Description.	1940.	1939.	Variation.		
Journeys.		Number.	Number.	Number.	Per Cent.
Standard fare		3,627,763	3,429,365	+198,398	5.79
Suburban		1,828,697	1,758,576	+70,121	$3 \cdot 99$
Day and special excursion and other		2,826,607	2,625,495	+201,112	$7 \cdot 66$
duced fares Total		8,283,067	7,813,436	+469,631	6.01
Revenue.	-	£	£	£	Per Cent.
Standard fare		1,464,612	1,229,908	+234,704	19.08
Suburban		68,981	61,540	+ 7,441	12.09
Day and special excursion and other duced fares	re-	311,196	247,433	+ 63,763	25.77
Total	• •	1,844,789	1,538,881	+305,908	19.88

Compared with the year 1938-39, the variations in passenger traffic, other than season tickets, were as follow :—

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

·			First C	lass.	Second ()lass.	Total.	
Journeys	••	••	Number. —32,130	Per Cent. 8.68	Number. +501,761	Per Cent. 6·74	Number. +469,631	Per Cent. $6 \cdot 01$
Revenue	••	••	£ + 30,723	10.98	£ +-275,185	21.86	£ +305,908	19•88

In comparison with the preceding year the revenue derived from passenger traffic during 1939-40 increased by £333,689, while passenger journeys during the same period rose by 1,188,246 to 24,454,014. This pleasing result can be ascribed as being due, in a large measure, to a series of unusual circumstances which had favourable repercussions on passenger traffic generally during the course of the year. Of major benefit to passenger revenue was the 10-per-cent. increase in fares which was operative throughout the whole of the financial year, compared with only four periods of the previous year. The fact that two Easter holiday periods fell in the present year and that considerable additional revenue was produced as a result of the holding of the Centennial Exhibition at Wellington were two further factors which materially assisted in augmenting passenger revenue in 1939-40. The influence of conditions arising from the outbreak of war, such as the restrictions placed on the use of petrol by road-users, and defence activities, including the mobilization of the fighting Forces, week-end leave from camps, and final leave of units going overseas, was not without its beneficial influence on passenger revenue also during the last seven months of the year. On the other hand it is generally recognized that the international situation deterred many people from journeying to Wellington to view the Centennial Exhibition, and much potential revenue was lost to the rail as a result.

An analysis of standard-fare traffic shows that the average distance travelled per passenger in 1939-40 was 77.27 miles, compared with 73.36 miles last year, an increase of 3.91 miles, or 5.33 per cent. The actual journeys travelled for the year increased by 5.79 per cent., while the revenue increased by 19.08 per cent.

The increase of 70,121 journeys in ordinary suburban issues is almost wholly due to the additional business arising from the operation of multiple-unit electric services on the Wellington-Johnsonville line for a full twelve months, whereas the figures for the previous year included the returns from this service for nine months only, the service having been inaugurated on 4th July, 1938. Day and special excursion and other reduced fares showed an increase of 7.66 per cent. in number

Day and special excursion and other reduced fares showed an increase of 7.66 per cent. in number and 25.77 per cent. in revenue. Revenue from these classes of traffic was £311,196, or £63,763 higher than last year. Local events throughout the country associated with the Dominion Centennial Celebrations, together with special excursion traffic to and from Wellington in connection with the Centennial Exhibition, had a favourable influence on excursion issues generally and substantially account for the increases recorded above. A distinct fillip to excursion traffic was also occasioned by the holding of the National Eucharistic Congress in February last, large numbers of visitors from outside centres travelling to Wellington for that important event.

The revenue from season tickets (all issues) was $\pounds 274,546$, and exceeded that of the previous year by $\pounds 27,781$. Passenger journeys increased by 718,615. The whole of this substantial increase was obtained in suburban season ticket issues, which increased by $\pounds 27,867$ to $\pounds 195,582$ in revenue and by 743,242 to 13,206,492 in passenger journeys compared with last year. These figures may be taken as indicative of the continued popularity of the new issues of six-trip bearer and suburban twelve-trip tickets first introduced in suburban areas in May, 1937. Both issues and revenue from all lines and sectional annual season tickets show a small decline, war conditions having adversely affected issues in these classes.