Class YB	20	20	30	3,541	243	3,784
Wagons, Class Z .. ..	..	..	30	27	2,248	2,275
Respringing wagons .. ..	..	..	..	1,041	..	1,041
Material for carriages, brake-vans, and wagons .. ..	..	..	..	..	222,456	222,456
Three 10-ton steam-cranes .. ..	..	3	..	14,782	..	14,782
Four breakdown cranes .. ..	..	..	2	182	134	316
Tarpaulins .. ..	..	..	..	..	1,752	1,752
	763	759	3,054	308,319	662,033	970,352
SUMMARY.						
Locomotives	6	6	36	..	..	..
Rail cars	6	..	6	..	..	..
Motor coaches and trailers .. ..	..	..	12	..	..	..
Carriages	22	11	103	..	..	..
Brake-vans	3	3	29	..	..	..
Wagons, bogie	66	66	202	..	..	..
Wagons, four-wheeled	660	670	2,664	..	..	..
Cranes .. ..	..	3	2	..	..	..
	763	759	3,054	..	..	..

Particulars of Workshop and Depot Machinery, Motor-buses, and Motor-lorries.

	£	£	£
Workshop equipment .. ..	..	47,677	47,677
Machinery and equipment for locomotive running, and car and wagon depots .. ..	..	1,420	1,420
Motor-buses and motor-lorries	32,176	31,779	83,955

RECONCILIATION STATEMENT, PUBLIC WORKS FUND.

	£	s.	d.	£	s.	d.	Expenditure—	£	s.	d.
Expenditure charged by Treas- ury	1,561,843	16	3				Way and Works Branch	626,701	14	0
Vouchers outstanding pre- vious year	33,763	2	2				Locomotive Branch	711,129	13	3
				1,528,080	14	1	Road services	31,779	5	7
Less recoveries				269,071	12	5				
				1,259,009	1	8				
Public Works Department: Administration charges				5,998	0	0				
Vouchers outstanding at 31st March, 1938				104,603	11	2				
				£1,369,610	12	10				
								£1,369,610	12	10

STATEMENT NO. 16.

STATEMENT OF SEASON TICKETS ISSUED FOR THE YEARS ENDED 31ST MARCH, 1935 TO 1938.

Description of Tickets.	1937-38.		1936-37.		1935-36.		1934-35.	
	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.
		£		£		£		£
Annual, all lines	5	566	10	1,019	9	1,078	13	1,172
Annual, North Island	52	4,592	55	4,629	49	4,223	49	4,200
Annual, South Island	1	74	4	279	4	274	5	390
Sectional annual, North Island ..	180	11,106	191	11,240	199	11,752	208	11,401
Sectional annual, South Island ..	74	3,524	84	4,075	98	4,745	101	4,910
Reporters' annual	19	814	16	679	16	677	15	639
Tourist, all lines	56	898	50	809	76	1,185	101	1,557
Tourist, North Island	209	1,909	206	1,995	247	2,397	251	2,488
Tourist, South Island	62	501	32	299	45	396	21	203
School	25,318	21,492	25,693	21,865	26,148	22,218	25,568	22,034
Bearer twelve-trip	62,969	11,246	72,920	15,741	72,607	16,339	73,047	16,174
Bearer six-trip	208,019	31,859	10,673	1,658	..	..	..	..
Weekly twelve-trip	69,391	11,601	110,844	21,252	109,418	20,882	103,981	19,824
Weekly workmen's	93,053	16,431	257,843	43,364	243,120	40,508	226,877	37,681
Suburban twelve-trip	245,342	45,542	..	..	..	..	..	..
All other season	45,747	60,036	34,442	60,768	30,110	53,884	27,309	52,644
Totals	750,497	222,191	513,063	189,672	482,146	180,558	457,546	175,317
Total passenger journeys ..	14,372,194	..	12,950,472	..	12,394,700	..	11,845,432	..

STATEMENT NO. 17.

STATEMENT OF OPERATING TRAFFIC AND REVENUE FOR THE YEAR ENDED 31st MARCH, 1938.

(1) OPERATING TRAFFIC.

Section.	Passengers.				Live-stock.				Goods.		Gross Total Tonnage.
	Length Open for Traffic.	First Class.	Second Class.	Total.	Season Tickets.	Cattle.	Calves.	Sheep.	Pigs.	Total.	
	Miles.	Number.	Number.	Number.	Number.	Number.	Number.	Number.	Number.	Tons.	Tons.
Kaihu	24	168	14,517	14,685	91	31	42	..	..	3,718	5,393
Gisborne	60	1,015	15,083	16,098	45	1,489	..	98,251	512	10,466	52,149
North Island Main Line and Branches	1,489	233,983	4,404,994	4,638,977	499,421	437,630	673,487	5,157,788	685,846	262,764	3,708,576
South Island Main Line and Branches	1,594	163,555	3,107,696	3,271,251	249,000	104,668	22,764	4,944,428	48,038	211,229	3,239,564
Westport	35	253	57,924	58,177	823	164	..	234	..	527	437,338
Nelson	64	200	21,815	22,015	575	435	1,671	23,786	2,247	423	22,456
Pictou	56	2,837	44,978	47,815	542	828	406	139,763	161	1,080	50,581
Total railway operation ..	3,323	402,011	7,667,007	8,069,018	750,497	545,245	698,370	10,394,252	736,804	668,075	7,516,949
Lake Wakatipu steamers	..	..	17,717	17,717	2	147	..	13,515	..	13,662	7,560

(2) OPERATING REVENUE.

Section.	Revenue.				Mileage.			
	Length Open for Traffic.	Ordinary Passengers.	Season Tickets.	Parcels, Luggage, and Mails.	Total Coaching.	Goods.	Labour, Demurrage, &c.	Total Operating Revenue.
	Miles.	£	£	£	£	£	£	£
Kaihu	24	664	298	1,161	2,123	2,597	20	4,740
Gisborne	60	1,123	604	1,202	2,929	20,525	45	23,499
North Island Main Line and Branches	1,489	973,242	147,302	216,078	1,336,622	3,172,701	82,762	4,592,085
South Island Main Line and Branches	1,594	493,615	71,062	97,915	662,592	2,098,040	73,268	2,833,900
Westport	36	2,982	905	769	4,656	82,224	4,846	91,726
Nelson	64	1,269	1,096	247	2,612	9,261	82	11,955
Pictou	56	2,934	925	1,085	4,944	25,949	3,027	33,920
Total railway operation ..	3,323	1,475,829	222,192	318,457	2,016,478	5,411,297	164,050	7,591,825
Lake Wakatipu steamers	..	2,648	38	521	3,207	4,387	12	7,606

STATEMENT NO. 18.

STATEMENT OF TRAFFIC AND REVENUE FOR EACH STATION FOR THE YEAR ENDED 31ST MARCH, 1938.

Stations.	OUTWARD.														INWARD.				
	TRAFFIC.														TRAFFIC.				
	Number of Passenger Journeys.			Season Tickets.	Cattle and Calves.	Sheep and Pigs.	Timber, Hundreds of Superficial Feet.	Other Goods.	Ordinary Passengers.	Season Tickets.	Parcels, Luggage, and Mails.	Goods.	Miscellaneous.	Total.	Cattle and Calves.	Sheep and Pigs.	Timber, Hundreds of Superficial Feet.	Other Goods.	
	First-class.	Second-class.	Total.																
NORTH ISLAND MAIN LINES AND BRANCHES—																			
Auckland—				No.	No.	No.		Tons.	£	£	£	£	£	£	No.	No.		Tons.	
Coaching	20,797	480,464	501,261	27,461	..	..	108,920	466,712	121,550	8,061	51,638	..	1,124	182,373	..	..	..	..
Goods	..	..	..	..	118	2,880	..	..	..	..	..	431,151	11,215	442,366	796	1,837	49,700	265,952
Newmarket	1,261	76,760	78,021	9,969	8	..	4,161	5,890	4,875	1,728	803	12,054	104	19,564	19	1	68,854	16,682	
Mount Eden	514	35,651	36,165	4,205	31	..	613	4,176	3,142	686	482	4,710	92	9,112	324	..	43,164	56,706	
Avondale	630	64,183	64,813	28,494	270	15	201	6,488	2,594	4,811	398	6,284	28	14,115	388	385	68,099	7,754	
Henderson	333	88,120	88,453	14,136	10,993	20,916	454	7,995	3,015	3,459	777	7,774	25	15,050	1,550	6,828	5,789	8,277	
Helensville	455	42,740	43,195	461	20,776	64,548	1,593	11,252	4,161	264	437	12,264	148	17,274	4,279	12,622	6,314	38,164	
Wellsford	174	6,718	6,892	45	14,639	36,825	1,163	7,758	1,508	45	340	9,024	104	11,021	2,022	10,740	4,250	13,136	
Maungaturoto	358	12,819	13,177	..	24,486	41,904	180	2,666	2,538	..	146	7,182	13	9,879	2,320	5,594	2,178	12,765	
Paparoa	80	2,679	2,759	..	4,775	14,715	247	3,205	706	..	102	3,309	3	4,120	445	2,040	611	3,450	
Waiotira	55	7,067	7,122	30	32,169	73,269	730	21,008	809	25	264	28,538	280	29,916	1,518	6,085	2,409	78,389	
Whangarei	1,669	44,905	46,574	485	32,015	49,259	1,101	31,611	9,660	262	1,363	18,802	834	30,921	1,958	6,708	10,793	29,231	
Hikurangi	209	6,684	6,893	81	3,092	9,862	16,075	53,223	1,270	63	183	19,088	20	20,624	611	4,834	126	7,459	
Otiria	499	9,630	10,129	77	5,552	9,489	4,370	2,242	3,909	59	423	5,421	11	9,823	776	2,077	895	7,622	
Kawakawa	295	8,110	8,405	1	11	74	293	7,492	1,076	..	178	3,280	8	4,542	44,693	54,657	856	9,730	
Opua	469	19,939	20,408	114	191	381	642	585	2,890	55	177	425	125	3,672	26	..	1,652	8,266	
Kaikohe	307	14,359	14,666	52	4,174	25,954	5,764	7,400	4,087	40	484	13,258	34	17,903	520	2,149	2,632	15,671	
Remuera	64	4,823	4,887	3,342	724	79	1	345	119	415	38	895	4	1,471	811	1,457	22,464	877	
Greenlane	246	26,941	27,187	6,444	10	1	..	78	607	1,000	51	501	23	2,182	13	52	1,306	2,154	
Ellerslie	159	38,174	38,333	7,805	362	4	22	99	824	1,305	107	1,437	6	3,679	308	20	82	677	
Penrose	128	30,274	30,402	4,065	442	3,360	120	122,747	504	616	156	58,964	62	60,302	371,196	1,134,762	53,394	49,327	
Onehunga	31	6,214	6,245	5,957	4	..	25,729	2,283	447	1,065	155	2,550	359	4,576	5	62	21,039	63,160	
Otahuhu	912	142,455	143,367	21,389	1,980	14,922	206	193,957	3,734	5,232	310	97,448	70	106,794	80,815	199,752	21,411	167,759	
Papatoetoe	333	61,040	61,373	12,805	763	1,018	993	749	2,181	2,922	153	1,019	8	6,283	4,712	14,156	13,161	8,404	
Papakura	2,153	112,663	114,816	19,557	7,285	7,107	15	6,084	5,307	4,708	291	2,502	36	12,844	4,377	14,796	3,808	11,029	
Drury	48	7,874	7,922	218	5,905	22,611	..	8,227	509	134	55	7,065	66	7,829	1,801	3,773	1,018	10,381	
Waiuku	55	8,741	8,796	4	19,517	27,715	71	490	946	4	115	2,051	9	3,125	1,767	12,115	7,236	37,278	
Pukekohe	2,095	51,387	53,482	225	22,337	21,451	296	12,776	6,231	104	585	15,073	30	22,023	4,154	4,135	7,361	24,067	
Tuakau	643	24,251	24,894	356	11,725	63,844	40	6,269	2,457	139	306	6,850	161	9,913	2,592	23,479	3,842	16,765	
Pokeno	11	7,429	7,440	59	5,120	17,644	25	502	546	49	46	1,226	7	1,874	1,392	2,730	3,427	9,183	
Mercer	444	18,921	19,365	138	747	10,732	2,848	31,209	1,518	104	75	11,201	69	12,967	81	3,359	591	5,269	
Te Kauwhata	113	7,203	7,316	25	22,497	58,531	..	7,843	1,069	19	1,233	9,040	9	11,370	2,040	7,294	3,808	11,689	
Huntly	944	62,930	63,874	12,701	6,102	14,268	39	265,385	6,224	2,859	396	196,192	178	205,849	3,447	6,525	7,163	25,021	
Glen Afton	19	13,764	13,783	295	1,536	17,110	1,675	182,543	902	96	39	122,173	37	123,247	976	12,575	643	16,052	
Taupiri	56	7,137	7,193	135	5,291	19,960	43	6,266	779	74	96	7,023	52	8,024	1,962	2,886	1,725	11,780	
Ngauahua	436	14,140	14,576	1,252	1,489	11,358	23	78,413	2,331	321	233	73,544	1,946	78,375	126,412	106,358	2,777	20,124	
Frankton Junction	6,251	104,304	110,555	575	23,685	154,495	286	26,687	31,044	240	1,575	33,079	878	66,816	6,115	64,904	104,858	61,718	
Hamilton	3,062	66,475	69,537	568	20,667	18,508	3,444	19,422	15,085	728	4,088	25,736	246	45,883	1,278	5,649	52,209	32,536	
Cambridge	180	4,417	4,597	107	24,191	71,654	2	1,914	1,061	80	289	7,498	16	8,944	4,047	18,395	4,497	39,584	
Morrinsville	861	27,169	28,030	329	63,323	193,818	111	21,263	4,682	232	780	44,705	22	50,421	19,150	126,188	13,055	38,907	
Matamata	612	20,202	20,814	38	39,284	137,697	7,905	5,001	4,827	32	554	20,779	34	26,226	4,240	27,123	4,010	49,831	
Putaruru	528	21,095	21,623	272	12,163	63,126	88,566	2,961	4,452	233	478	26,883	48	32,094	5,066	47,625	5,649	32,739	
Mamaku	150	13,486	13,636	132	8,901	28,279	76,706	5,157	1,257	169	233	26,152	4	27,815	143	2,395	805	1,601	
Rotorua	2,383	32,366	34,749	189	3,611	24,909	59,677	12,244	14,282	59	1,580	24,048	152	40,121	3,013	13,476	2,485	37,891	
Waitoa	26	4,848	4,874	91	26,959	28,115	24	9,854	647	65	126	15,515	2	16,355					

STATEMENT NO. 18—continued.

STATEMENT OF TRAFFIC AND REVENUE FOR EACH STATION FOR THE YEAR ENDED 31ST MARCH, 1938—continued.

Stations.	OUTWARD.										INWARD.							
	TRAFFIC.										REVENUE.							
	Number of Passenger Journeys.			Season Tickets.	Cattle and Calves.	Sheep and Pigs.	Timber, Hundreds of Superficial Feet.	Other Goods.	Ordinary Passengers.	Season Tickets.	Parcels, Luggage, and Mails.	Goods.	Miscellaneous.	Total.	Cattle and Calves.	Sheep and Pigs.	Timber, Hundreds of Superficial Feet.	Other Goods.
	First-class.	Second-class.	Total.															
				No.	No.	No.		Tons.	£	£	£	£	£	£	No.	No.		Tons.
NORTH ISLAND MAIN LINES AND BRANCHES—contd.																		
Tariki	22	2,858	2,880	145	695	1,100	..	975	249	79	14	738	2	1,082	255	3,888	368	4,163
Midhurst	61	4,741	4,802	149	6,104	1,168	..	2,686	268	72	18	2,175	5	2,538	60	1,823	699	8,372
Stratford	1,384	46,870	48,254	390	18,731	44,344	52	11,468	10,825	245	857	8,077	354	20,358	3,763	19,658	8,842	19,934
Te Wera	5	841	846	3	1,592	12,580	24	5,076	105	2	25	2,045	..	2,177	852	9,262	294	5,344
Whangamomona ..	76	3,541	3,617	7	3,105	52,476	3,478	9,466	636	7	91	10,539	1	11,274	1,064	7,274	531	4,355
Ohura	149	10,311	10,460	40	5,085	53,641	29,636	3,132	2,022	38	249	14,236	9	16,554	1,697	10,154	1,158	8,550
Eltham	313	24,942	25,255	378	38,594	48,396	201	13,512	3,837	236	274	14,084	32	18,463	9,113	49,424	14,732	27,373
Normanby	16	6,398	6,414	67	18,038	22,912	81	11,277	433	36	52	10,250	2	10,773	3,297	23,214	3,838	27,269
Hawera	1,311	48,084	49,395	339	18,795	74,272	294	17,860	11,114	343	840	15,415	126	27,838	7,304	117,289	11,417	34,731
Patea	315	12,653	12,968	156	1,901	26,785	768	16,958	2,535	122	299	29,003	469	32,428	46,621	173,463	4,387	41,007
Waverley	174	10,340	10,514	77	9,635	73,941	139	13,622	1,713	58	190	10,915	27	12,903	4,672	57,268	2,924	10,219
Aramoho	676	20,969	21,645	16	7,680	41,941	23	63,829	4,058	12	378	29,573	102	34,123	1,238	17,084	5,519	58,210
Wanganui	2,642	62,780	65,422	230	3,592	38,037	743	14,456	15,711	232	1,758	9,703	1,754	29,158	33,778	256,516	30,176	40,498
„ (Wharf) .. ..	..	..	..	..	..	52	1,250	57,100	..	..	..	14,031	7,977	22,008	14	..	21	3,186
Fordell	141	5,130	5,271	34	2,031	64,078	160	374	727	25	125	3,839	4	4,720	887	25,680	9,684	8,034
Turakina	53	6,226	6,279	47	2,073	28,723	123	1,238	585	21	109	2,679	7	3,401	382	19,639	2,019	6,258
Greatford	134	2,859	2,993	33	3,377	51,921	..	17,184	443	27	48	9,147	1	9,666	451	13,239	1,174	7,210
Halcombe	57	7,656	7,713	206	661	24,860	..	2,094	653	114	40	2,986	2	3,795	399	6,384	429	5,544
Feilding	1,487	20,579	22,066	55	20,316	322,638	569	15,725	6,696	41	596	32,704	58	40,095	29,005	153,930	11,827	39,929
Palmerston North ..	11,736	170,433	182,169	219	2,933	28,801	1,393	48,349	43,827	388	4,034	67,040	632	115,921	13,121	99,862	75,195	88,443
Ashhurst	87	7,837	7,924	20	1,935	43,494	85	791	591	20	45	4,022	7	4,685	2,353	20,768	588	3,871
Longburn	164	12,133	12,297	130	9,506	50,361	..	16,302	410	36	64	26,377	5	26,892	11,580	127,970	70	5,430
Foxton .. .. .	..	..	..	..	1,281	489	1,355	7,854	..	..	52	5,084	208	5,344	1,030	12,223	9,427	10,214
Shannon	175	35,795	35,970	443	11,617	88,028	71	4,395	2,915	352	175	8,442	7	11,891	1,629	34,252	1,467	7,264
Levin	1,141	44,143	45,284	270	13,142	59,688	51	4,233	7,293	268	680	6,651	19	14,941	3,834	33,885	6,475	10,937
Otaki	737	32,926	33,663	260	3,886	39,717	878	2,333	4,497	237	3,526	3,977	26	12,263	1,258	11,193	2,387	5,891
Packakariki	1,546	66,304	67,850	9,255	1,534	31,490	2,599	2,272	5,247	2,656	2,009	2,908	60	12,880	1,109	5,261	3,085	7,224
Johnsonville	366	20,966	21,332	12,446	308	20,297	50	45	792	2,420	88	877	7	4,184	11,686	65,811	2,453	2,034
Wellington	59,682	534,765	594,447	96,930	..	..	..	..	127,330	22,338	24,858	..	2,838	177,364	..	..	..	..
Goods .. .. .	..	..	..	..	583	2,835	53,786	231,939	..	..	..	295,214	3,297	298,511	1,046	5,920	62,065	183,432
Wharf .. .. .	..	..	..	..	..	..	..	4,078	..	..	..	370	..	370	..	..	..	49,960
Courtenay Place ..	1,885	19,733	21,618	1,777	..	..	..	..	14,327	1,648	7,093	..	91	23,159	..	..	..	..
Ngahauranga	8	3,224	3,232	1,502	226	180	..	13,373	77	262	8	216	1	564	13,229	675,898	302	3,431
Petone	5,923	163,639	169,562	107,808	44	6,040	1,657	43,519	5,145	20,212	365	81,777	232	107,731	9,618	511,278	44,208	33,972
Lower Hutt	1,704	42,949	44,653	34,287	78	..	51	1,366	2,602	7,140	533	1,781	31	12,087	297	871	19,362	2,924
Upper Hutt	777	78,749	79,526	33,819	612	2,999	11	657	3,939	9,306	412	1,853	26	15,536	1,569	4,411	357	3,864
Featherston	645	25,340	25,985	159	7,068	160,934	252	8,018	3,357	127	758	14,174	26	18,442	1,222	4,059	3,173	13,601
Carterton	273	9,550	9,823	77	2,048	73,672	23	21,435	2,313	66	569	29,510	7	32,465	10,847	115,030	6,379	12,515
Masterton	1,499	33,819	35,318	43	4,363	138,293	1,784	8,316	9,005	52	806	13,412	95	23,370	2,026	11,889	15,076	26,939
Mauriceville	19	2,463	2,482	46	164	7,932	..	15,623	304	36	26	7,725	1	8,092	296	264	364	1,653
Eketahuna	156	5,805	5,961	44	7,837	53,152	126	2,836	1,424	44	152	6,361	10	7,991	412	1,201	1,808	6,339
Hukanui	11	1,631	1,642	16	2,372	10,783	..	497	208	20	43	1,233	1	1,505	264	968	217	3,741
Pahiatua	358	5,680	6,038	4	9,205	101,464	..	3,219	1,612	5	220	8,234	11	10,082	988	4,309	3,101	8,646
Mangatainoka	12	1,370	1,382	3	1,917	32,775	..	7,312	324	2	50	6,609	1	6,986	138	1,146	161	3,646
Woodville	700	25,985	26,685	69	16,855	204,787	..	6										

STATEMENT No. 18—continued.

STATEMENT OF TRAFFIC AND REVENUE FOR EACH STATION FOR THE YEAR ENDED 31st MARCH, 1938—continued.

Stations.	OUTWARD.										INWARD.							
	TRAFFIC.					REVENUE.					TRAFFIC.							
	Number of Passenger Journeys.			Season Tickets.	Cattle and Calves.	Sheep and Pigs.	Timber, Hundreds of Superficial Feet.	Other Goods.	Ordinary Passengers.	Season Tickets.	Parcels, Luggage, and Mails.	Goods.	Miscellaneous.	Total.	Cattle and Calves.	Sheep and Pigs.	Timber, Hundreds of Superficial Feet.	Other Goods.
	First-class.	Second-class.	Total.															
SOUTH ISLAND MAIN LINES AND BRANCHES—																		
Lyttelton	25,689	124,405	150,094	No. 33,029	No. 182	No. 47,177	42,307	Tons. 383,956	£ 6,135	£ 5,811	£ 7,494	£ 168,620	£ 22,642	£ 210,702	No. 1,079	No. 17,258	12,662	Tons. 249,870
(Wharf)								15,379				3,122		3,122				44,623
Heathcote	683	42,771	43,454	8,038				5,256	621	1,313	75	3,726	2	5,737			482	9,165
Woolston	576	33,145	33,721	11,831	8			3,555	746	1,747	112	1,689	1	4,295	12		515	13,834
Opawa	390	25,593	25,983	5,982					508	914	28	12	1	1,463				1
Christchurch	48,027	525,639	573,666	32,585					72,983	6,188	18,920		752	97,943				
Goods					451		4,647	104,861				93,403	3,031	96,437	635	299	70,409	357,441
Central Booking	12,486	49,011	61,497	172					33,659	1,204	709		26	35,598				
Addington	452	20,348	20,800	1,081	4,982	256,621	4,835	38,874	1,383	187	227	28,245	268	30,310	25,843	442,835	115,232	69,593
Riccarton	184	2,536	2,720	391			1,592	4,748	276	85	45	1,609	1	2,016	1		53,228	19,049
Papanui	261	6,711	6,972	885	46		612	6,025	646	174	121	4,070	3	5,014	70	298	25,734	7,790
Belfast	34	7,075	7,109	416	140		133	28,040	322	181	44	14,856	25	15,426	11,963	823,601	7,449	11,441
Kaiapoi	77	12,271	12,348	1,281	263		95	16,550	990	412	201	7,626	18	9,277	291	234,451	4,238	10,726
Rangiora	365	21,467	21,832	5,980	1,256	30,565	6,655	11,482	1,930	1,545	343	7,869	93	11,780	654	13,804	7,008	11,879
East Oxford	2	2,151	2,153		319	41,962	111	2,595	165		23	2,639	3	2,830	158	19,437	817	5,505
Sefton	12	3,536	3,548	128	164	5,603		5,052	260	93	321	2,464		3,138	117	6,391	1	4,321
Amberley	41	3,339	3,380	64	512	70,003	5	2,655	366	76	79	3,444	6	3,971	156	26,597	1,000	2,676
Waipara	156	3,222	3,378	28	1,706	143,602	1,750	4,596	396	26	216	8,227	15	8,904	392	9,267	478	1,858
Mina	71	2,089	2,160	29	766	60,855	3,888	3,846	474	22	277	5,331	8	6,112	164	9,864	2,460	5,340
Parnassus	1,131	5,107	6,238		2,911	100,714	68	2,637	1,561		147	8,089	131	9,928	429	5,772	10,119	17,666
Waikari	65	2,775	2,840	16	249	32,620		14,204	374	16	73	6,583	3	7,049	77	2,898	712	2,833
Hawarden	14	1,804	1,818	1	1,142	109,225		4,185	254	1	227	6,442	4	6,928	135	9,913	1,338	2,636
Culverden	51	1,641	1,692		1,886	86,125	80	4,194	421		158	6,429	6	7,014	326	4,846	2,521	6,663
Waiau	21	831	852		547	64,017		1,461	269		92	4,478	3	4,842	332	3,675	1,178	2,827
Kaikoura	114	22	136						47		3			50				
Hornby	68	6,795	6,863	133	1,143	747	171	59,182	625	101	51	20,904	3	21,684	1,337	6,491	4,689	68,739
Lincoln	5	5,987	5,992	160	1,206	55,568	181	14,670	298	107	32	5,454	3	5,894	84	6,686	906	3,592
Leeston	58	4,192	4,250	25	1,288	26,220		5,606	402	21	49	3,193	5	3,589	289	35,477	2,122	6,072
Southbridge		4,998	4,998	12	340	39,853		10,864	511	13	493	5,976	4	6,907	105	14,595	1,083	2,921
Little River	19	6,456	6,475	126	7,066	127,480	776	2,076	932	124	768	6,117	21	7,962	1,431	30,321	2,520	3,415
Islington	15	5,204	5,219	275	25	2,139	745	17,109	304	70	73	7,761	2	8,210	6,556	336,457	5,400	10,943
Rollston	91	7,746	7,837	24	401	41,447	50	6,650	620	22	59	4,082	2	4,785	340	11,685	313	2,232
Kirwee	17	1,137	1,154	31	168	21,881		4,213	100	26	25	2,271		2,422	36	18,534	33	2,800
Darfield	131	2,635	2,766	52	328	71,029	60	10,055	338	50	108	5,855	3	6,354	156	10,843	1,803	2,011
Coalgate	1	475	476		407	54,826	655	12,562	50	39	46	8,328	2	8,465	162	7,258	2,078	4,599
Sheffield	29	1,965	1,994	39	369	34,774		4,415	296	22	285	3,431	2	4,036	52	9,464	474	2,373
Springfield	557	9,016	9,573	21	351	15,735	40	2,293	1,242		193	3,567	34	5,036	189	6,109	490	2,918
Arthurs Pass	53	2,859	2,912		2		11	310	468		45	331	56	900	25	2,112	2,251	1,399
Otira	640	18,784	19,424		1,507	8,591	91,118	1,987	2,304		247	28,217	13	30,811	110	469	2,780	3,969
Moana	53	4,335	4,388	78	699	686	39,346	1,466	784	48	279	10,594	12	11,717	278	1,307	1,122	3,323
Stillwater	282	14,346	14,628	72	51	349	27,146	73,846	1,664	58	104	30,537	6	32,369	261	211	1,617	1,800
Ngahere	51	8,205	8,256	50	971	10,115	95,326	3,778	665	38	109	19,601	5	20,418	154	2,501	748	1,475
Blackball	30	6,451	6,481	210	6		14	49,057	766	172	35	27,083	7	28,063	17		223	1,237
Ikamatua	113	5,079	5,192	28	598	4,226	25,835	6,466	1,211	22	121	10,880	17	12,251	315	1,958	1,817	6,750
Reefton	568	13,747	14,315	35	598	5,122	4,446	37,702	3,496	27	231	32,684	347	36,785	452	2,173	1,779	3,6,6

STATEMENT OF TRAFFIC AND REVENUE FOR EACH STATION FOR THE YEAR ENDED 31ST MARCH, 1938—continued.

Stations.	OUTWARD.												INWARD.					
	TRAFFIC.								REVENUE.				TRAFFIC.					
	Number of Passenger Journeys.			Season Tickets.	Cattle and Calves.	Sheep and Pigs.	Timber, Hundreds of Superficial Feet.	Other Goods.	Ordinary Passengers.	Season Tickets.	Parcels, Luggage, and Mails.	Goods.	Miscellaneous.	Total.	Cattle and Calves.	Sheep and Pigs.	Timber, Hundreds of Superficial Feet.	Other Goods.
	First-class.	Second-class.	Total.															
				No.	No.	No.		Tons.	£	£	£	£	£	£	No.	No.		Tons.
SOUTH ISLAND MAIN LINES AND BRANCHES—contd.																		
Port Chalmers	1,737	45,892	47,629	18,774	11	..	142	48,165	1,694	4,024	133	14,599	2,083	22,533	6	203	3,368	49,692
St. Leonard's	199	7,845	8,044	4,290	3	..	..	17	220	791	7	11	1	1,030	37	..	55	11
Ravensthorpe	772	31,086	31,858	5,766	..	..	..	54,038	460	1,159	14	24,259	5	25,897	..	..	219	5,588
Dunedin	19,826	410,180	430,006	30,118	..	..	..	..	78,827	6,834	11,844	..	420	97,925	..	..	..	..
(Goods) .. ..	..	..	..	..	1,071	496	17,529	128,833	..	..	..	158,109	1,537	159,646	1,291	2,443	117,656	209,230
(Bus Office)	25	242	267	..	..	..	..	..	80	..	..	..	..	80	..	..	..	..
Caversham	390	20,983	21,373	1,526	..	..	9	661	1,252	197	130	656	4	2,239	3	..	6,454	6,246
Burnside	374	17,141	17,515	5,259	2,919	23,397	11	63,727	379	741	114	53,973	57	55,264	22,262	546,564	2,359	92,954
Green Island	753	26,533	27,286	10,245	..	..	..	5,014	796	1,635	52	2,743	30	5,256	1	114	428	11,229
Abbotsford	86	21,375	21,461	10,568	..	..	2	731	518	1,668	22	563	10	2,781	..	..	41	319
Wingatui	147	13,535	13,682	2,801	937	30,470	..	2,155	594	557	56	4,907	3	6,117	450	2,432	33	1,543
Middlemarch	58	2,662	2,720	1	1,368	90,506	18	2,427	499	1	425	8,105	5	9,035	304	8,657	1,031	3,495
Waipia	78	2,795	2,873	..	546	59,098	20	794	746	..	107	5,055	1	5,909	247	3,701	1,715	5,306
Ranfurly	262	4,208	4,470	..	430	61,427	78	1,538	1,308	..	220	5,642	6	7,176	156	2,849	1,653	4,032
Oturehua	16	1,223	1,239	..	842	81,088	..	1,927	388	..	198	8,518	1	9,015	67	4,652	716	1,878
Omakau	125	2,498	2,623	..	1,101	77,811	82	1,218	945	..	354	7,446	3	8,748	490	7,574	2,275	4,766
Alexandra	117	2,598	2,715	10	252	14,175	9	2,971	1,173	25	305	5,444	14	6,961	224	4,388	2,226	7,005
Clyde	45	1,917	1,962	65	56	2,930	85	1,482	577	52	182	3,096	1	3,908	11	1,185	1,326	1,745
Cromwell	185	5,932	6,117	..	1,068	63,053	24	6,022	2,424	..	417	12,731	8	15,580	230	3,550	4,463	9,710
Mosgiel	1,518	51,765	53,283	18,139	519	7,875	6	2,574	3,000	3,841	253	1,682	11	8,787	499	6,835	1,378	3,471
Outram	5	4,107	4,112	252	167	4,203	..	866	276	103	26	609	1	1,015	50	1,178	827	6,273
Allanton	507	9,072	9,579	319	1,057	23,365	..	1,641	625	83	79	2,137	1	2,925	1,321	12,855	264	3,027
Milburn	10	1,604	1,614	13	130	8,427	..	70,781	149	17	24	22,658	296	23,144	126	1,966	1,552	8,620
Milton	646	25,683	26,329	66	1,421	41,699	53	10,133	3,962	66	729	6,871	81	11,709	594	10,447	1,742	10,639
Lawrence	21	1,329	1,350	..	601	23,289	51	1,004	236	..	142	2,432	3	2,813	104	3,004	758	6,169
Miller's Flat .. ..	..	103	103	..	185	41,986	43	2,770	48	..	74	6,464	2	6,588	124	1,284	429	2,559
Roxburgh	10	185	195	..	59	12,488	..	4,357	66	..	78	7,611	3	7,758	23	798	983	2,840
Lovell's Flat	78	2,490	2,568	34	167	13,123	1	2,689	216	..	27	2,270	..	2,537	49	434	929	4,807
Stirling	119	11,580	11,699	155	4,862	4,914	..	118,025	1,370	98	117	63,195	1,529	66,309	441	4,538	1,326	4,246
Balclutha	1,376	34,569	35,945	80	2,411	78,072	767	15,233	6,934	69	789	19,897	97	27,786	4,942	159,420	2,796	16,526
Owaka	18	5,189	5,207	3	1,669	35,582	43,209	7,152	1,028	3	201	14,628	7	15,867	379	8,953	635	7,693
Tahakopa	7	9,421	9,428	..	195	2,875	22,187	897	1,237	..	124	5,535	1	6,897	76	4,756	46	2,903
Waiwera	5	2,829	2,834	1	256	16,161	513	1,230	357	1	343	1,941	1	2,643	111	2,228	540	7,298
Clinton	290	15,769	16,059	47	627	42,624	6,977	783	2,162	44	97	4,396	20	6,719	73	2,242	319	5,438
Waipahi	112	8,602	8,714	1	2,300	59,580	939	2,756	1,494	1	114	5,024	3	6,636	550	2,918	668	10,072
Tapanui	28	2,270	2,298	..	756	43,689	7	2,422	631	..	30	5,952	1	6,614	107	377	763	7,301
Heriot	4	209	213	..	774	90,855	2	1,523	100	..	86	7,146	1	7,333	186	2,161	812	11,841
Gore	1,692	58,047	59,739	300	2,057	178,692	773	16,603	12,851	222	1,176	20,053	103	34,405	1,441	10,282	3,885	55,924
Riversdale	21	4,843	4,864	142	1,758	132,524	113	11,748	521	117	140	12,264	9	13,051	230	3,875	516	22,925
Mataura	267	30,898	31,165	494	849	30,273	927	16,717	3,445	309	148	21,328	20	25,250	455	94,589	231	21,959
Edendale	330	18,205	18,535	203	2,283	36,876	21	5,820	2,886	151	143	6,754	58	9,992	603	25,985	294	14,696
Wyndham	7	823	830	..	529	11,046	1,002	2,492	173	..	43	3,693	..	3,909	140	2,389	190	11,507
Woodlands	114	9,625	9,739	148	1,372	26,633	50	3,861	1,017	93	106	3,064	9	4,289	180	22,028	63	11,678
Invercargill	5,978	208,985	214,963	5,438	..	..	..	..	43,769	2,133	2,841	..	179	48,922	..	..	..	..
Goods .. ..	..	..	..	..	6,647	41,830	8,905	59,880	..	..	..	39,889	516	40,405	3,377	29,068	11,435	148,870
Waimahaka .. ..	..	10,908	10,908	66	3,278	45,739	4,724	2,237	672	53	133	6,006	10	6,874	406	7,026	188	18,116
Bluff	544	54,213	54,757	2,407	34	254	6,928	98,171	2,613	876	164	48,421	8,138	60,212	728	282,420	45,040	80,927
(Wharf) .. ..	..	..	..	..	..	..	..	6,062	..	..	..	797	..	797	..	..	..	..
Makarewa	4	6,439	6,443	563	1,134	32,512	18	17,278	312	258	74	9,109	4	9,757	2,829	160,625	457	29,854
Thornbury	9	2,958	2,967	156	689	22,476	2,386	1,661	179	93	21	2,346	11	2,650	115	6,662	58	11,857
Riverton	418	6,758	7,176	104	275	8,041	18,044	3,363	955	75	156	7,411	11	8,608	57	1,619	129	5,727
Orepuki	3	4,657	4,660	91	443	19,501	23	887	585	63	82	1,585	1	2,316	119	4,086	664	2,803
Tuatapere	16	13,557	13,573	40	896	24,265	56,699	13,182	1,372	36	236	23,168	1	24,813	369	3,975	132	4,130
Otautau	11	2,937	2,948	179	542	42,767	4,255	2,620	361	144	84	3,735	29	4,353	242	9,476	119	9,924
Wairoa	9	3,330	3,339	68	666	13,076	..	170,442	471	57	41	118,934	2,623	122,126	345	787	68	10,085
Winton	164	11,891	12,055	152	1,151	84,216	11,617	74,646	1,037	114	402	31,435	17	33,005	473	24,839	46	16,007
Lumsden	260	18,153	18,413	93	1,474	76,656	1,917	19,976	2,641	70	271	12,872	24	15,878	366	9,090	1,664	26,609
Kingston	72	2,645	2,717	1	166	1,468	..	451	595	1	26	1,215	3	1,540	91	1,540	626	5,341
Through Traffic (Lake Wakatipu) .. ..	..	..	..	..	1	10,994	..	2,173	..	..	..	3,417	..	3,417	71	689	2,046	3,9
Chief Accountant	12,858	78,524	91,382	223	..	..	..	..	50,334	15,794	29,069	51,013	12,317	158,527	..	..	..	..
Overseas Traffic .. ..	..	..	..	..	1,396	765	78	15,487	..	..	..	83,034	..	83,034	1,396	765	78	15,487
Totals	163,555	3,107,626	3,271,251	249,000	127,432	4,992,466	950,531	2,792,128	493,615	71,062	97,915	2,098,040	73,268	2,833,900	127,432	4,992,466	950,531	2,792,128
WESTPORT SECTION—																		
Westport	242	17,394	17,636	255	111	..	206	4,602	2,615	160	178	3,763	4,678	11,394	52	..	425	429,904
Waimangaroa .. ..	..	13,861	13,861	139	23	..	449	178,054	540	108	130	28,655	41	29,474	11	..	1,116	3,675
Granity	11	25,785	25,796	429	29	..	1,369	252,756	1,700	309	250	49,435	12	51,706	100	..	483	1,833
District Office .. ..	..	884	884	..	..	..	..	..	Cr. 1,873	323	211	14	115	Cr. 1,205	..	..	..	..
Overseas Traffic .. ..	..	..	..	..	1	234	345	1,335	..	..	..	357	..	357	1	234	345	1,335
Totals	253	57,924	58,177	823	164	234	2,369	436,747	2,982	905	769	82,224	4,846	91,726	164	234	2,369	436,747
NELSON SECTION—																		
Port Nelson .. ..	..	..	..	..	..	..	..	2,734	..	..	..	207	..	207	..	..	..	685
Nelson	200	13,621	13,821	529	15	6	796	6,140	2,198	480	89	2,353	80	2,900	1,884	23,949	957	12,604

STATEMENT NO. 19.

CLASSIFICATION OF GOODS AND LIVE-STOCK TRAFFIC AND EARNINGS BY COMMODITIES.

Commodity.	Year ended 31st March, 1938.										Year ended 31st March, 1937.									
	Revenue.					Tons One Mile (000 omitted).	Average Haul.	Tonnage carried.	Per Cent. of Gross.	Per Ton.	Per Cent. of Gross.	Tons One Mile (000 omitted).	Average Haul.	Total.	Per Cent. of Gross.	Per Ton.	Per Ton Mile.			
	Total.	Per Cent. of Gross.	Per Ton.	£ s. d.	d.															
<i>Products of Agriculture.</i>							Miles.							£		£ s. d.	d.			
Grain ..	238,196	3.17		120,521	2.19	13,039	55	265,010	3.89			13,481	51	130,816	2.67	0 9 10	2.32			
Meals ..	116,465	1.55		68,167	1.24	7,100	61	118,494	1.74			7,427	63	69,902	1.43	0 11 9	2.25			
Fruit and vegetables ..	50,808	0.68		75,131	1.37	9,111	179	43,231	0.64			7,934	184	63,342	1.29	1 9 3	1.91			
Root crops and fodder ..	145,839	1.94		86,834	1.58	12,558	86	128,612	1.89			9,221	72	76,831	1.56	0 11 11	1.99			
Flax, green and pressed ..	12,679	0.17		10,781	0.20	1,053	83	12,275	0.18			1,033	81	11,190	0.22	0 18 2	2.60			
Seeds ..	21,194	0.28		14,602	0.27	1,456	69	20,033	0.29			1,131	56	15,107	0.30	0 15 1	3.20			
	585,181	7.79		376,036	6.85	44,317	76	588,255	8.63			40,227	68	367,188	7.47	0 12 6	2.18			
<i>Animals and their Products.</i>																				
Cattle, calves, horses ..	216,666	2.88		237,488	4.32	18,783	87	180,142	2.65			15,436	86	200,235	4.07	1 2 2	3.11			
Sheep and pigs ..	451,409	6.00		454,333	8.26	35,974	80	420,191	6.17			31,653	75	406,745	8.29	0 19 4	3.08			
Meat ..	250,242	3.33		214,856	3.90	8,683	35	227,453	3.35			7,823	34	191,759	3.90	0 16 10	5.88			
Butter ..	155,822	2.07		168,127	3.05	11,352	73	155,161	2.28			11,408	74	160,003	3.39	1 1 4	3.49			
Cheese ..	74,310	1.00		68,318	1.24	3,852	52	75,007	1.11			3,976	53	69,970	1.42	0 18 8	4.23			
Wool ..	159,442	2.12		156,807	2.85	9,483	59	158,743	2.33			9,975	63	154,391	3.14	0 19 5	3.71			
Dairy by-products ..	25,718	0.34		24,075	0.44	2,230	81	25,138	0.37			2,092	83	24,158	0.50	0 19 2	2.76			
Fat, hides, skins ..	43,260	0.58		44,510	0.81	2,230	52	47,039	0.69			2,188	47	45,193	0.92	0 19 2	4.95			
Fish ..	10,127	0.13		15,911	0.29	1,888	187	9,974	0.14			1,696	170	15,322	0.32	1 10 9	2.16			
	1,386,996	18.45		1,384,425	25.16	94,339	68	1,298,848	19.09			86,247	66	1,273,776	25.95	0 19 7	3.54			
<i>Products of Mines.</i>																				
Agricultural lime ..	376,741	5.02		132,175	2.40	23,230	62	295,055	4.33			18,833	64	104,598	2.13	0 7 1	1.33			
Coal, imported ..	30,574	0.41		11,560	0.23	732	24	26,089	0.38			668	26	10,445	0.21	0 8 0	3.75			
Coal, N.Z. hard ..	822,135	10.93		266,209	4.84	36,032	44	760,209	11.25			32,372	43	252,456	5.20	0 6 8	1.88			
Coal, N.Z. brown ..	833,933	11.09		555,341	10.09	105,337	126	840,018	12.32			104,856	125	552,484	11.26	0 13 1	1.26			
Road-metal ..	129,056	1.72		37,047	0.67	4,545	35	109,963	1.62			3,343	30	27,934	0.56	0 5 1	2.00			
Lime and coke ..	38,612	0.51		24,388	0.44	3,135	81	32,873	0.48			2,670	81	19,257	0.56	0 11 8	1.75			
	2,231,051	29.68		1,026,720	18.67	173,011	78	2,070,207	30.38			162,942	79	970,174	19.75	0 9 4	1.42			
<i>Products of Forests.</i>																				
Timber, imported ..	20,520	0.27		19,843	0.36	1,368	67	18,171	0.26			1,038	57	16,825	0.35	0 18 6	3.89			
Timber, N.Z. ..	469,687	6.25		446,860	8.14	54,582	116	434,204	6.37			51,953	120	413,677	8.43	0 19 0	1.91			
Firewood, posts, &c. ..	89,009	1.19		42,969	0.78	7,769	87	78,736	1.16			6,862	87	37,471	0.76	0 9 6	1.31			
	579,216	7.71		509,672	9.28	63,719	110	531,111	7.79			59,853	113	467,973	9.54	0 17 7	1.87			
<i>Manufactures, &c.</i>																				
Benzine, gasoline, kerosene ..	174,860	2.34		286,420	5.21	16,227	93	154,061	2.27			13,893	90	254,069	5.17	1 13 0	4.38			
Cement ..	68,386	0.91		69,591	1.26	7,843	115	58,989	0.86			7,442	126	63,002	1.29	1 1 4	2.03			
Manure ..	991,119	13.18		499,763	9.08	68,434	69	746,492	10.95			49,342	66	365,493	7.44	0 9 9	1.77			
	1,234,365	16.43		855,774	15.55	92,504	75	959,542	14.08			70,677	74	682,564	13.90	0 14 2	2.31			
Miscellaneous ..	1,499,240	19.94		1,347,949	24.49	93,231	63	1,365,277	20.03			76,454	56	1,148,609	23.39	0 16 10	3.60			
Totals ..	7,516,049	100.00		5,500,576	109.00	561,121	75	6,813,240	100.00			496,400	73	4,910,284	100.00	0 14 5	2.37			

STATEMENT NO. 20.

STATEMENT SHOWING MILEAGE, CAPITAL COST, TRAFFIC, OPERATING REVENUE, AND OPERATING EXPENDITURE OF
NEW ZEALAND GOVERNMENT RAILWAYS FROM 1ST APRIL, 1925, TO 31ST MARCH, 1938.

MILEAGE, CAPITAL COST, TRAFFIC, AND REVENUE.

Year.	Miles.	Capital Cost.	Train-mileage.	Passenger Journeys.	Passenger Revenue.	Other Coaching Revenue.	Cattle and Calves.	Sheep and Pigs.	Timber.
		£		No.	£	£	No.	No.	Tons.
1925-1926 ..	3,138	45,794,199	10,319,407	27,653,414	2,537,047	409,207	391,649	8,209,965	770,654
1926-1927 ..	3,164	47,195,948	10,723,864	26,002,137	2,304,180	377,367	391,062	8,902,511	663,442
1927-1928 ..	3,180	49,014,832	10,838,594	25,379,665	2,145,296	379,933	459,742	9,299,715	570,558
1928-1929 ..	3,287	54,210,139	11,113,482	25,574,843	2,124,746	378,141	634,394	9,685,374	568,026
1929-1930 ..	3,287	55,347,541	12,022,043	25,413,621	1,995,927	386,792	695,060	10,271,544	574,080
1930-1931 ..	3,322	58,076,236	11,281,898	22,813,708	1,778,725	359,276	729,567	10,279,407	403,095
1931-1932 ..	3,315	49,661,930	10,168,720	19,151,480	1,339,589	316,245	685,649	10,685,464	253,534
1932-1933 ..	3,315	49,744,744	9,828,853	18,366,654	1,207,296	283,822	687,027	10,550,860	253,633
1933-1934 ..	3,320	52,173,142	10,163,474	19,047,186	1,336,334	281,889	918,111	10,240,258	301,222
1934-1935 ..	3,320	52,352,985	10,626,400	19,654,467	1,368,688	292,096	821,015	10,909,065	368,417
1935-1936 ..	3,320	52,462,587	11,050,376	20,358,524	1,466,617	299,964	1,124,340	9,801,356	420,799
1936-1937 ..	3,320	52,905,965	11,868,083	21,235,428	1,611,305	305,526	1,130,722	10,325,490	452,375
1937-1938 ..	3,323	54,205,496	12,777,852	22,441,212	1,680,021	318,457	1,243,615	11,101,056	490,207

Year.	Goods.	Total.	Goods Revenue.	Miscellaneous Revenue, Labour, Demurrage, &c.	Total Revenue.	Revenue per Train-mile.
	Tons.	Tons.	£	£	£	d.
1925-1926 ..	6,028,959	6,799,613	4,499,160	143,861	7,589,274	176·51
1926-1927 ..	6,161,706	6,825,148	4,596,166	145,759	7,423,472	166·14
1927-1928 ..	6,276,525	6,847,083	4,680,135	138,481	7,343,845	162·62
1928-1929 ..	6,509,978	7,078,004	4,846,125	175,852	7,524,864	162·50
1929-1930 ..	6,649,114	7,223,194	4,904,324	186,949	7,473,993	149·21
1930-1931 ..	5,998,562	6,401,657	4,487,357	156,029	6,781,388	144·26
1931-1932 ..	5,018,719	5,272,253	4,019,600	113,531	5,788,965	136·63
1932-1933 ..	4,691,959	4,945,592	3,745,777	102,180	5,339,075	130·37
1933-1934 ..	4,792,174	5,093,396	3,911,245	99,367	5,628,835	132·92
1934-1935 ..	5,076,560	5,444,977	4,138,434	108,846	5,908,064	133·44
1935-1936 ..	5,197,678	5,618,477	4,359,750	117,188	6,243,519	135·60
1936-1937 ..	5,760,532	6,212,907	4,846,417	140,356	6,903,604	139·61
1937-1938 ..	6,357,767	6,847,974	5,411,297	164,050	7,591,825	142·59

EXPENDITURE.

Year.	Maintenance of Way and Works.			Maintenance of Signals and Electrical Appliances.			Maintenance of Locomotives, Carriages, and Wagons.		
	Amount.	Per Cent. of Revenue.	Per Mile of Railway.	Amount.	Per Cent. of Revenue.	Per Mile of Railway.	Amount.	Per Cent. of Revenue.	Per Train-mile.
	£		£	£		£	£		d.
1925-1926 ..	1,144,385	15·08	368·80	105,064	1·38	33·86	1,311,317	17·28	30·50
1926-1927 ..	1,074,334	14·47	340·30	100,861	1·36	31·95	1,303,444	17·56	29·17
1927-1928 ..	1,147,067	15·62	360·94	102,871	1·40	32·37	1,380,727	18·80	30·57
1928-1929 ..	1,111,229	14·77	341·50	112,206	1·49	34·48	1,424,165	18·93	30·76
1929-1930 ..	1,146,014	15·33	352·19	117,577	1·57	36·13	1,680,919	22·49	33·55
1930-1931 ..	1,150,329	16·97	348·27	104,464	1·54	31·63	1,502,698	22·16	31·97
1931-1932 ..	997,629	17·23	300·94	107,584	1·86	32·45	1,270,585	21·94	29·99
1932-1933 ..	931,273	17·44	280·93	105,586	1·98	31·85	1,188,474	22·26	29·02
1933-1934 ..	993,207	17·65	299·16	110,298	1·96	33·22	1,220,102	21·67	28·81
1934-1935 ..	1,047,825	17·74	315·61	137,477	2·33	41·41	1,236,324	20·93	27·92
1935-1936 ..	1,070,085	17·14	322·31	147,442	2·36	44·41	1,406,685	22·53	30·55
1936-1937 ..	1,171,963	16·98	353·00	154,108	2·23	46·42	1,565,083	22·67	31·65
1937-1938 ..	1,278,980	16·85	384·89	178,892	2·36	53·83	1,792,562	23·61	33·67

Year.	Locomotive Transportation.			Traffic Transportation.			General Charges.			Total Expenditure.	Expenditure per Train-mile.	Expenditure per Cent. of Revenue.
	Amount.	Per Cent. of Revenue.	Per Train-mile.	Amount.	Per Cent. of Revenue.	Per Train-mile.	Amount.	Per Cent. of Revenue.	Per Train-mile.			
	£		d.	£		d.	£		d.	£	d.	
1925-1926 ..	1,636,620	21·56	38·06	1,743,641	22·98	40·55	223,543	2·94	5·20	6,164,570	143·37	81·23
1926-1927 ..	1,669,352	22·49	37·36	1,752,998	23·61	39·23	257,294	3·47	5·76	6,158,283	137·82	82·96
1927-1928 ..	1,662,074	22·63	36·80	1,760,459	23·97	38·98	248,921	3·39	5·51	6,302,119	139·55	85·81
1928-1929 ..	1,650,793	21·94	35·65	1,825,965	24·26	39·43	250,221	3·32	5·40	6,374,579	137·66	84·71
1929-1930 ..	1,755,208	23·49	35·03	1,883,918	25·21	37·61	264,389	3·54	5·28	6,848,026	136·71	91·62
1930-1931 ..	1,594,672	23·53	33·92	1,798,490	26·52	38·26	255,490	3·76	5·43	6,406,143	136·28	94·47
1931-1932 ..	1,254,770	21·67	29·61	1,424,520	24·60	33·62	246,565	4·26	5·82	5,301,653	125·13	91·56
1932-1933 ..	1,114,801	20·88	27·22	1,255,280	23·51	30·65	238,340	4·47	5·82	4,833,754	118·03	90·54
1933-1934 ..	1,064,827	18·92	25·14	1,253,833	22·28	29·61	234,879	4·17	5·55	4,877,146	115·17	86·65
1934-1935 ..	1,127,160	19·08	25·46	1,360,928	23·04	30·74	228,874	3·87	5·17	5,138,588	116·06	86·99
1935-1936 ..	1,201,636	19·25	26·10	1,465,052	23·46	31·82	232,293	3·72	5·05	5,523,193	119·96	88·46
1936-1937 ..	1,412,177	20·45	28·56	1,797,058	26·03	36·34	237,996	3·45	4·81	6,338,385	128·18	91·81
1937-1938 ..	1,703,110	22·43	31·99	2,090,471	27·54	39·26	247,770	3·26	4·65	7,291,785	136·95	96·05

STATEMENT NO. 21.

COMPARATIVE STATEMENT OF THE NUMBER OF EMPLOYEES FOR YEARS 1937-38 AND 1936-37.

Branch.	Kaihu.	Gisborne.	North Island Main Line and Branches.	South Island Main Line and Branches.	Westport.	Nelson.	Pictou.	Stores Branch.	Refreshment Service.	Advertising Service.	Road Service.	Total.
1937-38.												
General ..	1	2	730	167	3	3	4	486	478	40	346	2,260
Traffic ..	4	12	3,391	2,797	58	12	34	..	..	..	..	6,308
Maintenance ..	9	24	2,797	1,510	38	21	27	..	..	..	..	4,426
Locomotive ..	4	12	5,372	3,480	57*	11	24	..	..	..	..	8,960
Totals ..	18	50	12,290	7,954	156	47	89	486	478	40	346	21,954
1936-37.												
General ..	1	2	626	153	3	3	3	379	378	38	237	1,823
Traffic ..	4	11	2,945	2,499	52	12	30	..	..	..	..	5,553
Maintenance ..	9	24	2,545	1,418	33	20	24	..	..	..	..	4,073
Locomotive ..	4	10	4,622	2,948	51*	10	21	..	..	..	..	7,666
Totals ..	18	47	10,738	7,018	139	45	78	379	378	38	237	19,115

* Workshops staff only. Westport locomotive-running staff are included in South Island Main Line and Branches.

STATEMENT NO. 22.

STATEMENT OF ACCIDENTS FOR THE YEAR ENDED 31ST MARCH, 1938.

Section.	Train Accidents.				Accidents on Line (other than Train Accidents).				Shunting Accidents.				Employees proceeding to or from Duty within the Railway Boundary.		Persons killed or injured at Crossings.		Total.
	Passengers.		Employees.		Passengers.		Employees.		Passengers.		Employees.		Other Persons.		Killed.	Injured.	
	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.					
Kaihu	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Gisborne	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
North Island Main Line and Branches	7	57	7	7	6	9	2	5	1	..	..	..	..	..	9	26	25
South Island Main Line and Branches	..	8	1	2	3	6	4	1	3	..	..	1	..	..	5	11	17
Westport	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	113
Nelson	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	4
Pictou	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1
Totals	7	65	1	9	9	15	6	6	1	7	..	3	140	1	..	39	42
																	281

NOTE.—This return includes only casualties in connection with train-working and the movement of rolling-stock.

STATEMENT No. 23.

STATEMENT OF CARRIAGE, RAIL-CAR, BRAKE-VAN, AND WAGON STOCK, AND TARPAULINS, FOR
THE YEAR ENDED 31ST MARCH, 1938.

Description.	Class.	Kaiti.	Gisborne.	North Island Main Line and Branches.	South Island Main Line and Branches.	Westport.	Nelson.	Picton.	Total.
CARRIAGES—									
First class .. .. .	..	..	..	137	108	..	..	3	248
Second class .. .. .	..	3	..	481	349	10	7	4	854
Composite .. .. .	..	1	6	206	120	..	7	5	345
Sleeping .. .. .	..	..	..	13	4	..	..	..	17
Combination day-sleeping .. .. .	..	..	..	7	..	..	..	..	7
Totals .. .. .	..	4	6	844	581	10	14	12	1,471
RAIL-CARS .. .. .	..	..	..	8	2	..	..	..	10
VANS—									
Postal vans .. .. .	..	..	..	7	4	..	..	..	11
Brake vans .. .. .	..	2	4	263	194	7	3	4	477
Totals .. .. .	..	2	4	270	198	7	3	4	488
WAGONS—									
Special-purpose wagons	E	..	..	746	247	..	..	..	993
Horse-boxes	G	..	1	71	73	1	1	4	151
Cattle	H	..	4	391	202	4	4	8	613
Sheep	J	..	40	1,215	1,065	..	11	43	2,374
Covered goods	K	1	2	266	163	5	6	3	446
Sleeping-vans	K	..	..	14	17	1	1	..	33
High sides	L	4	32	3,237	3,630	12	83	137	7,135
High sides	LA	..	..	3,647	3,119	..	..	..	6,766
High sides	LB	..	15	407	554	5	20	37	1,038
Low sides	M	12	29	515	860	24	14	18	1,472
Work-train hopper	M	..	..	..	33	..	..	..	33
Low sides, steel	MA	..	12	130	..	..	..	..	142
Low sides	MB	..	11	9	18	..	..	..	38
Timber	N	40	..	107	142	32	8	..	329
Iron hopper	O	..	..	9	..	..	..	..	9
Iron hopper for ballast	OB	..	..	10	..	..	..	..	10
Platform, coal	P	..	..	196	..	..	..	..	196
Petrol inspector	PW	..	..	..	1	..	..	..	1
Movable hopper	Q	..	..	..	492	723	..	..	1,215
Frozen meat	W	..	..	212	56	..	..	..	268
Frozen meat	WA	..	3	233	35	..	18	..	289
Covered goods	X	..	..	139	18	..	..	..	157
Cool, ventilated	XA	3	..	328	441	1	..	7	780
Cool, ventilated	XB	..	..	85	27	..	..	..	112
Work-train	Y	..	..	79	17	..	..	..	96
Work-train hopper	YB	..	..	268	138	..	..	..	406
Special-purpose wagons, bogie	E	..	..	40	18	..	..	1	59
High sides, bogie	R	2	..	199	81	..	..	..	282
High sides, bogie	RE	..	..	69	26	..	..	..	95
High sides, bogie	RD	..	..	3	..	..	..	..	3
High sides, bogie	RN	..	..	19	..	..	..	..	19
Sheep, bogie	S	..	..	22	37	..	..	..	59
Cattle-bogie	T	..	..	33	21	..	..	..	54
Platform, bogie	U	..	40	201	109	4	4	10	368
Gas storeholder, bogie	UA	..	..	10	4	..	..	..	14
Platform, bogie	UB	..	..	146	258	..	..	..	404
Fuel-oil, bogie	UC	..	..	..	1	..	..	..	1
Horse-boxes, bogie	UG	..	..	54	55	..	..	..	109
Frozen meat, bogie	V	..	..	56	66	..	..	..	122
Chilled beef, bogie	V	..	..	6	..	..	..	..	6
Frozen meat, bogie	VB	..	..	138	85	..	..	..	223
Chilled beef, bogie	VB	..	..	48	..	..	..	..	48
Covered goods, bogie	Z	..	..	70	45	..	..	..	115
Sleeping-van, bogie	Z	..	..	..	1	..	..	..	1
Covered goods, bogie	ZP	..	..	76	75	..	..	..	151
Totals .. .. .	..	62	189	13,504	12,230	812	170	268	27,235
TARPAULINS .. .. .	..	28	113	12,168	11,345	52	145	287	24,138

STATEMENT No. 24.

LOCOMOTIVE STOCK FOR YEAR ENDED 31ST MARCH, 1938.

Class.	Type.	Number superheated.	Number Thermic Syphons.	Kaihu.	Gisborne.	North Island Main Line and Branches.	South Island Main Line and Branches.	Westport.	Nelson.	Pictou.	Total.
A	Tender (4-cyl. balanced compound) ..	55	10	..	..	18	39	..	..	..	57
A	Tender (No. 409, simple) ..	1	..	..	..	..	1	..	..	..	1
AA	Tender	10	..	..	..	10	..	..	..	..	10
AB	Tender	141	2	..	..	87	54	..	..	..	141
B	Tender	8	1	..	..	..	8	..	..	..	8
BA	Tender	10	1	..	..	..	10	..	..	..	10
BB	Tender	30	..	..	..	30	..	..	..	..	30
C	Tender (shunting)	24	..	..	..	12	12	..	..	..	24
EB	Electric (battery, shunting, workshops)	..	..	..	..	2	3	..	..	..	5
EC	Electric .. .. .	..	..	..	..	..	6	..	..	..	6
EO	Electric .. .. .	..	..	..	..	..	5	..	..	..	5
F	Tank .. .. .	..	..	2	..	..	19	..	..	..	21
FA	Tank .. .. .	..	..	..	..	..	1	2	..	..	3
G	Tender	6	..	..	..	..	6	..	..	..	6
H	Tank (Fell) .. .. .	..	..	..	..	6	..	..	..	..	6
K	Tender	30	..	..	..	30	..	..	..	..	30
L	Tank .. .. .	..	..	..	..	1	..	..	..	..	1
Q	Tender	13	1	..	..	..	13	..	..	..	13
U	Tender	9	..	..	..	..	9	..	..	..	9
UB	Tender	7	..	..	..	..	7	..	..	..	7
UC	Tender	7	..	..	..	..	7	..	..	..	7
W	Tank .. .. .	..	..	..	..	..	2	..	..	..	2
WA	Tank .. .. .	..	..	..	..	..	3	..	..	..	8
WAB	Tank	30	..	..	..	20	10	..	..	..	30
WB	Tank .. .. .	..	..	..	..	..	..	4	..	..	4
WE	Tank	2	..	..	..	..	2	..	..	..	2
WF	Tank	15	..	..	..	11	21	..	4	5	41
WG	Tank	8	..	..	2	18	..	..	..	..	20
WW	Tank	50	..	..	..	47	..	3	..	..	50
X	Tender (4-cyl. balanced compound) ..	15	10	..	..	18	..	..	..	..	18
		471	25	2	7	310	238	9	4	5	575

STATEMENT NO. 25.

ALL SECTIONS.

LOCOMOTIVE RUNNING COSTS, YEAR ENDED 31ST MARCH, 1938.

Section.	Number of Locomotives.	Locomotive-mileage.				Quantity of Stores.				Cost.			Section.				
		Train.	Details.			Average Mileage per Locomotive.	Running.		Repairs.	Running.		Total.					
			Shunting, Assisting, Light, and Miscellaneous.	Total.	Coal.		Oil.	Wages, Material, and Overhead.		Stores.	Fuel.			Wages			
N.I.M.L. and branches	316	7,943,598	2,469,709	10,413,307	6,388,880	Quarts. 416,251	£ 327,741	£ 19,583	£ 501,304	£ 385,539	£ 1,234,167	N.I.M.L. and branches.					
S.I.M.L. and branches	227	4,304,711	1,665,242	5,969,953	2,937,545	245,041	197,885	10,608	182,692	227,456	618,641	S.I.M.L. and branches.					
Kaihu ..	2	13,632	2,514	16,146	7,315	480	412	24	614	864	1,914	Kaihu.					
Gisborne ..	7	43,973	9,822	53,805	31,193	2,942	899	124	4,301	2,131	7,455	Gisborne.					
Westport ..	9	69,900	50,000	119,900	56,848	5,128	3,556	296	3,295	5,678	12,825	Westport.					
Nelson ..	7	39,826	10,651	50,477	19,754	1,873	2,133	82	1,953	1,818	5,986	Nelson.					
Pictou ..	6	43,974	25,071	69,045	22,990	2,782	5,352	118	2,958	2,947	11,375	Pictou.					
Total steam	574	12,459,614	4,233,019	16,692,633	9,464,525	674,497	537,978	30,835	697,117	626,433	1,892,363						
Electric locos., E 2-6	5	49,264	61,851	111,115	Units. 1,978,390	3,744	9,112	166	16,484	2,261	28,023	Electric locos., E 2-6.					
Electric locos., E 7-12	6	117,630	24,791	142,421	2,341,620 Gallons.	2,322	9,511	133	4,877	3,042	17,563	Electric locos., E 7-12.					
Petrol rail-cars ..	7	210,245	11,100	221,345	36,417	3,196	3,433	313	2,360	2,963	9,069	Petrol rail-cars.					
Diesel rail-cars ..	3	141,676	2,871	144,547	8,785 (wt.	1,641	3,283	100	282	1,639	5,304	Diesel rail-cars.					
Steam rail-car ..	1	824	36	860	135	57	15	3	9	22	49	Steam rail-car.					
Grand total	596	12,979,253	4,333,668	17,312,921	29,049	685,457	563,332	31,550	721,129	636,360	1,952,371						
Section.		Cost per Locomotive-mile.					Cost per Locomotive-mile.					Total Cost.	Days in Steam.	Average Number of Locomotive.	Section.		
		Repairs.	Running.	Water.	Depreciation.	General Charges.	Conversions and Alterations.	Water.	Depreciation.	General Charges.	Total Cost per Loco-						
N.I.M.L. and branches	..	d. 7.55	d. 0.45	d. 11.55	d. 8.89	d. 28.44	£ 72.962	£ 18,866	£ 131,283	d. 1.68	d. 0.43	d. 0.42	d. 3.03	d. 34.00	80,436	255	N.I.M.L. and branches.
S.I.M.L. and branches	..	d. 7.96	d. 0.43	d. 7.34	d. 9.14	d. 24.87	d. 38,731	d. 6,412	d. 8,580	d. 1.56	d. 0.26	d. 0.34	d. 3.05	d. 30.08	51,517	227	S.I.M.L. and branches.
Kaihu	d. 6.12	d. 0.36	d. 9.13	d. 12.84	d. 28.45	d. 34	d. 19	d. 124	d. 0.51	d. 0.28	..	d. 1.84	d. 31.08	307	153	Kaihu.
Gisborne	d. 4.01	d. 0.55	d. 19.18	d. 9.51	d. 33.25	d. 356	d. 64	..	d. 1.59	d. 0.29	..	d. 2.69	d. 37.82	540	77	Gisborne.
Westport	d. 7.12	d. 0.59	d. 6.60	d. 11.37	d. 25.68	d. 531	d. 137	..	d. 1.664	d. 1.06	..	d. 3.33	d. 30.34	1,749	194	Westport.
Nelson	d. 10.14	d. 0.39	d. 9.29	d. 8.64	d. 28.46	d. 435	d. 48	..	d. 369	d. 2.07	..	d. 1.75	d. 32.51	518	74	Nelson.
Pictou	d. 18.61	d. 0.41	d. 10.28	d. 10.24	d. 39.54	d. 639	d. 71	..	d. 814	d. 2.22	..	d. 2.83	d. 44.84	835	139	Pictou.
Total steam	..	d. 7.73	d. 0.44	d. 10.02	d. 9.02	d. 27.21	d. 113.688	d. 25,617	d. 26,632	d. 1.63	d. 0.37	d. 0.38	d. 3.03	d. 32.62	135,902	237	
Electric locos., E 2-6	..	d. 19.68	d. 0.36	d. 35.60	d. 4.88	d. 60.52	d. 2,288	d. 4.95	d. 1.95	d. 67.42	1,362	272	Electric locos., E 2-6.
Electric locos., E 7-12	..	d. 16.02	d. 0.23	d. 8.22	d. 5.12	d. 29.59	d. 1,845	d. 3.12	d. 0.88	d. 33.59	1,324	265	Electric locos., E 7-12.
Petrol rail-cars	d. 3.72	d. 0.34	d. 2.56	d. 3.21	d. 9.83	d. 4,659	d. 5.05	d. 14.88	1,758	251	Petrol rail-cars.
Diesel rail-cars	d. 5.45	d. 0.17	d. 0.47	d. 2.72	d. 8.81	d. 1,084	d. 1.80	d. 10.61	610	203	Diesel rail-cars.
Steam rail-car	d. 4.19	d. 0.84	d. 2.50	d. 6.14	d. 13.67	d. 455	d. 126.98	d. 140.65	14	14	Steam rail-car.

STATEMENT NO. 25—continued.
PERFORMANCES OF LOCOMOTIVES FOR THE YEAR ENDED 31st MARCH, 1938.

Type.	Number of Locomotives.	Locomotive-mileage.			Quantity of Stores.			Cost.			Cost per Locomotive-mile.				Days in Steam.	Average Number of Days in Steam per Locomotive.	Type.			
		Train.	Details.		Average Mileage per Locomotive.	Repairs.			Running.			Repairs.								
			Shunting, Assisting, Light, and Miscellaneous.	Total.		Running.	Coal.	Oil.	Wages, Material, and Overhead.	Stores.	Fuel.	Wages.	Total.	Stores.				Fuel.	Wages.	Total.
A	18	466,274	104,404	570,678	31,704	Cwt.	Quarts	£	£	£	£	£	d.	d.	d.	d.	A.			
AA	10	304,230	75,428	379,658	37,966	312,475	27,591	23,732	1,198	26,497	19,923	71,350	9-98	8-38	30-00	4,518	AA.			
AB	87	3,597,091	550,038	4,147,129	47,668	257,914	16,098	14,325	740	14,278	13,957	43,300	9-06	8-82	27-37	2,738	AB.			
BB	30	301,674	403,331	705,005	23,500	2,268,695	143,932	84,212	7,003	173,780	124,712	389,707	4-87	7-22	25-00	25,004	BB.			
C	12	2,737	222,198	224,935	18,745	475,376	33,922	25,988	1,567	31,107	39,319	97,981	8-85	13-38	33-35	7,774	C.			
G	3	..	..	..	..	190,357	7,592	8,553	380	15,204	15,711	39,848	9-13	16-22	42-52	3,022	G.
H	6	12,168	23,875	36,043	6,007	44,475	5,221	9,396	236	5,116	4,233	18,981	62-57	28-18	126-39	1,204	H.			
K	30	1,432,989	93,073	1,526,062	50,869	1,123,302	52,515	50,250	2,504	101,392	43,330	197,476	7-90	6-81	31-06	8,420	K.			
L	2	9,382	5,706	15,088	7,544	3,943	170	172	14	460	595	1,241	2-74	9-46	19-74	336	L.			
WAB	20	559,155	144,541	703,696	35,185	459,999	27,549	26,851	1,285	30,516	25,038	83,690	9-16	8-54	28-54	5,492	WAB.			
WD	3	..	7,389	7,389	2,463	2,914	99	6	8	282	396	692	0-20	12-86	22-48	200	WD.			
WF	12	21,823	117,217	139,040	11,587	81,561	6,087	6,316	309	6,546	8,750	21,921	10-90	15-10	37-84	1,866	WF.			
WG	18	67,287	258,036	325,323	18,074	206,150	14,250	14,188	667	14,303	20,467	43,627	6-04	15-10	32-18	4,199	WG.			
WW	47	719,564	402,409	1,121,973	23,872	597,398	45,583	39,880	2,171	51,130	49,585	142,766	8-53	10-94	30-54	11,945	WW.			
X	18	449,224	62,064	511,288	28,405	364,321	35,642	27,979	1,501	30,691	19,523	79,694	13-14	9-16	37-41	3,818	X.			
Total steam	316	7,943,598	2,469,709	10,413,307	32,954	6,388,880	416,251	327,741	19,583	501,304	385,539	1,234,167	7-55	8-89	28-44	80,536	Total steam.			

STATEMENT NO. 25—continued.
PERFORMANCES OF LOCOMOTIVES FOR THE YEAR ENDED 31ST MARCH, 1938—continued.

Type.	Locomotive-mileage.				Quantity of Stores.				Cost.				Cost per Locomotive-mile.				Average Number of Days in Steam.	Type.		
	Details.			Total.	Running.		Repairs.		Running.		Repairs.		Running.		Total.					
	Train.	Shunting, Assisting, Light, and Miscellaneous.	Total.		Coal.	Oil.	Wages, Material, and Overhead.	Stores.	Fuel.	Wages.	Stores.	Fuel.	Wages.							
Number of Locomotives.					Cwt.	Quarts.	£	£	£	£	£	d.	d.	d.	d.					
A	40	899,750	154,432	1,054,182	26,355	513,063	48,676	36,911	2,043	31,336	34,980	105,270	8.41	0.47	7.13	7.96	23.97	214	A.	
AB	54	2,121,305	370,085	2,491,390	46,137	1,204,188	94,712	74,273	4,064	76,415	72,366	227,118	7.16	0.39	7.36	6.97	21.88	274	AB.	
B	8	96,836	53,707	150,543	18,818	75,722	6,206	6,186	285	4,813	7,014	18,298	9.87	0.45	7.67	11.18	29.17	223	B.	
BA	10	85,196	129,591	214,787	21,479	124,925	10,140	7,379	431	7,496	12,155	27,461	8.25	0.48	8.38	13.57	30.68	246	BA.	
C	12	45,145	208,070	253,215	21,101	115,101	9,060	15,452	408	7,885	17,379	41,115	14.65	0.39	7.47	16.46	38.97	255	C.	
F	20	2,709	236,354	239,063	11,953	80,433	8,134	4,043	411	4,982	16,646	26,082	4.06	0.41	5.00	16.71	26.18	4,032	202	F.
FA	2	100	13,984	14,084	7,042	4,578	442	165	22	288	1,021	1,496	2.81	0.37	4.91	17.40	25.49	314	157	FA.
G	6	15,954	3,590	19,544	3,257	10,763	888	279	37	804	720	1,840	3.44	0.45	9.87	8.84	22.60	173	29	G.
Q	13	199,558	56,641	256,199	19,708	144,589	13,300	11,469	533	8,751	10,250	31,003	10.74	0.50	8.20	9.60	29.04	2,766	213	Q.
U	9	139,684	27,007	166,691	18,521	89,719	6,045	7,326	278	4,909	5,839	18,352	10.55	0.40	7.07	8.40	26.42	1,695	188	U.
UA	1							545				545								UA.
UB	7	76,492	46,182	122,674	17,525	58,776	4,900	4,147	219	3,735	5,738	13,839	8.10	0.43	7.31	11.23	27.07	1,481	212	UB.
UC	7	133,710	25,337	159,047	22,721	76,008	5,083	8,004	244	4,782	5,382	18,412	12.07	0.37	7.22	8.12	27.78	1,531	219	UC.
W	2	14,146	16,797	30,943	15,472	14,362	1,158	1,573	57	902	1,099	4,231	12.20	0.44	7.00	13.18	32.82	407	204	W.
WA	3	19,238	32,115	51,353	17,118	23,015	1,789	1,646	91	1,447	2,878	6,062	7.69	0.43	6.76	13.45	28.33	673	224	WA.
WAB	10	353,682	47,360	401,042	40,104	201,784	18,136	10,222	749	12,572	12,379	35,922	6.12	0.45	7.52	7.41	21.50	2,867	287	WAB.
WE	2	21,539	9,115	30,654	15,327	19,864	1,417	1,134	58	1,241	1,706	4,139	8.88	0.45	9.72	13.36	32.41	464	232	WE.
WF	21	79,667	234,875	314,542	14,978	180,655	14,955	7,131	678	10,334	19,313	37,456	5.44	0.52	7.88	14.74	28.58	4,328	206	WF.
Total steam	227	4,304,711	1,665,242	5,969,953	26,299	2,937,545	245,041	197,885	10,608	182,692	227,456	618,641	7.96	0.43	7.34	9.14	24.87	51,417	227	Total steam.

STATEMENT NO. 25—continued.
PERFORMANCES OF LOCOMOTIVES FOR THE YEAR ENDED 31ST MARCH, 1938—continued.

SMALL SECTIONS

Type.	Number of Locomotives.	Locomotive-mileage.			Quantity of Stores.			Cost.			Cost per Locomotive-mile.				Days in Steam.	Average Number of Days in Steam per Locomotive.	Type.			
		Details.		Average Mileage per Locomotive.	Repairs.		Running.		Repairs.		Running.		Total.							
		Train.	Shunting, Assisting, Light, and Miscellaneous.		Coal.	Oil.	Wages, Material, and Overhead.	Stores.	Fuel.	Wages.	Stores.	Fuel.		Wages.						
																		Total.		
KAIHU SECTION.																				
F ..	2	13,632	2,514	16,146	8,073	Cwt. 7,315	Quarts. 480	£ 412	£ 24	£ 614	£ 864	£ 1,914	d. 6-12	d. 0-36	d. 9-13	d. 12-84	d. 28-45	307	153	F.
GISBORNE SECTION.																				
WA ..	5	13,494	2,933	16,427	3,285	7,512	852	484	36	1,031	607	2,158	7-09	0-53	15-02	8-89	31-53	179	36	WA.
WG ..	2	30,479	6,899	37,378	18,689	23,681	2,090	415	88	3,270	1,524	5,297	2-66	0-57	21-00	9-78	34-01	361	180	WG.
Total ..	7	43,973	9,832	53,805	7,687	31,193	2,942	899	124	4,301	2,131	7,455	4-01	0-55	19-18	9-51	33-25	540	77	Total.
WESTPORT SECTION.																				
FA ..	2	113	15,554	15,667	7,833	6,417	787	216	43	372	1,158	1,789	3-31	0-66	5-70	17-74	27-41	344	172	FA.
WB ..	4	23,596	25,075	48,671	12,168	23,628	2,098	1,788	123	1,370	2,505	5,786	8-82	0-61	6-76	12-34	28-53	717	179	WB.
WW ..	3	46,191	9,371	55,562	18,521	26,803	2,243	1,552	130	1,553	2,015	5,250	6-70	0-56	6-71	8-71	22-68	688	229	WW.
Total ..	9	69,900	50,000	119,900	13,322	56,848	5,128	3,556	296	3,295	5,678	12,825	7-12	0-59	6-60	11-37	25-68	1,749	194	Total.
NELSON SECTION.																				
FA ..	3	1,198	633	1,831	610	624	94	24	5	64	86	179	3-15	0-65	8-39	11-27	23-46	31	10	FA.
WF ..	4	38,628	10,018	48,646	12,161	19,130	1,779	2,109	77	1,889	1,732	5,807	10-40	0-38	9-32	8-54	28-64	487	122	WF.
Total ..	7	39,826	10,651	50,477	7,211	19,754	1,873	2,133	82	1,953	1,818	5,986	10-14	0-39	9-29	8-64	28-46	518	74	Total.
PICTON SECTION.																				
FA ..	1	..	1,974	1,974	1,974	692	92	15	4	90	143	252	1-82	0-49	10-94	17-39	30-64	60	60	FA.
WF ..	5	43,974	23,097	67,071	13,414	22,298	2,690	5,337	114	2,868	2,804	11,123	19-10	0-41	10-26	10-03	39-80	775	155	WF.
Total ..	6	43,974	25,071	69,045	11,507	22,990	2,782	5,352	118	2,958	2,947	11,375	18-61	0-41	10-28	10-24	39-54	835	139	Total.

Approximate Cost of Paper.—Preparation not given; printing (1,630 copies, including graph), £185.

Price 2s.]

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NEW ZEALAND GOVERNMENT RAILWAYS.

