

1940.  
NEW ZEALAND.

---

# RAILWAYS STATEMENT

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

---

MR. SPEAKER,—

In submitting the fifth of the Railways Statements it has been my pleasure and privilege to present, I am fortunate in being able to report that New Zealand's Centennial year has also proved to be a year of notable achievement in the railway history of this country.

The financial year which commenced on the 1st April, 1939, promised to be one of rejoicing, with patriotic displays and demonstrations of achievement and progress in the arts of peace throughout the country. Accompanying this, considerable augmentation of inward overseas tourist traffic was expected, as well as a great additional volume of trade and travel within New Zealand because of the many Centennial functions planned for every district of the Dominion.

But the outbreak of war in September called for an immediate recasting of plans in every part of the Empire. It saw an almost complete cessation of New Zealand's overseas tourist traffic and demanded a first call on national resources for the most effective prosecution of the war. Faith was kept with those engaged in Centennial undertakings and all commitments were met, but no activity of the Railways Department in this or any other direction was permitted to interfere with the special transport needs created by the war situation.

In this respect it was particularly fortunate that, in addition to the Government's long-range programme of railway rolling-stock improvement, substantial additions to the numbers, power, and carrying-capacity of locomotives, cars, and wagons had been planned and provided to meet the anticipated requirements of Centennial year. Without these special additions to the normal developmental programme the Department would not have been so well placed at the outset to assist the war effort (transport of troops, &c.).

## RECORD REVENUE.

The gross revenue, £10,199,070, is the highest amount ever earned in one year by the railways. It is pleasing to observe that whereas in 1935 the gross earnings amounted to £6·6 millions, the figures, in millions, for the succeeding years have been £7·0, £7·8, £8·6, £9·3, and £10·2. An increase in railway earnings from £6·6 millions to £10·2 millions in five years would be notable under any conditions; certainly there is nothing proportionately comparable with it in any previous quinquennial period since the railways were unified under one control, seventy years ago. I must say here that this phenomenal rate of increase cannot be expected to continue, as there will be a number of factors which will operate to curtail railway traffic; the chief of these will be the decrease from the peak created by the special traffic associated with Centennial year, while the war must cause a dislocation of normal trade.

1—D. 2.

Both revenue and expenditure were also adversely affected during the final six weeks as a result of the heavy floods experienced in February. Despite these setbacks, the financial result of railway operations for the year was distinctly satisfactory in that the net revenue reached to within £11,000 of the Budget estimate of £1,200,000.

Something approaching a maximum use of the Department's facilities helped to make possible the 69½-per-cent. increase in net revenue from £701,063 in the financial year 1938-39 to £1,189,031 in 1939-40. There was some assistance, also, from the 10-per-cent. increase in railway charges, an increase which, in 1938-39, operated only during the last four months; but this benefit was largely counteracted by the increased cost of stores and some readjustment in wages. The result is a vindication of the Government's general transportation policy, which, recognizing the railways as the most vital of the country's means of internal transport, has made them more serviceable to the public, protected them against uneconomic competition, and improved the standing and usefulness of related auxiliary services.

#### PASSENGER TRAFFIC.

The passenger revenue for the year amounted to £2,119,335, an increase of £333,689 over that for the previous year. Factors assisting this substantial increase were the heavy traffic in connection with the Centennial celebrations and the Centennial Exhibition at Wellington, the transport of soldiers, the restrictions on the use of petrol, and the fact that there were two Easter holiday periods during the financial year.

Making full allowance for the special features of Centennial year, it is still clear that there has been a general upward movement of passenger traffic for several years past, particularly during the last five, indicating the increasing popularity of rail travel.

#### GOODS TRAFFIC.

Goods revenue amounted to £6,312,278, an increase of £427,035 over that for 1938-39. In 1933 the goods revenue amounted to £3,847,957. The goods revenue for the year just ended is therefore £2,464,321 (or 64 per cent.) in excess of 1933. These figures indicate the very heavy increase in business handled by the railways following the emergence of the Dominion from the depression period.

The increase in the General Scale of Charges operated for the full financial year 1939-40 and for the latter portion (sixteen weeks) of the year 1938-39. This had an important bearing on the increased revenue from goods traffic in 1940 as compared with 1939; nevertheless the volume of business has been very well maintained, despite a heavy decrease of 433,512 in the number of sheep carried.

#### RAILWAYS IMPROVEMENT PROGRAMME.

I am pleased to be able to state that the improvement programme of the Working Railways, undertaken when the present Government came into office, is now approaching completion. The depression years prior to 1935 and the railways policy then operating interfered with the general progressive development of the railways, and this leeway had to be made up before the system could be brought to the stage where it could give that modern quality of service which changing times demanded. While the war is with us, the task remaining, and it is no small one, is to conserve the Department's resources and use its services to the utmost extent, and at the same time to maintain existing standards as far as the inevitable restrictions of this difficult period permit. I feel sure that in these efforts I can count upon the co-operation of staff and public alike.

#### ROLLING-STOCK POSITION.

The rolling-stock position continued to show a marked improvement during the year. Seven electric locomotives, 56 steam locomotives (including 40 imported from Britain), 56 carriages, 1 rail car, and 1,779 wagons were placed in commission. Apart from the imported locomotives, the above figures represent the largest output of rolling-stock from the Dominion's railway workshops since their reorganization was completed in 1929.

Notwithstanding these substantial additions to the Department's rolling-stock, there were periods during the year when traffic conditions were such that acute shortages in both locomotive power and wagon stock were felt.

To meet traffic requirements and to provide for the retirement of obsolete stock, 2 electric and 45 main-line steam-locomotives are under construction, or on order, in the Department's workshops. Of this number, the 2 electric and at least 15 of the steam locomotives will be completed and placed in service during the current year. The completion of the balance of this programme is contingent on the importation of raw materials from overseas. In pursuance of a long-range policy, I have under consideration the development of a secondary type of locomotive suitable for replacing certain obsolete engines now in service, and in all probability the commencement of construction of these engines will coincide with the completion of the present orders.

In addition to the locomotive-building programme, 56 passenger-carriages (including 6 sleeping and 4 combination day-sleeping cars), 91 brake-vans, and 2,555 wagons of various types are under construction or on order in the Department's workshops, and I anticipate that about 40 per cent. of these will be completed during the current year, the rate of expenditure having to be reduced on account of existing war conditions.

During the years 1936 to 1940 a total of 1,799 wagons were retired owing to obsolescence, but 4,445 new wagons were placed in service. This performance is even better than the figures indicate as, particularly in the case of general-merchandise wagons, the new units have a greater carrying-capacity, individually, than the stock retired.

As stated in my report for 1939, the introduction of multiple-unit electric trains on the Wellington-Johnsonville line has given a pronounced impetus to suburban settlement in the area served, and the volume of traffic handled during the past year, particularly during the peak hours, has clearly indicated that the existing services must be augmented at the earliest possible moment.

### WORKSHOPS.

Besides producing during 1939-40 the largest output of new railway rolling-stock ever achieved in one financial year and carrying on its regular maintenance work upon engines, cars, and wagons, the railway workshops in the past twelve months have done much work for the Defence Department and other Government Departments. In these circumstances it is not surprising that the record number of 7,209 workshops employees was reached in September last.

The manufacture of small engineering tools, formerly imported, is now undertaken in the workshops, the facilities of which are being used in many other ways to help in making the country increasingly self-supporting.

The functions of the various workshops staff committees have been extended during the year for the purpose of securing greater co-operation in the work of production.

The range of work undertaken may be judged from the fact that while some unusually large bridge-girder work was carried out, including spans for the Rangitikei, Rakaiia, Buller, and Clarence River bridges, the shops also prepared the Railway Radio Broadcasting Station, 5ZB, and made all rolling-stock models (excepting locomotives) used on the miniature railway at the New Zealand Centennial Exhibition.

### SIGNAL, COMMUNICATION, AND ELECTRICAL POWER DEVELOPMENTS.

Further extensions have been made in the use of modern signalling appliances, which have helped to expedite traffic and to maintain the safety factor of the railways system.

The first major section of a centralized traffic-control system has been installed between Wellington and Paekakariki, and its use has proved conclusively that the extension of the system will result in more efficient and economical working of traffic, thus confirming the results obtained in other countries.

The use of teletype and carrier systems of telephony is extending the use of modern communication, having proved to be an important factor in carrying on the business of the Department.

The use of electric power for lighting and services is being extended as opportunity permits, for it is generally recognized that this is of benefit to passengers, gives increased transport output, and also provides better facilities for the staff, resulting in economy in operation.

The Johnsonville electrification has shown how popular multiple-unit electric traction is with the travelling public, and extension of this system of traction on suburban areas must be given careful consideration in the future.

It may here be pointed out that, with electrification, power is drawn entirely from the hydro-electric supply, with a consequent conservation of coal and oil for other purposes.

#### STANDARD OF SERVICE.

One of the most important features of railway administration—that associated with the standard of service rendered—has been given special attention in all its aspects. The conditions of employment have been improved, and members of the Department have been encouraged to take a keen interest in their work by such means as correspondence and special tuition classes in the various phases of railway working, by improved facilities for recreation in railway centres, and by the widespread dissemination of railway information upon staff matters, as well as by the institution of Staff Tribunals to investigate matters affecting the welfare of members.

#### CO-ORDINATION OF ROAD AND RAIL SERVICES.

The co-ordination of road and rail services for the transport of passengers, commenced in a small way fourteen years ago, and greatly accelerated during my term of office, is reaching a point of stability, with the almost complete cessation of competitive running on parallel routes between principal centres, and a consequent over-all reduction in the cost of transport operation along the routes affected. The Department has recently purchased the Rotorua Motor Transport Co.'s plant, and has taken over its Rotorua—Opotiki and Rotorua—Wairakei routes, as well as the local sight-seeing services previously operated by that company. This purchase completes the Department's passenger connections with railheads serving the important Rotorua tourist area in which the Government is directly interested, and eliminates some wasteful local competition.

The goods traffic operations of the Department have been further extended during the year by the purchase of services operating on the following long-distance routes: between Auckland and Morrinsville; Wellington and Martinborough; Christchurch and Nelson; Christchurch and Kaikoura; Christchurch and Timaru; Timaru, Waimate, and Oamaru; and Dunedin—Oamaru—Kurow and Hakataramea. The effect has been to facilitate better co-ordination and interlocking of goods-services as between road and rail in those areas.

#### GENERAL IMPROVEMENTS.

Improvement-works upon the railways have been prosecuted vigorously on a carefully arranged plan designed to keep each progressive development in any phase in step with the forward movement required under the Government's policy for modernizing the whole system. The sequence of requirements following the initial proposal to introduce heavier locomotives—*e.g.*, stronger bridges, heavier rails, longer sidings, larger turn-tables, quicker and more ample coal and watering facilities—has its counterpart in the range and variety of improvements called for when more, larger, and better passenger-cars and goods-vehicles are provided. Thus the year has seen expenditure approved upon a wide range of works coming under these categories.

#### TRACK IMPROVEMENTS AND ADDITIONS.

The railway policy of track improvements and additions has been vigorously continued during the past year under considerable difficulties. Exceptionally severe weather conditions caused flooding, washouts, and erosions in every district to a quite unusual degree, particularly during July and August of last year and in February of this year. Another handicap was the necessity for carrying on repair and improvement works and at the same time facilitating the running of the many additional trains required to handle Centennial traffic.

Special work had to be undertaken to overcome the effect of slips and flooding in the Manawatu Gorge, on the Stratford-Okahukura line, on the Napier-Wairoa line, the Foxton and Wairarapa lines, and at various points on the Main Trunk Railway in the North Island. In the South Island, flood conditions caused damage on the Picton and Nelson Sections, and on the Canterbury, Westland, Dunedin, and Invercargill portions of the South Island Main Trunk line. Several snowstorms in the South during July were particularly severe and caused considerable interference with traffic.

A total of  $54\frac{1}{2}$  miles was relaid in new rails and 344,242 new sleepers were used in connection with track maintenance.

Several new bridges were completed, including those at Waipawa in the North Island and at Rakaia and South Rangitata in the South Island. Bridges nearing completion are those over the Rangitikei (North Island) and at Waiau and Wairau (South Island).

During the current financial year work is being undertaken on the Opawa Bridge (north of Blenheim), the Waitaki Bridge, and Clutha Bridge (Dunedin district).

The year has seen further progress in the elimination of level crossings by overbridges, by subways, and by deviations.

#### NORTH OF AUCKLAND.

An important development north of Auckland, affecting the whole of the North Island railway system, was the linking-up of the rails to connect the Dargaville (Kaihu) Section with the North Island system. Thus I was able to arrange, from the 13th May, 1940, for bulk goods traffic (carried in four-wheeled goods-wagons), such as coal, fertilizers, live-stock, and timber, to be accepted for transport between stations on the Dargaville Section and the rest of the North Island Main Line and Branches.

The line between Tangowahine and Dargaville, a distance of 10 miles, had been well advanced prior to, but was suspended during the depression, and its completion, which will bring the whole of the area centering on Dargaville into the main stream of Dominion railway traffic, is an important development in the national transport field. I anticipate further accretions of passenger traffic by railway, between the rest of New Zealand and the interesting portion of the northern peninsula radiating from Dargaville, when the new line has been completed, and all classes of traffic, including passengers, can be carried by rail over the connecting link between Tangowahine and the Dargaville branch.

Good progress had been made in main-line grade easements and deviation between Newmarket and Waitakere, and this will further facilitate the working of traffic north of Auckland.

#### NORTH ISLAND MAIN TRUNK LINE.

Duplication work between Tawa Flat and Porirua, between Plimmerton and Paekakariki, and between Levin and Koputaroa has been in progress, and now the whole of the distance between Plimmerton and Paekakariki has been duplicated, with the exception of the tunnel section of  $1\frac{3}{4}$  miles.

The scheme of duplication and grade easement also provided for the rearrangement of the Plimmerton and Pukerua Bay and Paekakariki Station yards and for the erection of modern station buildings at Plimmerton and Pukerua Bay to provide up-to-date facilities for the anticipated increase in passenger traffic consequent on the development of the locality in connection with the inauguration of electric traction between Wellington and Paekakariki. The new station at Plimmerton was completed during the year and the old station was dismantled. The platform fronts at Pukerua Bay were completed, and the erection of the new station is in progress.

Three miles of the deviation at Palmerston North have been completed.

Steady progress has also been recorded on the Papakura-Horotiu deviation.

## SOUTH ISLAND IMPROVEMENTS.

Good progress has been made on the Picton Section in preparation for the completion of the Christchurch-Picton Main Trunk Railway.

At Christchurch the preliminary work in connection with the provision of the new station has progressed substantially. Repairs and additions have been made to the Oamaru foreshore works and substantial progress has been made in the grade easements at Bushey and Clarendon, and on the duplication works in the vicinity of Dunedin.

## GENERAL.

A further 80 new dwellings were completed during the year, and 167 additional railway houses were provided with hot-water services.

There have been many improvements to station buildings, particularly at Wellington Station, where a new wing was added and increased accommodation provided for refreshment purposes.

The new building for the Stores Shipper at Wellington is now practically completed.

Preliminary work was undertaken for the building of a new outward-goods shed and an extension of the inward-goods shed at Auckland, and for the reorganization of the station-yards at Otahuhu and Westfield.

## NEW LINES OPENED.

The Parnassus-Hundalee section (12 miles) on the South Island Main Trunk Railway was taken over by the Railways Department on 27th November, 1939, for goods traffic, and on the 11th December, 1939, it was opened for passenger traffic. Work on the remainder of the connecting section to Wharanui is proceeding satisfactorily.

The Napier-Wairoa-Waikokopu (97 miles) portion of the East Coast railway, opened on 1st July, 1939, has been doing satisfactory business.

## EXECUTIVE PERSONNEL.

Since my last Statement a number of executive and administrative officers have retired on superannuation, including Mr. G. H. Mackley, C.M.G., General Manager, and Mr. H. Valentine, Second Assistant General Manager.

Other executive officers who retired from the Service during the year were: Mr. G. T. Wilson, Transportation Superintendent; Mr. A. Urquhart, Staff Superintendent and General Inspector; Mr. A. S. Wansbrough, Designing Engineer; and the following District Traffic Managers: Mr. A. Clark (Dunedin), Mr. W. Rodgers (Christchurch), and Mr. W. M. Cole (Wanganui).

I wish to place on record my appreciation of the excellent service rendered to the country by these officers through a lengthy and vital period of the Dominion's transport development.

As from the 1st February, 1940, Mr. E. Casey (Assistant General Manager) was appointed General Manager, and Mr. J. Sawers (District Traffic Manager, Auckland) was appointed Assistant General Manager.

## CONCLUSION.

I wish, in conclusion, to express my warm appreciation of the efficiency with which the management and staff of the Department have performed their duties during the past exceptionally busy and trying year, and my thanks to the public for the support they have given the Department's services.

Large numbers of railwaymen have already answered the call to arms, and more enlistments during the current year will still further deplete the staff of trained men. This adds to the burdens of those remaining in the Department, but I know that the staff are in good heart and the organization in good condition to face whatever demands may be made upon them by the stark realities of the present war.

There has been splendid co-operation throughout the Department with every branch of the country's fighting Forces, and this has been, and will continue to be, of vital importance in New Zealand's war effort.

## RESULTS OF WORKING.

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

PARTICULARS.	Year ended 31st March,				
	1940.	1939.	1938.	1937.	1936.
Total miles open for traffic .. ..	3,390	3,319	3,323	3,320	3,320
Average miles open for year .. ..	3,371	3,319	3,322	3,320	3,320
Capital cost of opened and unopened lines	£71,087,455	£67,075,908	£63,189,260	£60,659,783	£59,611,834
Capital cost of open lines .. ..	£63,059,188	£58,676,608	£56,065,187	£54,696,437	£54,253,059
Capital cost per mile of open lines ..	£18,602	£17,679	£16,872	£16,475	£16,341
Gross earnings .. .. .	£10,199,070	£9,345,387	£8,634,186	£7,790,651	£7,004,316
Working-expenses .. .. .	£9,010,039	£8,644,324	£8,001,389	£6,886,793	£5,952,839
<b>NET EARNINGS .. .. .</b>	<b>£1,189,031</b>	<b>£701,063</b>	<b>£632,797</b>	<b>£903,858</b>	<b>£1,051,477</b>
Interest charges .. .. .	£2,575,196	£2,418,116	£2,335,808	£2,309,754	£2,300,051
<b>PERCENTAGE OF TOTAL WORKING-EXPENSES TO GROSS EARNINGS</b>	<b>88·34</b>	<b>92·50</b>	<b>92·67</b>	<b>88·40</b>	<b>84·99</b>
<b>PERCENTAGE OF NET EARNINGS TO CAPITAL INVESTED .. ..</b>	<b>1·96</b>	<b>1·23</b>	<b>1·15</b>	<b>1·65</b>	<b>1·94</b>
Railway operating earnings .. ..	£8,761,637	£8,005,059	£7,591,825	£6,903,604	£6,243,519
Railway operating expenses .. ..	£7,943,120	£7,663,632	£7,291,785	£6,338,385	£5,523,193
<b>NET RAILWAY OPERATING EARNINGS</b>	<b>£818,517</b>	<b>£341,427</b>	<b>£300,040</b>	<b>£565,219</b>	<b>£720,326</b>
<b>PERCENTAGE OF RAILWAY OPERATING EXPENSES TO EARNINGS ..</b>	<b>90·66</b>	<b>95·73</b>	<b>96·05</b>	<b>91·81</b>	<b>88·46</b>
Operating earnings per average mile open	£2,599	£2,412	£2,285	£2,079	£1,881
Operating expenses per average mile open	£2,356	£2,309	£2,195	£1,909	£1,664
<b>NET OPERATING EARNINGS PER AVERAGE MILE OPEN .. ..</b>	<b>£243</b>	<b>£103</b>	<b>£90</b>	<b>£170</b>	<b>£217</b>
Operating earnings per train-mile ..	d. 157·31	d. 146·96	d. 142·59	d. 139·61	d. 135·60
Operating expenses per train-mile ..	142·62	140·70	136·95	128·18	119·96
<b>NET OPERATING EARNINGS PER TRAIN-MILE .. .. .</b>	<b>14·69</b>	<b>6·26</b>	<b>5·64</b>	<b>11·43</b>	<b>15·64</b>
Passengers, ordinary .. .. .	8,283,067	7,813,436	8,069,018	8,284,956	7,963,824
Season tickets .. .. .	972,769	888,844	750,497	513,063	482,146
Total passenger journeys .. .. .	24,454,014	23,265,768	22,441,212	21,235,428	20,358,524
Goods tonnage .. .. .	7,077,298	6,917,257	6,847,974	6,212,907	5,618,477
Live-stock tonnage .. .. .	596,652	621,755	668,075	600,333	570,328
Train-milage .. .. .	13,366,798	13,072,615	12,777,852	11,868,083	11,050,376
Engine-milage .. .. .	18,199,622	17,817,799	17,312,921	15,984,782	14,923,175

For the current year it is anticipated that the revenue will reach £10,174,000 and the expenditure £9,024,000.

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

New Zealand Government Railways Department,  
Head Office, Wellington, 28th June, 1940.

The Hon. THE MINISTER OF RAILWAYS.

SIR,—

I have the honour to submit my report on the working of the New Zealand Railways for the financial year ended 31st March, 1940.

**WORKING RESULT (Whole Undertaking).**

	Estimate, 1940.	Actual.		Variation 1940 with 1939.	
		1940.	1939.		Per Cent.
Revenue .. .. .	£10,214,700	£10,199,070	£9,345,387	+£853,683	9.13
Expenditure .. .. .	£8,964,659	£9,010,039	£8,644,324	+£365,715	4.23
Net revenue .. .. .	£1,250,041	£1,189,031	£701,063	+£487,968	69.60
Return on capital, per cent. .. .. .	..	1.96	1.23	+ 0.73	37.24
Interest charges .. .. .	..	£2,575,196	£2,418,116	+£157,080	6.50
Excess of interest charges (at 4½ per cent.) over net revenue .. .. .	..	£1,386,165	£1,717,053	—£330,888	19.27

*Revenue.*—The net revenue for the year amounted to £1,189,031, compared with £701,063 last year, an increase of £487,968 (69.60 per cent.). Operating revenue was adversely affected by the slips, floods, and washouts which occurred on various sections of the system in February, 1940, and by the severe snowstorms experienced in the South Island in July, 1939. But for the disruption of services and consequent loss of traffic resulting from these occurrences and to the fact that the trading operations of the Department were overshadowed, and as a result somewhat curtailed, by the war with Germany during the last seven months of the financial year, there appears little doubt that the estimate of a net revenue figure of £1,250,041 would have been fully realized.

The gross revenue earned, £10,199,070, was a record and exceeded the previous record figure established only last year by no less a sum than £853,683. Factors contributing to the substantial increase in revenue were the stimulating effect on passenger traffic of the Centennial Exhibition at Wellington, the diversion of traffic from road to rail arising from the restrictions imposed on road-users in the matter of the use of petrol, and the falling of two Easter holiday periods in the financial year just closed. A full year's operations of the 10-per-cent. increase in fares and freights, which became operative as from 11th December, 1938, was also an important factor bearing on the increased revenue.

*Expenditure.*—The expenditure for the year amounted to £9,010,039, and exceeded last year's figure by £365,715. Increased wages-costs, amounting in all to £241,637, was the principal cause of the heavier expenditure. Of this sum £84,576 represents the cost of concessions granted to the staff, while the remainder, £157,061 was absorbed in connection with the handling of increased traffic, additional maintenance expenditure, and expansion of subsidiary services. Other major items of increased expenditure were the increased amount expended on materials due to the extension of subsidiary services and in connection with the heavier volume of traffic handled, £65,527; increased cost and consumption of coal, £32,152; and miscellaneous expenditure, £26,399.

Detailed comment on the variations in revenue and expenditure will be made in this report under appropriate headings.

**MILEAGE OF LINES OPEN FOR TRAFFIC.**

The mileage of lines open for traffic at 31st March, 1940, was 3,389 miles 74 chains, being an increase of 71 miles 16 chains over the figure for the preceding year. The increased mileage is due to the Working Railways Department taking over completed portions of the Napier-Gisborne and South Island Main Trunk Railways. Details of the additions and adjustments made during 1939-40 are shown hereunder:—

Mileage of track open for traffic, 31st March, 1939 .. .. .	M. ch.	3,318 58
Mileage opened for traffic during 1939-40—	M. ch.	
Putorino-Raupunga .. .. .	.. .. .	13 17
Raupunga-Waikokopu .. .. .	.. .. .	44 18
Parnassus-Hundalee .. .. .	.. .. .	11 68
		69 23
Less mileage Egmont Branch line lifted .. .. .	.. .. .	1 36
		67 67
Adjustments: Wellington Yard and Eyreton Branch Railways .. .. .	.. .. .	3 29
Mileage of line open for traffic as at 31st March, 1940 .. .. .	.. .. .	3,389 74



**CAPITAL ACCOUNT.**

On the 31st March, 1940, the capital invested in the lines for traffic, including the steamers and plant on Lake Wakatipu and other subsidiary services, was £63,059,188. This represents an increase of £4,382,580, as compared with the previous year.

The principal additions to capital during the year were on account of the following major works:—

	£
Additions and improvements to rolling-stock .. .. .	1,591,878
Improvements to stations and miscellaneous works .. .. .	44,540
Extensions and improvements to station yards .. .. .	64,439
Additions to workshops buildings .. .. .	40,834
Additions to workshops and locomotive depot machinery and plant .. .. .	65,366
Construction, purchase, and improvements to dwellings .. .. .	79,655
Stratford-Okahukura automatic and power signalling .. .. .	5,134
Wellington new station and yard .. .. .	68,901
Christchurch new station and yard .. .. .	63,795
Papakura-Horotiu duplication .. .. .	211,207
Plimmerton-Paekakariki duplication .. .. .	102,790
Wellington-Paekakariki electrification .. .. .	17,886
Turakina-Okoia deviation .. .. .	107,268
Palmerston North deviation .. .. .	59,866
St. Leonards - Sawyers Bay duplication .. .. .	51,810
Miscellaneous grade and curve easements .. .. .	96,827
Otira substation .. .. .	23,850
Eliminations of level crossings .. .. .	11,500
Oamaru foreshore protective works .. .. .	10,000
Miscellaneous communication circuits .. .. .	17,202
Napier-Gisborne Railway—	
Putorino-Wairoa section .. .. .	1,569,385
Napier-Putorino additions .. .. .	23,279

**RENEWALS, DEPRECIATION, AND EQUALIZATION RESERVE FUNDS.**

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

Account.	Credit Balance brought forward from 1939.	Contributions, 1939-40.	Expenditure, 1939-40.	Credit Balance at 31st March, 1940.
	£	£	£	£
Renewals (track) .. .. .	700,333	211,190	328,815	582,708
Depreciation .. .. .	673,482	739,700	274,937	1,138,245
Betterments .. .. .	3,248	1,500	1,084	3,664
Slips, floods, and accidents .. .. .	668	19,839	9,813	10,694
Workers' compensation .. .. .	39,863	69,415	58,085	51,193
Insurance .. .. .	104,248	6,665	8,350	102,563
	1,521,842	1,048,309	681,084	1,889,067

**RAILWAY OPERATION.**

The results of railway operation (excluding subsidiary services and miscellaneous non-operating revenue) on the various sections for the year ended 31st March, 1940, were as under:—

Section.	Revenue.	Expenditure.	Net Revenue.
	£	£	£
North Island Main Line and Branches .. .. .	5,493,475	4,774,382	719,093
South Island Main Line and Branches .. .. .	3,086,845	2,971,928	114,917
Kaihu .. .. .	3,127	9,915	— 6,788
Gisborne .. .. .	28,037	32,527	— 4,490
Westport .. .. .	97,098	81,822	15,276
Nelson .. .. .	10,015	23,517	— 13,502
Picton .. .. .	43,040	49,029	— 5,989
Total .. .. .	8,761,637	7,943,120	818,517

## OPERATING REVENUE.

The following table shows the *operating revenue* under the main headings, together with appropriate comparisons with the previous year's figures. Information regarding receipts from *subsidiary services* and miscellaneous non-operating revenue appears later in this report.

Operating Revenue.	Amount.		Variation 1940 with 1939.		Per Cent. of Operating Revenue.	
	1940.	1939.			1940.	1939.
	£	£	£	Per Cent.		
Passengers, ordinary .. .. .	1,844,789	1,538,881	+305,908	19·88	21·05	19·22
Season tickets .. .. .	274,546	246,765	+ 27,781	11·26	3·13	3·08
Parcels, luggage, and mails .. .. .	330,024	334,170	— 4,146	1·24	3·77	4·17
Goods .. .. .	6,109,293	5,694,936	+414,357	7·28	69·73	71·15
Labour, demurrage, &c. .. .. .	202,985	190,307	+ 12,678	6·66	2·32	2·38
<b>Total operating .. .. .</b>	<b>8,761,637</b>	<b>8,005,059</b>	<b>+756,578</b>	<b>9·45</b>	<b>100·00</b>	<b>100·00</b>

With the exception of parcels traffic, which shows a small decline, the revenue under all heads has again shown a satisfactory increase, the variations compared with the previous year being—Passenger, 18·69 per cent. increase; parcels, 1·24 per cent. decrease; goods, 7·28 per cent. increase; and miscellaneous, 6·66 per cent. increase.

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

Per Average Mile open.	Per Train-mile.
£ 2,599	d. 157·31

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 were as follow:—

	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.
1940 .. .. .	3,544	151·41	1,934	166·66
1939 .. .. .	3,287	140·48	1,841	156·94
1938 .. .. .	3,086	137·13	1,778	150·12

## PASSENGER TRAFFIC.

	1940.	1939.	Variation.	
	Number.	Number.	Number.	Per Cent.
Passenger journeys—				
Ordinary .. .. .	8,283,067	7,813,436	+ 469,631	6·01
Season .. .. .	16,170,947	15,452,332	+ 718,615	4·65
<b>Total .. .. .</b>	<b>24,454,014</b>	<b>23,265,768</b>	<b>+1,188,246</b>	<b>5·11</b>
Revenue—	£	£	£	
Ordinary .. .. .	1,844,789	1,538,881	+ 305,908	19·88
Season .. .. .	274,546	246,765	+ 27,781	11·26
<b>Total .. .. .</b>	<b>2,119,335</b>	<b>1,785,646</b>	<b>+ 333,689</b>	<b>18·69</b>
Passenger train-miles .. .. .	5,902,332	5,551,026	+ 351,306	6·33
,, vehicle-miles .. .. .	43,622,010	42,767,572	+ 854,438	2·00
Revenue—				
Per mile of line operated .. .. .	£629	£540	+ £89	16·48

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

Description.	1940.	1939.	Variation.	
<i>Journeys.</i>				
	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	3·99
Day and special excursion and other reduced fares	2,826,607	2,625,495	+201,112	7·66
<b>Total .. .. .</b>	<b>8,283,067</b>	<b>7,813,436</b>	<b>+469,631</b>	<b>6·01</b>
<i>Revenue.</i>				
	£	£	£	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 reduced fares	311,196	247,433	+ 63,763	25·77
<b>Total .. .. .</b>	<b>1,844,789</b>	<b>1,538,881</b>	<b>+305,908</b>	<b>19·88</b>

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

—	First Class.		Second Class.		Total.	
	Number.	Per Cent.	Number.	Per Cent.	Number.	Per Cent.
Journeys .. .. .	—32,130	8·68	+501,761	6·74	+469,631	6·01
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 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 £274,546, and exceeded that of the previous year by £27,781. Passenger journeys increased by 718,615. The whole of this substantial increase was obtained in suburban season ticket issues, which increased by £27,867 to £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.

## PARCELS, LUGGAGE, AND MAILS.

	Revenue.			Variation	
		1940. £	1939. £	£	Per Cent.
Parcels .. .. .	.. .. .	161,883	162,302	— 419	0·26
Excess luggage .. .. .	.. .. .	5,865	7,240	— 1,375	18·99
Left luggage, luggage checks, bicycles, dogs, newspapers, &c. .. .. .	.. .. .	61,440	59,400	+ 2,040	3·43
Mails .. .. .	.. .. .	100,836	105,228	— 4,392	4·17
Total .. .. .	.. .. .	<u>£330,024</u>	<u>£334,170</u>	<u>—£4,146</u>	<u>1·24</u>

Revenue from parcels traffic declined during the year, notwithstanding that rates have been higher by 10 per cent. throughout. The falling-away of parcels traffic has been due primarily to conditions arising from the war and to general trading conditions, both these factors having had an adverse effect on parcels traffic generally and on the carriage of travellers' samples in particular, as is indicated by the figures shown above under the heading "Excess luggage." Some diversion of parcels traffic to goods sheds has also resulted in various areas due to the introduction of the new revised railway tariff in July, 1939. Whilst general parcels traffic has substantially declined at Wellington Station, this has been more than offset by the greatly increased quantities of milk now being railed from Otaki and Levin to Wellington in connection with the milk-in-schools movement.

The increased numbers of passengers carried this year is reflected in the higher receipts from checked and left luggage, and the carriage of bicycles, &c., the revenue from these sources being £61,440, or £2,040 higher than last year.

The following table shows the variation in revenue under the heading of "Mails":—

			Variation	
	1940. £	1939. £	£	Per Cent.
Railway travelling post-office service .. .. .	31,180	28,676	+ 2,504	8·73
Mails in guards' vans at half parcel rates .. .. .	56,269	58,782	— 2,513	4·28
Mails carried in wagons .. .. .	13,387	17,770	— 4,383	24·67
Total .. .. .	<u>£100,836</u>	<u>£105,228</u>	<u>—£4,392</u>	<u>4·17</u>

## GOODS AND LIVE-STOCK.

The revenue and tonnage of goods and live-stock for 1940 compare with the previous year as follow:—

	1940.	1939.	Increase.	Per Cent.
Revenue .. .. .	£6,109,293	£5,694,936	£414,357	7·28
Tonnage .. .. .	7,673,950	7,539,012	134,938	1·79

The receipts from the conveyance of goods and live-stock were the highest ever recorded in the history of the system, the increase for the year being £414,357, or 7·28 per cent. The upward trend in respect of the tonnage of goods carried, which has been so notable a feature of the Department's operations in recent years, has also been well maintained in the twelve months under review, an increase of 134,938 tons (1·79 per cent.) having been recorded compared with the preceding year. The tonnage of goods carried was, however, 1·48 per cent. below the peak year of 1930, although in this connection it is interesting to note that the net-ton mile figure for 1939-40 was 13·47 per cent. higher than that for 1930. The average haul for the year was 75·68 miles, which is 0·52 miles below the figure for the previous year, but is higher by 9·97 miles when a comparison is made with 1930.

The year's operations in respect of goods traffic may be regarded as satisfactory, traffic having been uniformly buoyant throughout the greater portion of the year. Some loss of traffic was brought about as a result of conditions arising from the war and also by the disruption, and in some cases complete suspension, of train services in various parts of the system due to floods and extensive snowstorms making large sections of the track unworkable. On the other hand, additional traffic has accrued to the rail as a result of the restrictions placed on road-users in the matter of the use of petrol. In respect of goods revenue the influence of the 10-per-cent. increase in rates (operative from December, 1938) is indicated by the figures giving the percentage increases in traffic shown above.

A detailed analysis of the fluctuations in traffic under the main headings for the year as compared with 1938-39 is as under:—

	Tons.	Per Cent.	Revenue. £	Per Cent.
Live-stock .. .. .	— 25,103	4·04	— 9,114	1·34
Timber .. .. .	+ 17,296	3·48	+ 49,083	9·70
Coal .. .. .	— 8,804	0·50	+ 66,255	7·45
Other goods .. .. .	+ 151,549	3·26	+ 308,133	8·51
Total .. .. .	<u>+ 134,938</u>	<u>1·79</u>	<u>+£414,357</u>	<u>7·28</u>

The variation in the numbers of cattle and calves carried does not call for detailed comment. In respect of cattle, the opening of the through line to Wairoa has tapped new traffic and has brought about a small increase in the number of head forwarded, but this, however, has been more than offset by reduced traffic in other parts of the system due to the stoppage of the chilled-beef industry as a war measure.

Sheep decreased by 433,512 head (4·59 per cent.), the figures for the year being noteworthy by reason of the substantial decrease in the number forwarded by rail in the South Island—viz., 619,923—as opposed to an increase of 224,265 head in the North Island. An unfavourable lambing season, together with increasing competition from road-transport operators for this class of traffic, are the main factors responsible for the reduced returns from the South Island.

The number of pigs carried during the year shows a decrease of 135,801 head (20·57 per cent.) compared with the preceding year. Of the total traffic in this commodity 92·46 per cent. was produced in the North Island.

Summarizing the position in respect of the total live-stock traffic carried the following disappointing result emerges:—

Total number carried, decrease 582,840 (5·17 per cent.).

Revenue decrease, £9,114 (1·34 per cent.).

Timber traffic continues on the up-grade, this commodity having made an improved showing on last year's figures of 17,296 tons with a revenue increase of £49,083. As in the previous year, the increase has been confined to the North Island only, and is directly due to the increased demand for timber brought about as a result of the continuance of the Government's large-scale housing scheme.

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

	1940.		1939.		Variation.	
	Tons.		Tons.		Tons.	Per Cent.
New Zealand .. ..	499,848		476,187		+23,661	4·97
Imported .. ..	19,092		25,457		— 6,365	25·00

Traffic in coal shows little movement compared with the previous year, the comparative figures being as follow:—

	1940.		1939.		Variation.	
	Tons.		Tons.		Tons.	Per Cent.
N.I.M.L. and Branches ..	600,816		590,226		+10,590	1·79
S.I.M.L. and Branches ..	732,034		732,381		— 347	0·05
Westport .. ..	416,223		435,437		—19,214	4·41
Small Sections .. ..	6,463		6,296		+ 167	2·65
<b>Total .. ..</b>	<b>1,755,536</b>		<b>1,764,340</b>		<b>— 8,804</b>	<b>0·50</b>

Grain traffic shows an increase of 51,709 tons and £30,404 revenue, the greater portion of the increase being confined to the South Island. Fruit traffic shows a decrease of 4,864 tons and £7,288 in revenue, the reduced traffic in the North Island having adversely affected the receipts from this commodity. Revenue from the carriage of root crops shows little variation.

Frozen meat for export increased by 17,525 tons and £22,738 in revenue, a substantial improvement of 28,755 tons and £32,672 in revenue having been recorded in respect of frozen mutton and lamb. This, however, was offset by a reduced return from the carriage of chilled beef and frozen pork. Butter showed a decrease of 16,368 tons and cheese an increase of 1,618 tons. Revenue, however, increased by £5,120 and £7,048 respectively. Practically the whole of the decreased tonnage in butter was in the North Island.

Wool traffic declined by 4,246 tons, but made an improved showing in respect of revenue to the extent of £3,523. The average haul for all wool decreased from 59 miles in 1938 to 56 miles in 1939 and to 53 miles for the year under review. The decreased tonnage in the North and South Islands was 2·53 per cent. and 3·36 per cent. respectively.

The large decrease recorded in 1938–39 in respect of the conveyance of artificial manures has this year been more than offset by a very substantial increase in both tonnage and revenue. No less than 1,036,730 tons of artificial manures were conveyed by rail during the present year, this figure being a record. The increase over the previous year was 162,051 tons and £86,536 revenue. The tonnage of agricultural lime forwarded in 1939–40 was 393,117 tons, an increase of 13,613 tons.

The quantity of benzine conveyed in tank-wagons shows a decrease of 1,027 tons. Benzine in drums, &c., and gasolene, kerosene, and lubricating oils show increases of 7,648 tons and £16,179 in revenue, traffic in benzine and gasolene, when packed in cases, drums, &c., having improved since the imposition of restrictions on the sale of petrol.

Traffic in general lines of merchandise continues to be satisfactory, the returns showing an improvement of 24,255 tons and £117,975 revenue in the North Island, while a decreased tonnage of 26,558 and a reduced revenue return to the extent of £4,234 was registered in the South Island.

#### GOODS AND LIVE-STOCK STATISTICS.

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

	1940.	1939.
Goods-train mileage .. ..	7,464,466	7,521,589
Goods earnings .. ..	£6,109,293	£5,694,936
Revenue goods tonnage .. ..	7,673,950	7,539,012
Average haul (miles) .. ..	75·68	76·21
Average revenue per ton-mile .. ..	2·57d.	2·43d.
Average revenue per ton .. ..	15s. 11d.	15s. 1d.
Average revenue per goods-train mile .. ..	16s. 4d.	15s. 2d.

The increases in revenue shown above are due mainly to the operation of the increased tariff for the full year compared with only sixteen weeks of the previous year.

	1940.	1939.
Total gross ton-miles revenue freight ..	1,859,268,934	1,843,765,273
Goods-vehicle miles (loaded) ..	137,173,797	136,305,330
Goods-vehicle miles (empty) ..	66,081,034	68,360,728
Total goods-vehicle miles ..	203,254,831	204,666,058

Net ton-miles increased by 1·10 per cent. and were the highest yet recorded. The percentage of empty to loaded vehicles again showed an improvement, being 48·17 per cent. this year, as compared with 50·15 per cent. last year.

		<i>Averages : Revenue, Freight Traffic.</i>				1940.	1939.
Per mile of line—							
Goods revenue ..	..	..	..	..	..	£1,812	£1,721
Total tonnage ..	..	..	..	..	..	2,276	2,278
Net ton-miles ..	..	..	..	..	..	172,286	173,613
Gross ton-miles ..	..	..	..	..	..	551,548	557,197
Per train—							
Gross load (tons) ..	..	..	..	..	..	249·08	245·13
Net load (tons) ..	..	..	..	..	..	77·81	76·38
Number of vehicles (loaded) ..	..	..	..	..	..	18·38	18·12
Number of vehicles (empty) ..	..	..	..	..	..	8·85	9·09
Per 1,000 gross ton-miles—							
Revenue ..	..	..	..	..	..	£3,285	£3,089
Net ton-miles ..	..	..	..	..	..	312	312
Per train-mile—							
Revenue ..	..	..	..	..	..	196·43d.	181·71d.
Wagon user—							
Revenue per four-wheeled goods vehicle ..	..	..	..	..	..	£204	£198
Revenue per four-wheeled live-stock vehicle ..	..	..	..	..	..	£163	£174
Average wagon-load (tons) ..	..	..	..	..	..	4·23	4·21
Average miles per wagon per day ..	..	..	..	..	..	24·13	25·63
Average net ton-miles per wagon per annum (ordinary goods) ..	..	..	..	..	..	20,010	20,707
Average net ton-miles per wagon per annum (live-stock) ..	..	..	..	..	..	11,473	12,889

The revenue increases in all cases, except per four-wheel live-stock vehicle, are the result of the increased tariff. Revenue from live-stock again showed a decrease due to a further decline in this class of traffic. Other items, "Per mile of line," show decreases due to the opening during the year of a section of the Napier-Gisborne Railway (57 miles), and also a section of the south Island Main Trunk Railway (12 miles) which lines have not yet been developed to potential capacity. The net load per train increased by 1·87 per cent., while the gross load increased by 1·61 per cent., due to the improvement in the percentage of loaded to empty vehicles and to the increase in wagon loads.

### OPERATING EXPENDITURE.

The following table shows the *operating expenditure* under the main headings, together with appropriate comparisons with the previous year's figures:—

Operating Expenditure.	Amount.		Variation 1940 with 1939.		Percentage of Operating Revenue.	
	1940.	1939.			1940.	1939.
Maintenance—	£	£	£	Per Cent.	1940.	1939.
Way and works ..	1,468,268	1,375,829	+ 92,439	6·72	16·76	17·19
Signals ..	197,949	186,546	+ 11,403	6·11	2·26	2·33
Rolling-stock ..	1,896,366	1,832,615	+ 63,751	3·48	21·64	22·89
Examination, lubrication, and lighting of vehicles	88,272	85,482	+ 2,790	3·26	1·01	1·07
Transportation—						
Locomotive ..	1,802,990	1,727,375	+ 75,615	4·38	20·58	21·58
Traffic ..	2,250,905	2,208,310	+ 42,595	1·93	25·69	27·58
General charges ..	238,370	247,475	— 9,105	3·68	2·72	3·09
Totals ..	7,943,120	7,663,632	+279,488	3·65	90·66	95·73

### MAINTENANCE OF WAY AND WORKS.

The sum of £1,468,268 was expended under this head during the year, an increase over the expenditure for the previous year of £92,439 (6·72 per cent.). Included in the expenditure this year is an amount of £45,253 covering the cost of labour engaged in order to assist in relieving unemployment. Last year expenditure of this nature was recovered by way of a subsidy which was not available this year. Increased expenditure was incurred in the year under review in connection with repairs to damage caused by unprecedentedly heavy flooding on various sections of the system.

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 following summary shows the position over the past five years :—

	1926.	1936.	1937.	1938.	1939.	1940.
Total expenditure ..	100	94	102	112	120	128
Average mileage of line ..	100	104	104	105	105	107

### MAINTENANCE OF SIGNALS AND ELECTRICAL APPLIANCES.

The expenditure amounted to £197,949, as against £186,546 last year, an increase of £11,403 (6·11 per cent.). The transfer of staff from capital works to maintenance duties, increased depreciation charges, and the carrying-out of special work in connection with the Department's exhibit at the Centennial Exhibition were the principal reasons for the increased expenditure.

### MAINTENANCE OF ROLLING-STOCK.

The expenditure under this head amounted to £1,896,366, an increase of £63,751 (3·48 per cent.) compared with the previous year. The increase is mainly due to heavier engine-repair charges and increased rates of pay to tradesmen.

*Locomotive Repairs.*—Expenditure on locomotive repairs was £822,598, an increase of £57,097 (7·46 per cent.). Of this increase, workshops repairs accounted for £23,283, depot repairs for £10,054, and depreciation charges for £18,463. The following table shows the cost of maintenance per locomotive and per locomotive-mile over a period of five years :—

Cost per Locomotive.					Cost per Locomotive-mile.				
1936.	1937.	1938.	1939.	1940.	1936.	1937.	1938.	1939.	1940.
£	£	£	£	£	d.	d.	d.	d.	d.
1,016	1,117	1,228	1,350	1,312	9·42	9·61	9·82	10·31	10·85

*Maintenance of Carriages, Vans, and Wagons.*—The maintenance of carriages and vans entailed an expenditure of £363,452, an increase of £12,649 (3·61 per cent.) compared with the preceding year. Increased depreciation charges largely account for the increased expenditure.

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

Cost per Vehicle.					Cost per Vehicle-mile.				
1936.	1937.	1938.	1939.	1940.	1936.	1937.	1938.	1939.	1940.
£	£	£	£	£	d.	d.	d.	d.	d.
139	156	184	175	181	1·70	1·82	2·06	1·95	2·00

The total cost of repairing wagons was £684,219, compared with £689,495 last year, a decrease of £5,276 (0·77 per cent.). The following table shows the number of wagons repaired in Workshops compared with the preceding year :—

	1940.	1939.
Heavy repairs .. .. .	14,342	15,158
Light repairs .. .. .	5,371	5,163
Total .. .. .	19,713	20,321

The cost of maintenance per vehicle and per vehicle-mile for wagons was as under (five-year period) :—

Cost per Vehicle.					Cost per Vehicle-mile.				
1936.	1937.	1938.	1939.	1940.	1936.	1937.	1938.	1939.	1940.
£	£	£	£	£	d.	d.	d.	d.	d.
20	22	26	24	23	0·69	0·72	0·77	0·75	0·75

## EXAMINATION, LUBRICATION, AND LIGHTING OF ROLLING-STOCK.

Additional examination of rolling-stock resulting from increased traffic was the main factor in respect of the increase shown under this heading, the expenditure for the year being £88,272, an increase of £2,790 (3.26 per cent.) compared with the preceding year.

## LOCOMOTIVE TRANSPORTATION.

The expenditure under this head was £1,802,990, an increase of £75,615 (4.38 per cent.) compared with 1938-39. Increased cost and consumption of fuel (coal, benzine, dieselene), increased cost of electric power, and additional cost of wages together account for £59,671 of the increased expenditure. Higher expenditure was also necessary in respect of stores and water charges.

The quantity of coal consumed during the year was 492,456 tons, as against 484,423 tons last year, an increase of 8,033 tons. This was due to an increase of 381,823 engine-miles (2.14 per cent.).

The total consumption and cost of coal during the last three years is shown as under :—

	1938.	1939.	1940.
	Tons.	Tons.	Tons.
Consumption .. .. .	473,233	484,423	492,456
Cost .. .. .	£ 690,029	£ 738,991	£ 780,686

The average consumption of coal and cost of same per engine-mile, per engine-hour, and per 1,000 gross ton-miles for 1940 as compared with 1939 were as follows :—

	Consumption.		Cost.	
	1940.	1939.	1940.	1939.
	lb.	lb.	d.	d.
Per engine-mile .. .. .	64.63	63.91	10.98	10.45
Per engine-hour .. .. .	650.55	649.40	110.50	106.14
Per thousand gross ton-miles .. .. .	390.02	392.12	66.25	64.09

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

	1936.	1937.	1938.	1939.	1940.
	d.	d.	d.	d.	d.
Cost per engine-mile .. .. .	18.40	20.23	22.52	23.27	23.78
Cost per train-mile .. .. .	24.51	26.84	30.04	31.00	31.58
Cost per engine-hour .. .. .	193.42	212.03	233.26	239.93	245.28
Cost per 1,000 gross ton-miles .. .. .	117.09	128.24	141.43	147.25	149.87
Engine-miles per engine-hour .. .. .	Number.	Number.	Number.	Number.	Number.
Gross ton-miles per engine-hour .. .. .	10.51	10.48	10.36	10.31	10.32
	1,652	1,653	1,649	1,629	1,637

## TRAFFIC TRANSPORTATION.

This item of expenditure shows an increase of £42,595 (1.93 per cent.), the total amount expended being £2,250,905, as against £2,208,310 last year. The increased expenditure was due to the regrading of clerical positions, the employment of additional staff, and the running of additional train services in connection with troop movements and the Centennial Celebrations.

The following analysis shows the increase in various statistics of traffic transportation for 1940 over the previous year :—

	Increase.	Per Cent.
Man-hours .. .. .	302,528	2.05
Train-hours .. .. .	14,878	1.64
Train-miles .. .. .	328,818	2.46
Gross ton-miles (thousands) .. .. .	71,868	2.56
Net-ton miles (thousands) .. .. .	13,982	2.03

The cost of traffic services per train-hour increased by 1.66d. (0.29 per cent.); per train-mile decreased by 0.20d. (0.60 per cent.); and per thousand gross ton-miles decreased by 1.15d. (0.61 per cent.).

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

	1926.	1936.	1937.	1938.	1939.	1940.
Total expenditure .. .. .	100	84	103	120	127	129

## GENERAL CHARGES.

Expenditure under this head was lower by £9,105 (3.68 per cent.) in 1940 as compared with the preceding year. The reduction in expenditure was brought about by reduced Head Office charges and by a lowering of the subsidy payable in respect of the Superannuation Fund.



## SUBSIDIARY SERVICES.

The following table shows the variations in revenue and expenditure for the year as compared with 1938-39 :—

Subsidiary Services.	Revenue.			Expenditure.		
	Amount, 1940.	Variation, 1940 with 1939.		Amount, 1940.	Variation, 1940 with 1939.	
	£	£	Per Cent.	£	£	Per Cent.
Lake Wakatipu steamers ..	7,362	+ 194	2·71	11,120	— 193	1·71
Refreshment service ..	200,871	+ 33,161	19·77	186,628	+ 23,439	14·36
Bookstall service ..	112,855	+ 20,251	21·87	106,241	+ 18,097	20·53
Advertising service ..	36,417	— 3,654	9·12	34,061	— 1,073	3·05
Dwellings ..	141,889	+ 7,944	5·93	204,175	+ 16,982	9·07
Other buildings ..	31,435	+ 7,547	31·59	21,196	+ 5,551	35·48
Road services—Passengers ..	363,899	+ 17,396	5·02	347,670	+ 24,845	7·70
Road services—Goods ..	148,859	— 10,250	6·44	155,828	— 1,421	0·90
Miscellaneous revenue (non-operating)	393,846	+ 24,516	6·64	..	..	..
	1,437,433	+ 97,105	9·13	1,066,919	+ 86,227	4·23

The particulars of revenue and expenditure in connection with subsidiary services over a period of three years are as follow :—

	1939-40.	1938-39.	1937-38.
	£	£	£
Revenue ..	1,437,433	1,340,328	1,042,361
Expenditure ..	1,066,919	980,692	709,604
Net revenue ..	<u>£370,514</u>	<u>£359,636</u>	<u>£332,757</u>

## LAKE WAKATIPU STEAMERS.

	1940.	1939.	Variation.	
	£	£	£	Per Cent.
Revenue ..	7,362	7,168	+194	2·71
Expenditure ..	11,120	11,313	—193	1·71
Loss ..	<u>£3,758</u>	<u>£4,145</u>	<u>—£387</u>	<u>9·34</u>

The slight improvement in the returns from the Lake Wakatipu service is due to an increase in goods traffic. Passenger revenue shows a decline of £528, weather-conditions in the lake district having been unfavourable to passenger traffic in the late summer and autumn months.

## REFRESHMENT SERVICE.

	1940.	1939.	Variation.	
	£	£	£	Per Cent.
Revenue ..	200,871	167,710	+33,161	19·77
Expenditure ..	186,628	163,189	+23,439	14·36
Net revenue ..	14,243	4,521	+ 9,722	215·04

An analysis of receipts discloses the following position :—

	1940.	1939.	Variation.	
	£	£	£	Per Cent.
Dining-room ..	42,083	36,378	+ 5,705	15·68
Counter ..	155,570	127,767	+ 27,803	21·76
Miscellaneous ..	3,218	3,565	— 347	9·73
Total ..	200,871	167,710	+ 33,161	19·77
	Number.	Number.	Number.	Per Cent.
Total meals sold ..	469,701	407,549	+ 62,152	15·25
Meals sold at Wellington ..	287,638	253,618	+ 34,020	13·41

The excellent showing made by the Refreshment Service during the year is attributable to a number of factors, all of which had a favourable effect on the provedoring and other services controlled by this Branch. National and local celebrations in connection with the Dominion's Centenary resulted in increased patronage of the departmental catering services. This was particularly the case at Wellington during the period the Centennial Exhibition was open. Other factors which favourably affected the turnover for the year were troop movements, the falling of two Easter holiday periods in the financial year under review, and the adding as from June, 1939, of the Waipara refreshment-rooms to those under departmental control and the opening of new rooms at Napier.

The refreshment and other facilities provided at Wellington station continue to command substantial patronage, the turnover representing 21.41 per cent. of the total turnover from all rooms in the financial year just closed.

The actual return to the Department from the operation of the Refreshment Branch for selected years since 1930 is as under:—

	1930.	1932.	1934.	1935.	1936.	1937.	1938.	1939	1940.
	£	£	£	£	£	£	£	£	£
Rent .. .. .	11,170	9,100	9,230	9,230	9,230	9,219	9,817	10,309	11,837
Commission on cash collections	970	715	620	667	742	842	1,130	1,327	1,584
Rail fares .. ..	1,287	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,125
Rail freights .. ..	3,234	2,349	1,818	1,825	1,790	2,084	2,443	2,423	2,554
Interest .. .. .	1,099	1,291	1,124	1,102	1,108	1,111	1,230	1,465	1,638
Net profit .. .. .	6,981	1,681	785	2,132	4,156	2,226	1,849	4,520	14,243
<b>Total .. .. .</b>	<b>24,741</b>	<b>16,202</b>	<b>14,643</b>	<b>16,022</b>	<b>18,092</b>	<b>16,548</b>	<b>17,535</b>	<b>21,110</b>	<b>32,981</b>

#### BOOKSTALL SERVICE.

	1940.	1939.	Variation.	
	£	£	£	Per Cent.
Revenue .. .. .	112,855	92,604	+20,251	21.86
Expenditure .. ..	106,241	88,144	+18,097	20.53
<b>Net revenue .. ..</b>	<b>£6,614</b>	<b>£4,460</b>	<b>+£2,154</b>	<b>48.30</b>

The number of bookstalls (18) at present being operated by the Department is the same as during the previous year. The advance in receipts shown by the bookstall service reflects the favourable conditions under which the whole of the operations of the Refreshment Branch, including the bookstall service, and to which reference has already been made, have been carried on during the year.

#### ADVERTISING SERVICE.

	1940.	1939.	Variation.	
	£	£	£	Per Cent.
Revenue .. .. .	36,417	40,071	- 3,654	9.12
Expenditure .. ..	34,061	35,134	- 1,073	3.05
<b>Net revenue .. ..</b>	<b>£2,356</b>	<b>£4,937</b>	<b>-£2,581</b>	<b>52.27</b>

Conditions arising from the outbreak of war and in connection with the general trading conditions have adversely affected the trading operations of the Advertising Branch, the revenue from which shows a decline of £3,654 (9.12 per cent.) compared with the previous year.

An analysis of the revenue for the year under review is as under:—

	1940.	1939.	Variation.	
	£	£	£	Per Cent.
Outdoor advertising .. .. .	28,499	31,172	- 2,673	
Publications .. .. .	4,830	5,220	- 390	
Miscellaneous .. .. .	2,656	3,316	- 660	
Buses .. .. .	432	363	+ 69	
<b>Total .. .. .</b>	<b>£36,417</b>	<b>£40,071</b>	<b>-£3,654</b>	

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.	1938.	1939.	1940.
Rent—	£	£	£	£	£	£	£	£
Land and buildings .. .. .	1,000	1,000	800	797	800	800	1,240	1,240
Advertising-sites .. .. .	10,390	8,741	7,890	7,259	8,325	10,066	10,260	9,341
Commission on cash collections ..	1,458	960	786	737	728	901	1,052	910
Interest .. .. .	2,335	1,697	1,261	1,017	889	761	697	680
Railage .. .. .	323	293	390	357	373	217	231	228
Net profit .. .. .	381	2,898	2,548	2,088	2,383	4,770	4,937	2,356
	15,887	15,589	13,675	12,255	13,498	17,515	18,417	14,755

#### DEPARTMENTAL DWELLINGS.

	1940.	1939.	Variation.	
	£	£	£	Per Cent.
Revenue .. .. .	141,889	133,945	+ 7,944	5·93
Expenditure .. .. .	204,175	187,193	+ 16,982	9·07
Loss .. .. .	<u>£62,286</u>	<u>£53,248</u>	<u>+ £9,038</u>	<u>16·97</u>

The increase in revenue is due to the additional number of houses in occupation, while the factors responsible for the increased expenditure are higher wages and other costs, particularly of materials.

In addition to ordinary maintenance and repair work during the year, some 167 dwellings were equipped with hot-water services, while 185 houses had electric-lighting equipment installed. Eighty new houses were constructed during the year in accordance with the Department's housing programme.

#### ROAD PASSENGER AND GOODS SERVICES.

	1940.	1939.	Variation.	
	£	£	£	Per Cent.
Revenue .. .. .	512,758	505,612	+ 7,146	1·41
Expenditure .. .. .	503,498	480,074	+ 23,424	4·88
Net revenue .. .. .	<u>£9,260</u>	<u>£25,538</u>	<u>-£16,278</u>	<u>63·74</u>

After providing for interest on capital and for writing down capital by way of depreciation, the operations of the road passenger services showed a net revenue of £16,229, as compared with £23,678 last year, a decrease of £7,449. This result is regarded as satisfactory, having regard to the greatly increased cost of petrol, tires, and other materials, and to the fact that the 10-per-cent. increase in railway fares, which became operative as from December, 1938, has not been applied in respect of the fares schedule applicable to departmental road passenger services.

Revenue from the operation of road passenger services continues on the up-grade, the increase this year being £17,396 (5·02 per cent.) compared with 1938-39. This gratifying result can be attributed very largely to the marked improvement in the receipts from Wellington suburban traffic during the Centennial Exhibition period, the diversion of traffic to public transport services following the imposition of restrictions on the sale of petrol to private-car users, and to the fact that two Easter holiday periods fell within the financial year under review. The absence of cruise ships and the curtailment of tourist traffic following the declaration of war were, however, two by no means unimportant factors which adversely affected the revenue position during the latter half of the year. Mileage run increased by 39,492 (0·64 per cent.) and passenger journeys by 933,717 (16·29 per cent.) compared with the preceding year.

As compared with 1938-39, expenditure increased by £24,845 (7·70 per cent.). Increases of wages to drivers, higher cost of fuel, tires, and materials, and additional costs as a result of the increased mileage run were the principal items making up the increase in expenditure. Twenty-one new omnibuses were placed in service during the year, thus bringing the number of such vehicles in service to 111. One hundred and thirty-eight service cars were also in service at the end of the year.

Reference was contained in last year's annual report to the policy of the Government of co-ordinating the long-distance road and rail units operating over the principal routes throughout the Dominion and to the savings in transport costs which had been effected following the acquisition by the State of road freight services previously operated under private control, and the diversion to rail of traffic which, in other circumstances, would have gone forward to destination by road. Further substantial progress has been made in this direction during the year and will be continued as and when circumstances permit.

With the outbreak of war the position in respect of the road freight services owned and operated by the Railways Department has undergone a complete change, the great majority of these services, particularly those which were running over routes substantially served by rail, having been suspended in October–November, 1939. This action was taken as a war-emergency measure in order to conserve petrol-supplies and to make available suitable road vehicles urgently required for the purposes of the Defence Department. Until such time as hostilities cease and conditions are again normal it is not contemplated that circumstances will arise which will render it necessary or desirable for the railway-owned road services to again take up the long-distance carriage of freight traffic. In certain isolated instances, however, it is possible that for reasons of purely local significance or importance it will be necessary for the Department to continue operating road goods services or seek to re-establish services which are at present suspended.

#### MISCELLANEOUS REVENUE (NON-OPERATING).

The revenue under this heading comprises miscellaneous non-operating revenue such as land and siding rentals, commission, deed fees, advertising rights, interest on investments, and internal interest charges. The total revenue this year was £393,846, as compared with £369,330 last year, an increase of £24,516. An increased debit against the Stores Branch in respect of internal interest charges due to an expansion of the average value of stores stock in 1939–40, as compared with the previous year, was the primary cause of the variation.

#### RAIL-CAR SERVICES.

As at the 31st March, 1940, rail-car services were being operated on five routes, particulars of the routes and date of commencement of the services being as follow:—

Route.	Commenced running.
Christchurch–Greymouth–Hokitika .. .. .	5th August, 1936.
Wellington – Wairarapa – Palmerston North .. .. .	17th September, 1936.
Wellington – New Plymouth .. .. .	16th April, 1939.
Napier–Wairoa .. .. .	3rd July, 1939.
Wellington–Wairoa (week-end service only) .. .. .	8th July, 1939.

The following statement shows the results of the operation of all five services for the year 1939–40 as compared with the preceding year:—

Revenue—	1940. £	1939. £	Variation. £	Per Cent.
Passenger .. .. .	56,394	28,070	+ 28,324	100·90
Parcels, mails, and newspapers .. .. .	3,008	2,843	+ 165	5·80
	<u>£59,402</u>	<u>£30,913</u>	<u>+£28,489</u>	<u>92·16</u>
Expenditure .. .. .	£50,166	£27,437	+£22,729	82·84
Net revenue .. .. .	£9,236	£3,476	+ £5,760	165·71
Mileage .. .. .	542,549	393,129	+149,420	38·01

The rail-car services operating in various parts of the system have functioned satisfactorily and, generally speaking, have been well supported by the travelling public. All rail-car services combined earned a net revenue of £9,236 during the year, as compared with £3,476 in 1938–39, an increase of £5,760 (165·71 per cent.). In addition, the services operating on the Wairarapa route made a saving of £9,937, representing the direct cost of steam-train miles replaced during the year (43,680 at 4s. 6·6d. per mile), the net gain from the operation of rail cars on this route during the twelve months under review being £13,640. The comparable figure for last year was £7,656.

Of the fifteen rail cars now in service, four are petrol-engined and the remainder Diesel-engined, two petrol units having been converted to Diesel operation during the year.

#### SICK BENEFIT FUND.

The result of the year's operations of the New Zealand Government Railway Employees' Sick Benefit Fund was a deficit of £2,554, compared with a deficit of £1,696 last year.

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

	1940. £	1939. £	Variation. £	Per Cent.
Income .. .. .	37,819	36,694	+1,125	3·07
Expenditure .. .. .	40,373	38,390	+1,983	5·17
Deficit .. .. .	<u>£2,554</u>	<u>£1,696</u>	<u>+ £858</u>	<u>50·59</u>

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

The total membership on 31st March, 1940, was 17,632, compared with 16,954 in 1939, an increase of 678, due to an increase in the number of staff employed. The accumulated fund is now £43,141 and the investments £43,898.

## BRANCH LINES.

The operating revenue from branch lines amounted to £407,920, as against £379,911 last year, an increase of £28,009 (7·37 per cent.). Goods revenue shows a substantial increase of £26,161, compared with 1938-39, whilst passenger revenue increased also to the extent of £1,670. The increase in revenue from passenger and goods traffic is primarily due to the 10-per-cent. increase in fares and rates.

Compared with the preceding year operating expenditure increased by £17,468 (3·13 per cent.), the total expenditure for the year amounting to £575,282. Increased costs in connection with the maintenance of way and works, and locomotive-running were the main factors 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 £103,802. Interest charges amounted to £387,026, making a total loss of £490,828, as against a loss of £541,405 for the previous year, a decrease of £50,577.

Of the total revenue of £407,920, the South Island branches earned £273,818, or 67·13 per cent. The increase over the previous year in the South Island was £12,839, or 4·92 per cent., while the improvement in the North Island amounted to £15,170 (12·76 per cent.).

## ISOLATED SECTIONS.

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

*Kaihu*.—Revenue amounted to £3,127, a decrease of £867 compared with 1938-39. Expenditure decreased by £2,851, making the operating loss on the section for the year £6,788, as against £8,772 last year. Goods traffic shows a sharp decrease of £1,068, due to a decline in log traffic. Other classes of traffic show small increases.

*Gisborne*.—Revenue amounted to £28,037 and expenditure to £32,527. These figures show a decrease of £2,913 and £1,046 respectively compared with the previous year. Reduced metal traffic, also reduced receipts from passenger and parcels traffic, were the main causes of the decreased revenue. The decrease in expenditure was brought about by lower locomotive transportation charges.

The operating loss on the section for the year was £4,490, as compared with £2,623 last year.

*Nelson*.—Revenue amounted to £10,015, as against £11,143 last year. Expenditure increased by £1,244 to £23,517. The decrease in revenue was brought about by the less quantity of wool carried, while the increase in expenditure was primarily due to heavier way and works maintenance charges.

The operating loss on the section for the year was £13,502, compared with £11,130 last year.

*Pictou*.—Revenue amounted to £43,040, an increase of £6,374 (17·67 per cent.). Expenditure totalled £49,029, an increase of £4,776 compared with 1938-39. With the exception of parcels, all classes of traffic contributed to the increase in revenue. The principal increases in expenditure were in respect of locomotive and traffic transportation charges.

The operating loss on the section was £5,989, as compared with a loss of £7,587 in 1938-39.

*Westport*.—Revenue amounted to £97,098 and expenditure to £81,822. These figures show an increase of £2,870 and £2,593 respectively compared with the previous year. Improved coal and timber traffic was responsible for an increase of £2,116 in goods traffic. Miscellaneous revenue also shows an increase. An increase in way and works maintenance charges was the main item responsible for the increased expenditure.

The operating profit on the Westport Section for the year was £15,276, compared with £14,999 in the previous year, an increase of £277.

## STORES BRANCH.

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

	Value of Purchases made, Year 1940.			Variation, 1940 with 1939.		
	£	s.	d.	£	s.	d.
To merchants, manufacturers, and others in New Zealand ..	1,056,529	6	9	—207,497	17	11
Through Trade Commissioner in Australia .. ..	93,938	14	6	— 85,904	9	7
Through High Commissioner in London .. .. .	1,211,419	12	11	—609,218	1	2
Material manufactured in Railway Workshops .. ..	397,252	11	9	— 2,957	14	1
Coal and coke .. .. .	721,827	17	10	— 15,631	19	6
Manufactured and used material received from other branches, &c.	114,518	19	0	+ 45,741	14	8
Timber from railway sawmill and stores used .. ..	51,806	8	2	+ 2,676	10	0
Totals .. .. .	£3,647,293	10	11	—£872,791	17	7*

\* Net decrease.

The decreases enumerated above are chiefly due to a diminution in the quantities of materials purchased for use in connection with construction programmes. The main reductions are in respect of purchases made within the Dominion and in imported materials from the United Kingdom and Australia.

For the year ended 31st March, 1940, the amount paid by the Department for exchange on purchases made through the High Commissioner, London, was £236,162 0s. 1d., a decrease of £132,878 8s. 6d. compared with the previous year.

The total issues to all branches (including coal) for the year amounted to £4,644,117 2s. 3d., as against £3,628,487 15s. 5d. last year, an increase of £1,015,629 6s. 10d.

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.
	£	£	£	£	£
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
1939 .. .. .	4,001,478	2,854,721	1,907,113	153,128	2,060,241
1940 .. .. .	3,165,437	3,827,494	1,881,948	93,906	1,975,854

It will be observed from the above that issues of stores (exclusive of coal) in 1939-40 reached a new high level of £3,827,494. This was due to the issue during the year of materials specially purchased in previous years for capital programme works, also that forty J class locomotives, valued at £647,978, were imported and issued during the year under review.

In regard to stores stock, it is anticipated that this will be substantially reduced during 1940-41, as programme stocks now on hand will be to a great extent drawn out while the fulfilment of overseas orders now being placed is likely to be delayed as a result of war activities in Great Britain and elsewhere.

#### COAL-SUPPLIES.

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

	Tons.		Tons.
1934-35 .. .. .	422,334	1937-38 .. .. .	544,222
1935-36 .. .. .	437,959	1938-39 .. .. .	505,189
1936-37 .. .. .	433,795	1939-40 .. .. .	490,350

Only New Zealand coal is used by the Railways Department, which has imported no coal during the last eight years. Of the purchases of coal made in 1940, 287,401 tons were hard coal and 202,949 tons soft coal. The average consumption of coal per week during the year was 10,184 tons, an increase of 284 tons per week compared with the previous year. This reflects the large increase in engine-miles due to the heavy traffic handled during the year.

#### TIMBER-SUPPLIES.

During the year the Department's supplies of native timber have been drawn from Mamaku Sawmill. At Maroa the Department's new sawmill has been brought into operation.

The Department's timber area at Pokaka has throughout the year been operated under license to private interests under the oversight of officers of the Department's Forestry Branch.

#### FORESTRY BRANCH.

The tree-planting and other work of the Forestry Branch has been carried on with satisfactory results during the year, the weather-conditions experienced having been particularly favourable to planting operations.

Close attention continues to be given to the consolidation and maintenance of areas already established as forestry reserves, while the output from the tree-nurseries at Athenree and Woburn has been fully maintained, some 180,273 trees having been raised at the nurseries and made available for distribution during the year.

In order to control sand-drift and also prevent sea erosion in the district north of the Clarence River on the route of the new South Island Main Trunk Railway, arrangements have been made for the area to be planted with suitable trees which will be raised in the Railway Department's nurseries. The planting operations, in which the Railways and Public Works Departments will collaborate, will cover 1,600 acres and will commence in May-June, 1940.

The major activities of the Branch during the year may be summarized as follows :—

- Tree planting and blanking : 172,367 trees.
- Nursery output, Athenree : 149,720 trees.
- Nursery output, Woburn : 30,553 trees.
- New crop, estimated, Athenree and Woburn nurseries : 405,000 trees.
- Six miles of fire-breaks cleared.
- 100 acres land cleared at Matata and 5 acres at Lower Hutt.
- Oversight and control of Pokaka Bush operations.
- Investigation of fire claims.
- General maintenance-work in connection with established forest reserves.

## SUGGESTIONS AND INVENTIONS COMMITTEE.

During the year a total of 478 suggestions and inventions were dealt with, as compared with 471 during the previous year. Fifty-six suggestions and inventions were recommended for adoption in whole or part; 98 were referred to heads of branches for consideration, were already in operation, or related to matters of policy; 287 were not recommended for adoption; while 37 were under trial or investigation at the end of the financial year.

The suggestions recommended for adoption included seven in connection with rolling-stock, eleven connected with workshops practice, five connected with way and works, nine in connection with traffic working, four in connection with road transport activities, four related to refreshment services, and sixteen were connected with railway working generally.

## WORKSHOPS.

The locomotives, rolling-stock, machinery, and tools have been maintained in good working-order during the year.

## LOCOMOTIVES.

As at the 31st March, 1940, there were 627 locomotives in service—608 steam and 19 electric. The above figures do not include electric-battery shunting-engines employed at workshops. New locomotive stock placed in service during the year included 7 class E<sub>D</sub> electric, 10 KA and 6 KB steam classes, and 40 J class imported from England. At the close of the year a total of 47 locomotives were on order or under construction in workshops, made up of 25 class KA steam and 2 class E<sub>D</sub> electric which are intended for service in the North Island and 20 class J to be placed in service in the South Island. Three locomotives were written off.

Two class W<sub>G</sub> locomotives were converted to class W<sub>w</sub> during the year, and five locomotives were equipped with electric headlights, bringing the number of steam-locomotives so equipped to 539. Four hundred and thirteen engines passed through the workshops for repairs during the twelve months under review, and of these, 224 received a thorough overhaul. Four new boilers were built in workshops during the year, with 19 still under construction.

Miscellaneous shunting and other stock in service at the close of the year includes 32 petrol shunting-units, 5 electric-battery shunting-units used in workshops, and 6 electric motor-coaches, and 6 trailer coaches.

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

	1940.	1939.	1938.
Number of locomotives in service ..	627	567	570
Total tractive power, in pounds ..	12,261,578	10,610,108	10,684,559
Average tractive power per locomotive, in pounds .. .. .	19,555	18,713	18,745

## CARRIAGES.

New carriages built in workshops and placed in service during the year totalled 56, made up of the following classes: 8 first class, 7 first class with coupé compartment, 40 second class, and 1 staff and dining car for Vice-Regal use. Four cars were written off and 11 were converted to sleeping, store, and work vans for departmental purposes. Six sleeping-cars, 4 combination day-sleeping cars, 12 first-class cars with coupé compartment, 7 first-class and 19 second-class cars, and 8 "compo" cars, making 56 units in all, were on order and under construction in workshops at the close of the year.

During the year 1,546 carriages passed through the workshops, and of these, 1,163 received heavy repairs. Seven hundred and forty-six carriages are now equipped with electric lighting.

## BRAKE-VANS.

On the 31st March, 1940, there were 471 brake-vans in service, with 91 building or on order. During the year two brake-vans were written off, one break-down van was converted to ordinary use and one ordinary van was converted to break-down van. Four hundred and eighty-seven brake-vans passed through the workshops during the year, and of this number 330 received heavy repairs.

The number of postal vans in service at the close of the year was 9, as against 11 in the preceding year. The reduced number in service is due to the conversion of two postal vans to break-down vans for use by the Maintenance Branch.

## RAIL CARS.

At the close of the year 16 rail cars were in service, 1 of these being retained for departmental inspection purposes only. One standard rail car was constructed in workshops during the year, and a further 10 are being imported from England.

## WAGONS.

The number of wagons in service at the close of the year was 30,008. A total of 1,779 wagons were placed in service during the twelve months under review, made up of the following classes: 30 platform wagons, 1 special wagon U<sub>D</sub> class for over-gauge loads, 15 horse-boxes, 22 chilled-beef wagons, 57 cattle-wagons, 181 sheep-wagons, 22 frozen-meat wagons, 86 cool-ventilated wagons, and 1,365 wagons of the general-utility class. In addition, 2 U<sub>c</sub> bogie-tank wagons were built to the order of outside parties.

Wagons written off during the year numbered 186, while 12 wagons previously written off were returned to service. Twelve obsolete wagons were sold in the course of the year.

The number of wagons that passed through the workshops was 19,713, and of these, 14,342 received heavy repairs. Wagons of all types, totalling 2,555 in all, were on order and under construction at the close of the year; of this number, 1,484 will be placed in service in the North Island and 1,071 in the South Island.

## TARPAULINS.

At the close of the year 24,138 tarpaulins were in service. Tarpaulins repaired in workshops numbered 19,253, while 3,859 new tarpaulins were issued as replacements.

## CRANES.

Six new cranes were placed in service during the year, 4 of these being imported from England, while the remaining 2 were constructed in the workshops.

## TRANSPORTATION BRANCH.

The train-mileage for the year (exclusive of shunting and departmental mileage) was 13,366,798, as compared with 13,072,615 for the previous year, an increase of 294,183 train-miles. The passenger-miles run were 5,902,332, compared with 5,551,026, an increase of 351,306. The goods and mixed train-miles were 7,464,466, compared with 7,521,589 for the previous year, a decrease of 57,123.

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

Section.	1939-40.	1938-39.	Variation.
Kaihu .. .. .	12,720	13,488	— 768
Gisborne .. .. .	51,469	59,624	— 8,155
N.I.M.L. and Branches .. .. .	8,707,798	8,361,257	+346,541
S.I.M.L. and Branches .. .. .	4,445,163	4,486,925	— 41,762
Westport .. .. .	68,134	69,883	— 1,749
Nelson .. .. .	38,373	39,218	— 845
Picton .. .. .	43,141	42,220	+ 921
Totals .. .. .	13,366,798	13,072,615	+294,183

## TRAIN SERVICES.

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

## AVERAGE LATE ARRIVAL OF TRAINS, YEAR ENDED 31ST MARCH, 1940.

Year ended	Period ended													Average for Year, in Minutes.
	April.	May.	June.	July.	August.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March.	March.	
<i>Express and Mail Trains.</i>														
1940 .. .. .	3·77	5·20	3·84	4·62	9·41	9·46	3·35	2·80	3·12	6·29	5·42	12·43	12·27	6·31
1939 .. .. .	13·38	11·05	7·01	6·03	6·14	7·08	4·58	4·35	3·00	7·99	7·38	5·79	4·83	6·81
<i>Long-distance Mixed Trains.</i>														
1940 .. .. .	8·01	7·60	4·87	4·53	5·86	5·80	4·29	4·90	4·62	5·98	5·46	10·81	12·91	6·59
1939 .. .. .	10·94	9·55	8·55	5·42	6·38	5·86	4·00	5·24	4·94	6·12	6·38	8·26	8·62	6·94
<i>Suburban Trains.</i>														
1940 .. .. .	0·63	0·45	0·61	0·59	0·63	0·45	0·31	0·38	0·35	0·69	0·65	0·94	0·90	0·58
1939 .. .. .	1·24	1·09	1·14	2·04	0·93	0·82	0·41	0·42	0·35	0·52	0·71	0·62	0·74	0·85

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

Slips, floods, washouts, and other line interruptions were very severe during the year and reflected upon the normal timekeeping of the train services, particulars of these interruptions being as under:—

On 15th May, 1939, a slip occurred near Greymouth on the Runanga line as a goods train was passing, derailing eight empty wagons and blocking the line for several hours.

A slip between Paekakariki and Pukerua Bay on 23rd June blocked the line for approximately three hours, buses being used to convey passengers between Paekakariki and Paremata.

On 7th July as the result of a heavy southerly storm, only one line could be used on the double-line section between Ngahauranga and Petone, this causing heavy delays to trains from early morning until mid-afternoon.

On 17th July the Napier-Wellington express ran into a slip in the Manawatu Gorge, the engine being partially buried.

During the last week in July a heavy snowstorm occurred in the South Island. On the 24th July heavy delays occurred owing to both ends of the Otira Tunnel being snowed in. The following day snow in Dunedin and Invercargill districts disorganized traffic, and no trains could be run on 26th or 27th. The Kingston line remained blocked for several days. Washouts also rendered the Little River



line unfit for use on 26th and 27th July. Normal services were resumed between Christchurch and Dunedin on 28th, and between Dunedin and Invercargill on the day following. On the afternoon of 31st July and the morning of 1st August further falls of snow took place, and all traffic between Arthur's Pass and Otira was suspended owing to deep snow on the line in that area.

Heavy local rain on 11th August caused flooding over the line north of Te Horo for a considerable distance, causing disorganization of train services.

On 14th and 15th August snow blocked the line between Rock and Pillar and Hyde, all trains in this area being cancelled.

Storms on 17th August caused washouts and slips in the Ohingaiti-Mangaweka-Utiku area, roads also being blocked. These slips and a washout at Rata seriously delayed main-line express and other trains. A slip in the Manawatu Gorge necessitated transshipping by road between Ashhurst and Whakarongo.

The same day snow interfered with services between Christchurch and Arthur's Pass, and the uprooting of power-poles caused a failure of the automatic signalling system in this area, with resultant delays to trains.

On 18th August a slip between Mataroa and Ngaurukehu, and another at Turakina, caused heavy delays to trains. On the same day flooding over the line between Shannon and Koputaroa necessitated transshipment of passengers by road until the morning of 20th idem. Goods-trains conveying perishable traffic, also the Napier-Wellington expresses, were worked via the Wairarapa line during this period.

On 21st August a track subsidence, due to the blockage of a culvert, occurred between Te Kuiti and Puketutu, rendering the line unfit for traffic for approximately twenty-four hours.

On 4th September a boulder 14 ft. in diameter fell on to the line between Kakahi and Owhangō, delaying trains whilst the line was rebuilt round the obstruction.

Owing to heavy flooding, train services on the Kingston Branch were suspended from 12th to 14th September.

A slip between Mangatainoka and Pahiatua early on the morning of 14th September blocked the line for twelve hours.

From 25th to 27th September all services on the Outram-Mosgiel line were cancelled due to heavy floods.

On 23rd November a washout between Aratika and Kaimata caused the engine of a west-bound goods-train to derail and fall into the river, resulting in the engine-driver being killed and the fireman injured. A passenger-car next the engine was also derailed, but the passengers escaped injury. The line was reopened for traffic next day.

On 30th November train services were seriously interrupted on the Westport, Nelson, and Picton Sections due to floods, the services on the Picton Section not resuming till 4th December.

On 11th December river erosion washed out a power-pole near Belmont and disorganized the Wellington-Hutt Valley services, whilst washouts and slips between Kaitoke and Summit on the Wairarapa line caused a cessation of services until midday on 13th December.

Further river erosion north of Melling on 12th December delayed trains and necessitated the realignment of the line at this point. As a result of this erosion groynes had to be built, and speed-restrictions in the locality were in force for over four months. This being a single-track sector, delays were occasioned to opposing trains, particularly at peak hours, due to extra time being required to run through the section.

On 27th December the electric services on the Johnsonville line were suspended for over an hour due to a slip near Ngaio. On the same day a fall of rock between Ferniehurst and Parnassus blocked the line for several hours.

On 1st and 13th January, 1940, slips blocked the line between Dunollie and Rewanui.

Floods and washouts on the Nelson Section rendered portion of the line north of Glenhope unfit for use from 25th January to 1st February.

On 26th January torrential rain in the Wellington district caused flooding and slips and disorganized morning services on the Hutt and Manawatu lines.

Heavy rain on 29th January caused a large number of slips blocking the line between Tahora and Mangaparo resulting in no trains passing over this section for approximately thirty-six hours.

On 22nd February a large slip occurred in the Manawatu Gorge, derailing the engine and nine wagons of a passing goods-train; this slip increased in size next day, and the line was completely blocked for a week. Traffic to and from Hawke's Bay was accordingly worked via the Wairarapa line over the Rimutaka incline, resulting in considerable delays to trains. For approximately two months subsequently trains were allowed through the Gorge in daylight only.

On 24th February very heavy rain over the middle portion of the North Island caused many slips, floods, and washouts. The Stratford-Okahukura line was so seriously blocked that two months elapsed before it was possible to resume through services, and then only one through goods-train each way daily was permitted. Normal train services are not likely to resume for some little time to come. The closing of this route necessitated the diversion of the Auckland-Taranaki traffic to via Marton, with resultant very heavy congestion in the Main Trunk area and delays in goods transit and in wagon turnover. On the Main Trunk the line was blocked in several places between Te Kuiti and Ohakune Junction, and traffic was unable to proceed until the 26th. Fourteen through express trains were seriously delayed; the most serious blockage was due to a track subsidence between Piriaka and Kakahi, and passengers had to be transhipped by road vehicles between Taumarunui and Kakahi. It is anticipated that for some months trains will be able to negotiate this portion of the track only at reduced speed.

Torrential rain in the South Island West Coast area on 26th February (and the following week) caused numerous slips between Otira and Stillwater and a serious washout between Aickens and Jackson. All traffic was suspended in this area for three days, except that some transshipping was possible on the 27th. On the 2nd March the line was reopened from Greymouth to Jackson, but the

line between Jackson and Otira remained closed until the 6th March. On the 29th February the Blackball Bridge was found seriously out of alignment as a result of floods, and train services were suspended on the Blackball line till 4th March. A large slip at the Reefton tunnel and serious washouts at Ahaura and near Matai caused a cessation of services between Ngahere and Reefton on the 29th February and 1st March.

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

On 16th April, 1939, a rail-car service with new standard type twin-engined cars was inaugurated between Wellington and New Plymouth with three trips each way per week. These services have functioned satisfactorily, and the speed and comfort of the new units, together with the general excellence of their appointments, have been the subject of very favourable comment.

On 3rd July regular services were commenced on the Napier-Wairoa-Waikokopu line, standard-type rail cars being utilized for passenger traffic between Napier and Wairoa. Coincident with the above, a week-end rail-car service was instituted between Wairoa and Wellington.

In September adjustments were made to the schedule of the New Plymouth-Wellington express, resulting in improved timekeeping.

As from 5th November a considerably augmented time-table for passenger services in the Wellington district was brought into operation to cater for traffic in connection with the Centennial Exhibition. Additional late night trains from Wellington were provided on all suburban lines, also a Saturday morning train from Levin to Wellington and a Saturday night train from Wellington to Palmerston North.

Goods-train services in the Wellington and Hawke's Bay areas were reorganized as from 5th November in order to make provision for the heavy seasonal traffic.

The line between Parnassus and Hundalee, on the South Island Main Trunk line, was opened for goods traffic on 27th November, 1939, and a fortnight later for passenger traffic. Passenger-trains now run between Christchurch and Hundalee linking at the latter station with departmental road motor services to and from Blenheim.

#### GENERAL.

The goods and live-stock traffic for the year was 7,673,950 tons, as compared with 7,539,012 tons for the previous year, an increase of 134,938 tons.

Some 1,365 new general-utility wagons were placed in service during the year, thus assisting materially in meeting the difficulties from time to time experienced in the matter of wagon-supply during the peak season of the year. Unfortunately, in late February the disruption of services following the closing of both the Stratford-Okahukura line and the Manawatu Gorge route as a result of slips and washouts caused by flooding, with subsequent restriction in the latter area to daylight operation of services, caused serious congestion on the Main Trunk line, these conditions being aggravated by the necessity of diverting Auckland-Taranaki traffic to the longer route via Marton. As a natural corollary to these developments delays occurred in transit to both loaded and empty wagons which militated against the Department securing the best possible turnover of the available rolling-stock, this in turn resulting in wagons being in short demand in certain areas at the height of the autumn peak traffic.

The cessation of the overseas chilled-beef traffic following the outbreak of war, together with the introduction of the system of "telescoping" mutton carcasses intended for export, thereby increasing the carrying-capacity of the special type of railway wagons used in connection with the meat-export trade, has been of considerable assistance to the Department in meeting the abnormal demands made upon it in the matter of the supply of special meat-wagons of the type referred to. Especially has this been the case during the unprecedentedly heavy loading periods occasioned by the concentration of shipping loading for overseas ports as a result of the convoy system.

Additional new live-stock wagons to the number of 238 were placed in service during the year.

In pursuance of the policy of improving the standard of passenger accommodation, fifty-five new carriages of the most modern type (including fifteen with pressure-ventilation) were placed in service, being allocated to the North and South Island Main Trunk express services. The reallocation of the cars thus superseded enabled a progressive improvement to be made in the matter of passenger accommodation on various services in other parts of the system.

The adoption in the Wellington district last year of one-class travel on suburban services having proved successful, the system was extended on 1st November to the Auckland suburban trains. As in Wellington, greater flexibility in car movement was achieved.

During the year considerable attention has been given to the matter of improving the seating, lighting, and heating of the carriage stock.

The use of shunting tractors at principal country stations has been continued and extended, resulting in considerable time-saving in respect of the working of goods and mixed trains.

During the year further sections of the Papakura-Horotiu duplication scheme were brought into operation, double-track operation of trains between Ohinewai and Huntly and between Papakura and Paerata being commenced in December, 1939.

The main line between Plimmerton and Paekakariki (except for a short section of track through difficult country and in which five tunnels are located) has been duplicated, double-line working between the points named having been brought into operation as from the 25th February, 1940. Coincident with the opening of the double-line section, centralized traffic control was introduced in this area, the main-line points and signals at the stations and junctions between Plimmerton and Paekakariki being controlled from Wellington. Considerable improvement in the timekeeping of trains has resulted from these improvements.

A deviation of the line with grade easement has been carried out between Maewa and Halcombe, enabling heavier loads to be taken over this section.

On 3rd December, 1939, tablet-working between Te Kuiti and Puketutu was replaced by automatic signalling, and a new intermediate crossing-station opened at Waiteti. This station is unattended, the points and signals being operated from Te Kuiti under the centralized traffic control system. The division of the long Te Kuiti - Puketutu section by the new crossing-station at Waiteti has greatly facilitated the movement of trains.

On 14th December the installation of automatic light signals on the Stratford-Okahukura line was completed, the final section, between Whangamomona and Okahukura, having been brought into use on that date.

On 2nd March a new siding named "Afforestation Siding" was opened between Putaruru and Bartholomew Timber Co. Siding to deal with timber from the Government reserve in that area.

Due to the use of heavier engines drawing longer trains and to the general increase in business, it has been necessary to provide more siding accommodation at many stations. Crossing-loops have also been lengthened at some stations and motor points provided to expedite the crossing of trains.

War conditions have made it necessary to provide a considerable number of special passenger-trains in connection with the assembly and embarkation of troops, also for the conveyance of men on leave.

#### PUBLICITY BRANCH.

Centennial year has been one of greater activity in the Publicity Branch on account of the many special excursions arranged, particularly in relation to the New Zealand Centennial Exhibition and Celebrations. The Branch co-operated with Centennial House and with the Exhibition Company in the preparation of suitable publicity matter, in newspaper advertising, in show-window displays, and in the distribution and exhibition of posters and transfers at stations and booking-offices. The Branch was also actively associated with other Branches of the Service in the planning and arrangement of the Department's exhibit at the Centennial Exhibition.

As in past years the public have been kept well informed regarding the travel and other facilities made available by the Department, and all features of service and improvements to same introduced during the year have been given adequate publicity.

As a result of co-operation received from the newspapers and principal periodicals in keeping the railway position fairly stated regarding transport matters, there has been very little criticism of railway operations, either through the press or in correspondence. Any query in regard to the work of the Department is given a full reply, and should it appear that the inquiry arose from a genuine desire for information upon some point of interest, special steps have been taken, by advertisement and otherwise, to make the facts more generally known.

The policy of using only sound and proven media for its advertising activities has been carefully maintained by the Department, and various checks have been applied to ensure the efficiency of any publicity placed.

There has been throughout the year constant co-operation with other branches of the Service in the preparation and distribution of advertising for their respective purposes.

Good use continues to be made of the advertising facilities of the broadcasting services. The Department co-operated with the National Commercial Broadcasting Service in placing the mobile railway broadcasting unit, Station 5ZB, in the Exhibition grounds and using it throughout the period of the Exhibition.

A new publicity film of the New Zealand Railways was prepared and released for general distribution; an improved map was prepared for inclusion with the Railways Pocket Guide; and several new railway publications were prepared and issued, including a second edition of "The Case for the Railways," a newly-designed time-table display card for hotels, and souvenir post-cards and leaflets for distribution at the Exhibition.

Further developments took place in combined advertising campaigns with travel and tourist interests, including the Group Travel Association, the Government Tourist Department, and the Mount Cook Co.

Much work has been done in preparing special articles for release through the press and in supplying information for schools and other organizations interested in matters relating to the railways and transport generally. The principle of supplying useful information, helpful both to the public and the railways, has been closely followed, and in this respect the *Railways Magazine* has been used by the press, from time to time, as a source of information suitable for reprinting.

The Photographic and Plan Printing Section had its most successful year of operation, showing a good net profit and giving satisfaction to the large numbers of Departments which find occasion to use its modern facilities for photostat, dylinator, and blue-printing work.

The Photographic Division has also been used extensively for departmental publicity display purposes as well as for recording important technical developments within the Department.

The war conditions, which have greatly reduced the opportunities of New-Zealanders for touring in other countries, are widening the scope of the Publicity Branch in promoting travel by individuals or groups within the Dominion. For this purpose the Branch will be increasingly active as a single unit in some cases and as a co-operator with other organizations which are interested in the development of tourist traffic. The success of this kind of co-operation in the past justifies an expectation that it will be extended to the advantage of the whole community as well as to the Department.

Various factors to-day are strengthening the "Back to the Rail" movement, and are inducing an increasing number of people to appreciate the services of the railways. The activities of the Publicity Branch will be of great assistance in holding the ground that has been gained and in making further gains in this connection.

#### COMMERCIAL BRANCH.

In the report submitted last year reference was made to pending important alterations to the railway scales of charges, the revision of which was at that time nearing completion. The new scales were brought into operation on 1st July, 1939, with a minimum of disturbance to the interests mainly affected.

In the passenger section the new measure providing for the issue of bulk travel vouchers has already established itself in public favour in the comparatively short time that has elapsed since the revised scales of charges were issued. The vouchers represent the application of an entirely new principle to passenger travel in New Zealand in that they contemplate the sale of travel by rail and departmental road services on a bulk basis according to the individual requirements of purchasers.

In the goods section of the new scales, which was mainly affected by the revision, the measures taken to achieve a more equitable distribution of the incidence of the freight rates, as they had developed during a period of intense road competition, have been well received by all sections of the community.

The lowering of the rate standard resulting from the elimination of the two highest-rate classes, synchronizing as it did with a period of marked industrial development, has been particularly beneficial to manufacturers by facilitating usage of the railways for the wide-range distribution of their products. Already there is abundant evidence that the modified merchandise freight rates have been instrumental in attracting to rail important lines of traffic, particularly of a long-distance character which did not have the capacity to bear the higher freight rates previously ruling. Calculated on the basis of the established tonnage handled at the time the decision to adopt the lower freight standard was taken, the estimated revenue loss incidental to the adjustment amounted to a substantial sum. It is therefore satisfactory that the present trend in the direction of increased rail usage should indicate that the position will shortly be reached where the revenue return from the greater volume of goods carried will exceed the previous level by a considerable margin.

The complications which in normal circumstances could be expected to arise during the process of transition from an established method of charging to one incorporating fundamental alterations have been greatly minimized by the measures of simplification which are incorporated in the revised tariff. The substitution of standard charges for the many differential local rates previously in operation and the reduction in the number of standard rate classes are the more important features which have resulted in a marked simplification of the process of calculating freight charges, while the adoption of a modified and universal small-lots scale has also met with very general approval.

The services of the Department's Business Agents have been made freely available to the trading and industrial community to assist and advise them on any matters arising from the change-over, and it is due largely to this personal contact that the interests mainly affected have so readily and smoothly adapted themselves to the new conditions.

#### INTER-ISLAND TRAFFIC.

The acceptance of goods and parcels for transport by rail and sea between any two points in the North and South Islands has become a well-established feature of the Department's operations, and the volume of parcels and small packages handled under this inter-Island service has shown a progressive growth since the system was established. In order to cater more efficiently for the business, provision was made during the year for sufficient hampers to be made available to accommodate all through-booked parcels for the sea portion of the journey between Lyttelton and Wellington. With the co-operation of the shipping company and the Harbour Boards concerned, the system of hampering parcels traffic has been successfully established. As a consequence the risk of loss or damage arising from the many handlings of individual packages involved under the old conditions has been reduced to negligible proportions.

#### NEW ZEALAND CENTENNIAL EXHIBITION.

The special facilities provided by the Department for the conveyance of passengers from all parts of New Zealand during the Exhibition period provided opportunity for all sections of the community to visit the Exhibition at a cost commensurate with their individual circumstances. Parties of school-children, in particular, received favoured treatment in the matter of cheap fares and special train services, with the result that approximately 10,000 pupils and teachers from more distant points were conveyed by train to Wellington for extended visits, in addition to many thousands making shorter one-day trips.

During the month of February, when special concession fares were made available to the public, a total of 17,500 ordinary passengers, excluding school parties, was carried to Wellington. This number represents an increase of over 11,000 passengers as compared with normal bookings.

The Department's Business Agents were successful in organizing a large number of parties comprising members of various organizations to visit Wellington for the purpose of viewing the Centennial Exhibition.

#### BULK TONNAGE RATES.

The term "bulk tonnage rates" has been applied to a system of charging recently introduced primarily as a measure of co-ordination of rail and road services. The elimination of competitive road services, arising from their acquisition by the Government, or their temporary suspension on account of the restriction placed on petrol-consumption, has provided opportunity on routes where the conditions are favourable for the established organizations of the operators concerned, working in association with the rail, to be retained for the purpose of providing a complete door-to-door service of transport between the points which they previously served.

Under the arrangements concluded in respect of those routes where the bulk tonnage system has been introduced, the operators are required to furnish a minimum quantity of goods per week and to load wagons up to a prescribed minimum standard. The loading and unloading of goods to and from railway wagons is performed by the operators, who are also responsible for delivering the goods to the consignees in the same good order in which they accepted them at the point of origin.

The rail rate charged to the operator is based on the standard rate for general merchandise goods, less allowances to compensate him for his services in providing a door-to-door service and as a set-off against the savings effected by the Department in being relieved of all handling costs.

## 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 of track carried out was as follows :—

Main Line and Branches—	M.	C.	L.
70 lb. rails relaid with 85 lb. new rails .. .. .	31	51	60
53 lb., 55 lb., 56 lb., and 70 lb. rails relaid with 70 lb. new material .. .. .	15	12	22
55 lb. rails relaid with 55 lb. new material .. .. .	0	00	23
Relaid with 53 lb., 55 lb., 56 lb., and 70 lb. second-hand material .. .. .	7	40	06
Total .. .. .	54	24	11

*Sleepers and Ballast.*—During the year 344,242 new sleepers were laid (including 18,234 used on the Plimmerton-Pukerua Bay duplication and 7,817 on the Palmerston North deviation). A total of 263,419 cubic yards of ballast was placed on the track during the year.

*Protective Works.*—Extensive repairs and additions to the protective works on Oamaru foreshore have been carried out during the year, and 31,310 cubic yards of stone from Sawyers Bay and Enfield Quarries were used in this work. Fifty concrete blocks, which were held for use in emergency, were also placed in position to repair the damage caused by heavy seas experienced between 17th and 20th June, 1939.

River-protection work at Melling, necessitated by erosion of the Hutt River, was completed.

*Fences, Gates, and Cattle-stops.*—General repairs have been effected as required. Boundary fences have been erected and renewals carried out. A number of casual workers were employed during the year on fencing work.

*Level Crossings, &c.*—During the year 18 main-highway level crossings were eliminated. Existing level crossings have received attention and a number have been tar-sealed during the year.

*Bridges.*—A considerable number of bridges have been renewed or strengthened during the year. The work of renewing the Waipawa, South Rangitata, and Rakaia bridges has been completed. Construction work is proceeding on the Rangitikei, Wairau, and Waiau bridges.

*Water Services and Appliances.*—All water services and appliances were maintained in good order.

*Wharves.*—All wharves have been maintained in an efficient manner.

*Platforms and Cattle-yards.*—Platforms and cattle-yards have been maintained in good order. Alterations to several cattle-yards have been carried out. Several pig-pens and stock-yards have been concreted.

*Buildings.*—All buildings have been maintained in good condition. Alterations and additions to numerous buildings have been effected during the year. The programme of painting of buildings has been fully maintained in the year under review. Sewerage facilities have been installed at several stations.

A hut and nine other departmental buildings were damaged by fire during the year.

*Dwellings.*—Repairs and painting of dwellings have been carried out as deemed necessary. Bathrooms and porches have been provided at several dwellings. During the year, 167 dwellings were equipped with hot-water installations.

A total number of 80 houses were constructed during the year. Of these, 50 were erected in the North Island and 30 in the South Island. One dwelling was totally destroyed by fire during the year.

*New Works.*—Duplication of the line between Papakura and Horotiu has progressed during the year, and further portions of double line between Huntly and Ohinewai and between Papakura and Paerata, a total mileage of 13 miles 55 chains, were brought into use during the year.

Operations in connection with the St. Leonards-Sawyers Bay duplication scheme have proceeded steadily during the year. The heading through the tunnel was pierced on 15th March, 1940, and the opening-up of the full section of the tunnel put in hand. The south and north portals and 64 ft. of concrete lining in the tunnel have been completed.

The duplication of the track from Plimmerton to Paekakariki (with the exception of approximately  $1\frac{3}{4}$  miles, where five tunnels are situated) was completed and brought into operation on Sunday, 25th February, 1940.

The Plimmerton-Paekakariki duplication scheme makes provision for the rearrangement of the Plimmerton, Pukerua Bay, and Paekakariki station yards and for the erection of modern station buildings at Plimmerton and Pukerua Bay in order to make available up-to-date facilities for coping with an anticipated increase in passenger traffic consequent on the development of the localities named following the inauguration of electric traction between Wellington and Paekakariki. During the year the new station at Plimmerton was completed and the old station dismantled. At Pukerua Bay the platform fronts were completed, and the erection of the new station is in progress.

Satisfactory progress continues to be made with the Tawa Flat-Porirua and Levin-Koputuroa deviations.

Work in connection with the Palmerston North deviation is being steadily pushed on by the Public Works Department. During the year 2 miles 77 chains 89 links of track were laid at the south end of the deviation, but further platelaying has been suspended on account of the shortage of materials.

The restoration work undertaken in connection with the damage to the track caused by slips and floods between Napier and Putorino was sufficiently advanced to permit of the reopening of this portion of the line, but further work is still required. A further section of the Napier-Gisborne railway between Putorino and Waikokopu (44 miles 18 chains) was taken over from the Public Works Department and opened for traffic on 1st July, 1939.

The portion of the South Island Main Trunk Railway between Parnassus and Hundalee (11 miles 68 chains) was taken over from the Public Works Department and opened for traffic on 27th November, 1939.

During the year the ground and first and second floors of the left wing of the Wellington new station were extended, the work being undertaken by the Fletcher Construction Co., Ltd., under contract. A rearrangement of the accommodation allocated to the Traffic (Coaching) and Refreshment Branches has been made following the completion of the new wing.

Further progress has been made with the preliminary works associated with the scheme for the provision of a new station and yard at Christchurch, and in that connection the following new works were brought to completion during the year:—

- New Signal Branch depot buildings and sidings.
- New car and wagon shed.
- New car yard connected to Waltham yard.
- Falsgrave Street subway (opened for traffic on 22nd December, 1939).
- Boiler-house, linen-store, yard staff quarters.
- Bicycle-stands, car-washing stands.

The contract for the erection of a building for the new omnibus station and social hall at Dunedin was satisfactorily completed during the year, and these buildings are now in occupation.

*Unemployed Relief.*—During the year an average of 1,017 casual workers have been employed on earthworks for grade easements, deviations, improvements to track, cutting noxious weeds, repairing fences, &c.

*Mileage of Track.*—The total mileage of track open for traffic on 31st March, 1940, was 3,389 miles 74 chains.

#### SIGNAL AND ELECTRICAL BRANCH.

The main activities of the Signal and Electrical Branch during the year were as follows:—

*Papakura-Horotiu Duplication.*—Automatic signalling on the duplicated sections of line between Papakura and Paerata (8 miles 45 chains) and between Ohinewai and Huntly (5 miles 10 chains) were brought into use during the year, superseding the existing single-line automatic signalling. Coincident with the above, power-interlocking apparatus was brought into use at Ohinewai.

*Te Kuiti-Puketutu.*—Centralized traffic control has been installed and brought into use between Te Kuiti and Puketutu (8 miles 2 chains). The new apparatus permits of the signals and points at the crossing-loop at Waiteti and the departure signals at Puketutu being controlled from Te Kuiti signal box.

*Stratford-Okahukura.*—The remaining section of the Stratford-Okahukura single-line automatic signalling between Whangamomona and Okahukura (51 miles 52 chains) has been brought into use.

*Wellington-Porirua-Paekakariki Centralized Traffic Control.*—Automatic signalling (7 miles 11 chains double line and 1 mile 63 chains single line) between Plimmerton and Paekakariki and operated by Centralized Traffic Control from Wellington was brought into use. The new installation includes electric interlocking at Plimmerton.

*Napier-Gisborne Automatic Signalling.*—The overseas material to be used in connection with the above has arrived, and the pole-line work has been completed between Napier and Wairoa, and mechanical work has been commenced at Putorino.

*Rolleston-Dunsandel Automatic Signalling.*—An order has been placed for the necessary materials required for this installation.

*Lower Hutt.*—The installation of power-interlocking apparatus to allow of a rearrangement of the station yard at Lower Hutt to accommodate the new western highway is in hand.

*Frame-levers.*—Frame-levers and facing-points locks have been installed at fourteen stations.

*General.*—Works of lesser importance carried out during the year include alterations and additions to existing signalling and interlocking apparatus at many stations, the provision of motor points at fourteen stations, and the installation of track circuiting at Paekakariki, Greymouth, Blackball, and Invercargill.

The transfer of the Signal and Electric Lines Inspector's depot from Christchurch to Addington was completed during the year. A Signal and Electric Lines Inspector's depot was provided at Napier.

Switch-locked points interlocked with the automatic signalling were provided at Panmure, Drury, Niho Niho, Toi Toi, and Pukerua Bay. Switch-locked points were dispensed with at Opaheke and power interlocking at Panmure was removed.

The following additional automatic crossing-loops were installed during the year: Tuhua, Matiere, Ohura, Mangaparo, Tokirima, Heao, Tangarakau, Tahora, and Kohuratahi.

Tablet locks (interlocking points with the tablet system) have been installed at Mangatera and also at several service sidings in both Islands. Tablet-locked points were removed from Piripiri, and Mangatera was closed as a fixed signal station.

With the installation of automatic signalling between Whangamomona and Okahukura the fixed signals at Ohura, Tangarakau, and Whangamomona have been superseded.

Fixed signals have been provided at Gowers Cutting, Piripiri, Te Apiti, Omakau, and Wairio.

The total number of signalling installations is as follows:—

	m. ch.	Number.
Miles of single-line automatic signalling .. .. .	273 30	..
Miles of double-line automatic signalling .. .. .	120 12	..
Automatic crossing-loops .. .. .	.. .. .	44
Automatic switch-locked sidings .. .. .	.. .. .	46
Power interlockings .. .. .	.. .. .	44
Mechanical interlockings .. .. .	.. .. .	108
Interlocked tramway crossings .. .. .	.. .. .	7
Fixed signals and Woods' locked stations .. .. .	.. .. .	288
Tablet-locked sidings .. .. .	.. .. .	282

*Tablet-working.*—Gowers Cutting, Piripiri, and Te Apiti were opened as switch-out tablet stations. Pukerua Bay was closed as a tablet station, and Mangatera and The Gorge were closed as switch-out tablet stations.

Makotuku and Kopua were converted from ordinary to switch-out tablet stations. The tablet on the Te Kuiti - Puketutu and Paekakariki-Plimmerton sections were superseded by automatic signalling.

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

Total mileage equipped with tablet instruments	..	..	..	..	1,577
Number of tablet instruments in use	..	..	..	..	893
Number of tablet stations	..	..	..	..	359
Number of tablet exchangers	..	..	..	..	317

*Telegraph and Telephone Facilities.*—During the year 603 miles of copper wire were erected in new circuits.

Preparatory work for the South Island main trunk communications has continued, and the pole-line and iron wire renewed with copper between Parnassus and Waipara, and a new circuit provided. Between Christchurch and Dunedin a second circuit is being provided and will be completed within three months of delivery of materials on order.

Technical improvements were made to the Christchurch-Greymouth lines, and a switchboard from Dunedin installed at Greymouth.

In the North Island the long-distance telephone channels were increased and improved by the installation of a three-channel carrier system between Wanganui and Ohakune, a single-channel system from Ohakune to Frankton Junction, and the transfer of a single-channel system from this area to Wanganui - New Plymouth.

The communication system between Wellington and Palmerston North was improved by the full loading of the Wellington-Paekakariki telephone cable. The Napier train-control circuits were brought into operation as far as Waikokopu on the Gisborne line and Palmerston North to the south.

A commencement has been made to improve the condition of the telephone-lines south of Auckland, and work in this connection has been commenced in conjunction with the Public Works Department between Penrose and Henderson.

An eighty-line automatic-telephone exchange with a two-position switchboard and two-cord-circuit repeaters was installed at Frankton Junction. This board connects with the Post and Telegraph service and provides a combined Railway and Post and Telegraph service and efficient long-distance communications. The board released was overhauled and installed at Ohakune to replace an obsolete board.

The statistics of communication facilities are as follows:—

Morse instruments	..	..	..	..	..	148
Telephones	..	..	..	..	..	3,539
Miles of wire	..	..	..	..	..	19,195
Miles of poles	..	..	..	..	..	3,178
Railway exchanges, automatic	..	..	..	..	..	10
Railway exchanges, manual	..	..	..	..	..	12
Public-exchange connections	..	..	..	..	..	661

*Level-crossing Alarms.*—Flashing light signals have been installed as follows: Mair, Kamo Road; Wairoa, Frasertown Road; Port Ahuriri, Taradale Road; Gisborne Line, Taradale Road.

Crossing-alarm bells have been installed at Tawhiti Road, Hawera.

The wig-wag crossing signal at Feilding Road, Ashhurst, has been removed following the construction of an overbridge.

Flashing lights were added to the bells at three crossings at Featherston (Revan, Fitzherbert, and Bell Streets). Flashing lights replaced wig-wags at Glandovey Road, Bryndwyr.

The total number of level crossings now fitted with automatic warning-devices is 123.

#### TRACTION.

*Christchurch-Lyttelton.*—The overhead catenary system between Wilson Road and Waltham Road has been shifted to suit the new alignment of permanent way.

*Otira.*—The glass-bulb mercury arc rectifier substation equipment for the Otira electrification has come to hand, and has been stored pending the completion of the substation building at the Otira portal of the tunnel, the building of which has been delayed by wet weather. It is anticipated that the substation will be ready for use by November.

During the year the renewal of the Otira Tunnel catenary system and the relocation of the positive feeder has been completed.

*Wellington-Johnsonville Suburban Line.*—The substations and the overhead equipment of this section have continued to function satisfactorily without interruption.

*Wellington - Paekakariki.*—A number of steel structures were erected to replace cross-wire suspension in connection with the duplication works on this sector.

#### MAIN WORKSHOPS.

The usual maintenance of the substations attached to the main workshops has been carried out during the year, together with that of the other electrical appliances, including motor generators, motor alternators, rotary converters, and switchgear.

Considerable additions and structural alterations, particularly at Hutt Valley shops, has made necessary a large amount of electrical reticulation work involving alterations and additions to existing layouts. This work is still in hand.

It is proposed to change over the 11,000-volt supply to the Hutt Valley Workshops from the Public Works Department's substation at Khandallah to that Department's substation at Melling, and the preliminary survey of the route has been completed and arrangements made for the delivery of the necessary materials.

## GENERAL.

A floodlight tower, the first of three, has been erected in Christchurch for the illumination of the new sidings between Waltham and Wilsons Roads.

Lifts and cranes under the control of the Department have been regularly inspected and, where required, repairs have been carried out.

Additional pumping-plants, electrically equipped, have been installed at various stations to take the place of windmills and oil-engine-driven plants where these have come to the end of their useful life. A few domestic pumping-plants have also been installed for water-supply to departmental dwellings.

Motor installations completed number 23.

During the year electric lighting was installed in the stations and yards at Opuā, Kawakawa, Otiria, Kaikohe, Okaihau, Taipuha, Paparoa, Kaiwaka, Te Hana, Rangikura, Bonnyglen, Wairoa, Poukawa, Opapa, Pukehou, Birchfield, Moana, Culverden, Henley, Kingston, Greenhills, and Kakariki.

In addition, 185 houses have been equipped with electric lighting.

Statistics of electrical equipment are as follows:—

Number of houses electrically lighted	..	..	..	..	3,176
Number of stations electrically lighted	..	..	..	..	431
Number of substations	..	..	..	..	23
Total capacity of substations	..	..	..	..	15,890 kVA.
Number of station yards flood-lighted	..	..	..	..	15

## CENTENARY OF THE DOMINION.

On the 6th February, 1940, New Zealand celebrated its centenary, and to mark this and other important events associated with the founding of New Zealand appropriate celebrations were held in various parts of the Dominion. The chief centre of interest in connection with the celebrations was the Centennial Exhibition which was located at Wellington for a period of six months extending from 8th November, 1939, to 4th May, 1940. The Government Railways Department was represented at the Exhibition by a display fully worthy of the historic occasion and of the notable part played by the Dominion's railways in the development of the resources of the country during the last three-quarters of a century.

It is pleasing to record that the Department's exhibit, throughout the whole period of the Exhibition, attracted a great deal of attention and interest, and was the subject of much favourable comment.

## WAR CONDITIONS.

The outbreak of war has added to the ordinary activities of the Railways, and already the Department has been called upon to provide a considerable measure of transportation in connection with the movement of troops and military stores and equipment. In other directions also the Department has contributed to the Dominion's war effort, the manufacture of a large volume of materials for war purposes having been undertaken by the Workshops Branch, while the services of a considerable number of the Railway staff have been made available to the fighting services for specialized war work. As at the 31st March, 1940, some 858 employees had enlisted for overseas service with the defence forces.

## 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.

## STAFF.

The average number of persons employed in the Department throughout the year ended 31st March, 1940, was 25,710, compared with an average of 24,342 for the previous year. The average number of men engaged exclusively on works chargeable to capital was 2,932, compared with 2,419 during the previous year.

The total number of staff employed at the 31st March, 1940, including those on works chargeable to capital, was 25,855. This figure does not include 424 permanent employees and 434 casual employees who as at 31st March, 1940, were serving with the armed Forces of the Dominion. The total number of employees as at the end of the previous financial year was 25,138.

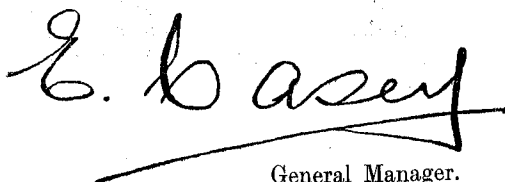
Of the total staff as at 31st March, 1940, excluding those serving with the armed Forces, 15,583 were permanent and 10,272 were casual employees.

During the year 335 members of the permanent staff resigned, 248 retired on superannuation, 60 died, and 76 were dismissed or paid off.

Employees to the number of 1,099 were engaged for employment on the permanent staff. Ninety-four members of the Second Division were promoted to the First Division.

A total of £58,085 was paid under the Workers' Compensation Act during the year to members of the Second Division of the Service who suffered injury in the course of their employment.

I desire to record my thanks to all members of the staff for their support and co-operation in assisting the Department to meet its obligations and responsibilities in the busy and difficult year just concluded.



General Manager.



## INDEX OF STATEMENTS

ACCOMPANYING THE ANNUAL REPORT OF THE GENERAL MANAGER OF THE NEW ZEALAND  
GOVERNMENT RAILWAYS, 1939-40.

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	Lako 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. I.

CAPITAL ACCOUNT AS AT 31ST MARCH, 1940.

— —	Total to 31st March, 1939.		Year ended 31st March, 1940.		Total to 31st March, 1940.		Receipts. Capital included in public debt Other capital	Total to 31st March, 1939.		Year ended 31st March, 1940.		Total to 31st March, 1940.	
	£	s. d.	£	s. d.	£	s. d.		£	s. d.	£	s. d.	£	s. d.
<i>Expenditure.</i>													
Permanent-way—Works, buildings, machinery, plant, and dwellings	52,467,785	9 8	2,921,965	16 4	55,389,751	6 0	..	59,838,110	4 8	4,584,090	11 3	64,422,200	15 11
Rolling-stock, lake steamers, and road motors	13,776,877	15 4	1,451,862	10 8	15,228,740	6 0	..	9,033,902	6 6	..	..	9,033,902	6 6
Lines closed for traffic	362,662	9 4	..	..	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	68,872,012	11 2	4,584,090	11 3	73,456,103	2 5
Deduct accrued depreciation on existing assets	66,607,325	14 4	4,373,828	7 0	70,981,154	1 4	..	10,400,000	0 0	..	..	10,400,000	0 0
	8,604,200	12 6	456,009	18 11	9,060,210	11 5	..						
Add unexpended balances: Depreciation Fund	58,003,125	1 10	3,917,818	8 1	61,920,943	9 11	Outstanding liabilities	58,472,012	11 2	4,584,090	11 3	63,056,103	2 5
	673,482	13 3	464,762	3 10	1,138,244	17 1	..	204,595	3 11	Dr. 201,509	19 4	3,085	4 7
	£58,676,607	15 1	£4,382,580	11 11	£63,059,188	7 0		£58,676,607	15 1	£4,382,580	11 11	£63,059,188	7 0

NOTE.—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. 1—continued.

## GENERAL BALANCE-SHEET AS AT 31ST MARCH, 1940.

<i>Liabilities.</i>				<i>Assets.</i>						
	£	s.	d.	£	s.	d.	£	s.	d.	
Sundry creditors—										
General creditors (including unpaid wages) and credit balances ..	743,138	9	8					199,213	18	8
Government Departments ..	23,461	6	2							
				766,599	15	10				
Collections for refund to—										
Harbour Boards, shipping companies, and other carriers ..	29,902	15	9							
Government Departments ..	280	12	1							
				30,183	7	10				
Items to be written off on receipt of parliamentary authority ..				5,720	17	7				
General Reserve ..	1,144,552	17	8							
Depreciation Reserve Account ..	1,138,244	17	1							
Renewals Reserve Account ..	582,707	16	11							
Insurance Reserve Accounts—										
Fire ..	102,563	2	4							
Workers' compensation ..	51,192	14	5							
Slips, Floods, and Accidents Equalization Account ..	10,693	16	8							
				3,029,955	5	1				
Employment Promotion Fund: Subsidy on works ..				489,232	11	10				
Betterments Reserve Account: Refreshment Branch ..				3,663	17	6				
Sick Benefit Fund ..				43,156	9	1				
				<u>£4,368,512</u>	<u>4</u>	<u>9</u>				
Sawmills, bush areas, and stocks of timber ..										
Stores and materials on hand—										
Stores Branch ..	1,975,853	15	8							
Subsidiary Services ..	22,640	13	0							
								1,998,494	8	8
Sundry assets—										
Advertising Branch ..	14,539	18	11							
Refreshment Branch ..	38,537	8	4							
Housing improvements ..	9,152	1	7							
								62,229	8	10
Sundry debtors—										
Government Departments ..	98,359	4	4							
Advances: Housing scheme under Government Railways Amendment Act, 1927, section 15 (5), Railways employees ..										
Work in progress, sundry debtors, and debit balances ..	222,748	8	9							
								321,249	13	2
Employment Promotion Fund: Subsidized works ..								489,232	11	10
Outstanding at stations—										
Cash in hand ..	30,238	4	0							
Freights, &c., owing by Government Departments ..	89,765	6	5							
Freights, &c., owing by sundry debtors ..	190,273	11	5							
								310,277	1	10
Sick Benefit Fund investments ..								43,898	10	8
Cash in Working Railways Account ..								943,916	11	1
								<u>£4,368,512</u>	<u>4</u>	<u>9</u>

W. BISHOP, A.R.A.N.Z., Chief Accountant.

I hereby certify that the Balance-sheet and accompanying accounts have been duly examined and compared with the relative books and documents submitted for audit, and correctly set out the position as disclosed thereby, subject to the above departmental note, and to the exception that the cost of exchange in respect of interest payments made in London during the year for the purposes of this account has not been charged to the account but has been borne by the Consolidated Fund.—CYRIL G. COLLINS, Controller and Auditor-General.

STATEMENT No. 2.

INCOME AND EXPENDITURE OF THE WHOLE UNDERTAKING FOR THE YEAR ENDED 31ST MARCH, 1940.

	Statement No.	Year 1939-40.			Year 1938-39.		
		Gross Revenue.	Expenditure.	Net Revenue.	Gross Revenue.	Expenditure.	Net Revenue.
Railway operation ..	3	£ 8,761,637 7 7	£ s. d. 7,943,119 18 1	£ s. d. 818,517 9 6	£ s. d. 8,005,059 7 10	£ s. d. 7,663,632 4 9	£ s. d. 341,427 3 1
Lake Wakatipu steamers ..	4	7,362 0 0	11,119 19 8	3,757 19 8	7,167 13 0	11,312 14 5	Dr. 4,145 1 5
Refreshment service ..	5	200,870 18 4	186,628 1 7	14,242 16 9	167,709 16 6	163,188 12 1	4,521 4 5
Bookstall service ..	5A	112,855 1 1	106,240 13 5	6,614 7 8	92,603 19 3	88,143 12 6	4,460 6 9
Advertising service ..	6	36,417 1 5	34,061 1 5	2,355 19 11	40,070 13 8	35,134 2 10	4,936 10 10
Dwellings ..	7	141,888 14 8	204,174 12 5	62,285 17 9	133,945 11 2	187,193 1 1	Dr. 53,247 9 11
Buildings occupied by refreshment service, book-stall proprietors, &c.	8	31,434 13 0	21,196 2 2	10,238 10 10	23,888 18 10	15,644 18 4	8,244 0 6
Road motor services ..	9	512,758 10 4	503,498 2 1	9,260 8 3	503,611 11 3	480,074 12 2	25,536 19 1
Miscellaneous revenue ..	..	393,845 10 7	..	393,845 10 7	369,329 16 7	..	369,329 16 7
Total net revenue to Net Revenue Account ..	..	10,199,069 17 0	9,010,038 10 11	1,189,031 6 1	9,345,387 8 1	8,644,323 18 2	701,063 9 11

NET REVENUE ACCOUNT.

Dr.	1939-40.		1938-39.	
	£ s. d.	Cr.	£ s. d.	Cr.
Interest charges ..	2,575,195 10 11	..	2,418,116 9 6	..
	2,575,195 10 11	2,418,116 9 6	..	..
	..	..	Net earnings before charging interest on capital ..	£ s. d. 701,063 9 11
	..	..	Reduction on account of interest charges, vide section 14, Finance Act, 1930 (No. 2)	£ s. d. 1,717,052 19 7
	..	..		2,418,116 9 6

## STATEMENT No. 3.

## INCOME AND EXPENDITURE IN RESPECT OF RAILWAY OPERATION FOR THE YEAR ENDED 31ST MARCH, 1940.

Expenditure.	See Abstract.	1939-40.		1938-39.		Per Cent. of Operating Revenue.		Revenue.		1938-39.		1939-40.		Per Cent. of Operating Revenue.	
		£	s. d.	£	s. d.	£	s. d.	1939-40.	1938-39.	£	s. d.	1939-40.	1938-39.		
Maintenance of way and works ..	A	1,468,268	4 11	1,375,829	2 6	17.19	..	Passengers, ordinary ..	17	1,844,788	19 6	21.06	19.22		
Maintenance of signals and electrical appliances	B	197,949	1 8	186,546	6 10	2.26	..	Passenger, season tickets ..	17	274,545	13 2	3.13	3.08		
Maintenance of rolling-stock ..	C	1,896,366	6 6	1,832,614	13 7	21.64	..	Parcels, luggage, and mails ..	17	330,024	8 6	3.77	4.17		
Examination, lubrication, and lighting of vehicles	D	88,271	17 9	85,481	12 7	1.01	..	Goods ..	17	6,109,293	6 0	69.72	71.15		
Locomotive transportation ..	E	1,802,990	0 10	1,727,374	16 10	20.58	..	Labour, demurrage, &c. ..	17	202,985	0 5	2.32	2.38		
Traffic transportation ..	F	2,250,905	7 6	2,208,310	7 6	25.69	..								
General charges ..	G	78,266	15 2	82,236	1 10	0.89	..								
Superannuation subsidy 186,601 19 11															
Less amount allocated to subsidiary services, &c. ..															
	..	160,102	3 9	165,239	3 1	1.82	2.06								
Total operating expenses ..	..	7,843,119	18 1	7,663,632	4 9	90.65	95.73								
Net operating revenue ..	..	818,517	9 6	341,427	3 1	9.35	4.27								
	..	£8,761,637	7 7	£8,005,059	7 10	100.00	100.00	£8,761,637	7 7	£8,005,059	7 10	100.00	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 Railway.	Total.	Per Mile of Railway.	Total.	Per Mile of Railway.	Total.	Per Mile of Railway.	Total.	Per Mile of Railway.	Total.	Per Mile of Railway.	Total.	Per Mile of Railway.	Total.	Per Mile of Railway.

## ABSTRACT A.—MAINTENANCE OF WAY AND WORKS.

General expenses—	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Branch .. .. .	5	0.2	36	0.7	6,502	4.2	3,717	2.3	120	3.3	13	0.2	55	1.0	10,448	3.1
District .. .. .	274	11.4	346	7.1	29,869	19.3	17,407	10.9	484	13.5	239	4.0	490	8.7	49,109	14.6
Road-bed .. .. .	1,414	58.9	2,758	56.3	128,841	83.0	97,896	61.3	3,105	86.2	2,815	46.9	3,833	68.5	240,662	71.4
Track-renewals .. .. .	1,884	78.5	4,746	96.8	329,337	212.4	275,707	172.8	5,935	164.9	3,479	58.0	4,972	88.8	626,060	185.7
Ballasting .. .. .	1,358	56.6	58	1.2	45,374	29.3	10,772	6.7	1,599	44.4	69	1.2	1,759	31.4	60,989	18.1
Slips and floods .. .. .	23	1.0	555	11.3	74,714	48.2	39,208	24.6	297	8.3	418	7.0	410	7.3	115,625	34.3
Fences, gates, cattle-stops	7	0.3	1,313	26.8	22,567	14.6	19,607	12.3	1,725	47.9	1,117	18.6	897	16.0	47,233	14.0
Roads, level-crossings, approaches	15	0.6	119	2.4	4,946	3.2	3,872	2.4	73	2.0	30	0.5	84	1.5	9,139	2.7
Bridges, viaducts, culverts, &c.	482	20.1	2,097	42.8	77,129	49.7	62,005	38.9	1,202	33.4	1,547	25.8	1,336	23.9	145,798	43.3
Water-services, cranes, weighbridges, &c.	3	0.1	178	3.6	15,536	10.0	8,140	5.1	3,287	91.3	121	2.0	229	4.1	27,494	8.2
Wharves .. .. .	..	..	..	..	1,452	1.0	..	..	1,550	43.1	..	..	86	1.5	3,088	0.9
Cattle-yards, loading-banks, platforms, coal-stages	..	..	160	3.3	11,878	7.7	6,320	4.0	13	0.4	87	1.4	214	3.8	18,672	5.5
Operating buildings .. .. .	79	3.3	708	14.5	65,026	42.0	44,546	27.9	1,805	50.1	438	7.3	1,349	24.1	113,951	33.8
	5,544	231.0	13,074	266.8	813,171	524.6	589,197	369.2	21,195	588.8	10,373	172.9	15,714	280.6	1,468,268	435.6
Per cent. of operating revenue	177.29		46.63		14.80		19.09		21.83		103.57		36.51		16.76	
Per cent. of operating expenditure	55.92		40.19		7.03		19.83		25.90		44.11		32.05		18.48	
Per train-mile (pence)	104.60		60.96		22.41		31.81		74.66		64.88		87.42		26.36	

## ABSTRACT B.—MAINTENANCE OF SIGNALS AND ELECTRICAL APPLIANCES.

General expenses .. .. .	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Signals and interlocking .. .. .	6	0.3	49	1.0	8,618	5.6	4,967	3.1	170	4.7	16	0.3	71	1.3	13,897	4.1
Automatic and power signalling	..	..	10	0.2	22,122	14.3	13,369	8.4	195	5.4	26	0.4	21	0.4	35,743	10.6
Level-crossing signals .. .. .	..	..	..	..	2,369	1.5	1,347	0.8	..	..	..	..	..	..	3,716	1.1
Instruments, block-working, tablets, &c.	..	..	10	0.2	14,990	9.7	8,568	5.4	181	5.0	14	0.2	6	0.1	23,769	7.1
Overhead lines, block-working, tablets, &c.	31	1.2	63	1.3	17,738	11.4	13,238	8.3	36	1.0	60	1.1	45	0.8	31,211	9.3
Overhead lines, automatic signalling	..	..	..	..	3,937	2.5	3,694	2.3	..	..	..	..	..	..	7,631	2.3
Electric lighting used in operation	..	..	17	0.3	8,551	5.5	5,209	3.3	151	4.2	20	0.3	34	0.6	13,982	4.1
Overhead electrification and bonding	..	..	..	..	8,670	5.6	9,517	6.0	..	..	..	..	..	..	18,187	5.4
Electric-power appliances	..	..	..	..	2,111	1.4	919	0.6	175	4.9	13	0.2	2	0.0	3,220	1.0
Buildings .. .. .	..	..	..	..	2,864	1.8	1,005	0.6	..	..	..	..	..	..	3,869	1.1
	37	1.5	149	3.0	119,088	76.8	77,439	48.5	908	25.2	149	2.5	179	3.2	197,949	58.7
Per cent. of operating revenue	1.18		0.53		2.17		2.51		0.94		1.49		0.42		2.26	
Per cent. of operating expenditure	0.37		0.46		2.49		2.61		1.11		0.63		0.37		2.49	
Per train-mile (pence)	0.70		0.69		3.28		4.18		3.20		0.93		1.00		3.55	

Item.	Kaihu.		Gisborne.		North Island Main Line and Branches.		South Island Main Line and Branches.		Westport.		Nelson.		Pleiton.		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.

	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
General expenses—																
Branch .. ..	9	0.2	68	0.3	12,008	0.3	6,937	0.4	240	0.8	23	0.1	99	0.5	19,384	0.3
District .. ..	..	..	..	..	3,600	0.1	3,113	0.2	..	..	..	..	..	..	6,713	0.1
Locomotives ..	243	4.6	1,706	8.0	510,981	14.2	298,335	16.0	5,754	20.3	2,319	14.6	3,260	18.1	822,598	14.8
Cars .. ..	12	0.3	346	1.6	206,960	5.7	108,678	5.9	806	2.8	307	1.9	430	2.4	317,539	5.7
Vans and postal vans ..	8	0.1	107	0.5	29,636	0.8	15,518	0.8	309	1.1	179	1.1	156	0.9	45,913	0.8
Wagons .. ..	236	4.4	2,534	11.8	368,813	10.1	242,065	13.1	11,628	41.0	736	4.6	1,970	11.0	627,982	11.3
Service vehicle ..	..	..	28	0.1	8,058	0.2	8,343	0.5	108	0.4	3	..	249	1.4	16,789	0.3
Tarpaulins, rope, and nets .. ..	..	..	67	0.3	25,897	0.7	13,170	0.7	192	0.7	30	0.2	92	0.5	39,448	0.7
	508	9.6	4,856	22.6	1,165,953	32.1	696,159	37.6	19,037	67.1	3,597	22.5	6,256	34.8	1,896,366	34.0
Per cent. of operating revenue	16.25		17.32		21.22		22.55		19.61		35.92		14.54		21.64	
Per cent. of operating expenditure	5.12		14.93		24.42		23.42		23.27		15.30		12.76		23.87	
Per mile of railway £	21.17		99.10		752.23		436.19		528.81		59.95		111.71		562.63	

## 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	39	0.7	86	0.4	26,133	0.7	19,038	1.0	924	3.2	128	0.8	148	0.8	46,496	0.8
Gas lighting of vehicles	2	0.1	44	0.2	10,308	0.3	4,338	0.2	137	0.5	46	0.3	72	0.4	14,947	0.3
Electric lighting of vehicles	..	..	..	..	14,809	0.4	6,499	0.4	..	..	..	..	..	..	21,308	0.4
Depot expenses ..	2	0.0	5	0.0	3,424	0.1	2,089	0.1	1	0.0	..	..	..	..	5,521	0.1
	43	0.8	135	0.6	54,674	1.5	31,964	1.7	1,062	3.7	174	1.1	220	1.2	88,272	1.6
Per cent. of operating revenue	1.38		0.48		1.00		1.04		1.09		1.74		0.51		1.01	
Per cent. of operating expenditure	0.43		0.42		1.15		1.08		1.30		0.74		0.45		1.11	
Per mile of railway £	1.79		2.76		35.27		20.03		29.50		2.90		3.93		26.19	

## ABSTRACT E.—LOCOMOTIVE TRANSPORTATION.

	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
General expenses—																
Branch .. ..	4	0.1	29	0.1	5,051	0.1	2,915	0.2	100	0.4	10	0.1	41	0.2	8,150	0.1
District .. ..	..	..	..	..	6,640	0.2	4,800	0.3	..	..	..	..	..	..	11,440	0.2
Depot supervision ..	..	..	9	0.0	30,549	0.8	19,655	1.1	272	1.0	5	0.0	68	0.4	50,558	0.9
Wages, allowances, and expenses .. ..	749	14.1	2,608	12.2	445,274	12.4	251,429	13.5	5,706	20.0	1,970	12.4	4,292	23.9	712,028	12.8
Fuel .. ..	921	17.4	4,546	21.2	589,183	16.2	224,068	12.1	3,125	11.0	1,872	11.7	3,993	22.2	827,708	15.0
Water .. ..	29	0.5	124	0.6	18,721	0.5	8,191	0.4	139	0.5	52	0.3	105	0.6	27,361	0.5
Stores .. ..	9	0.2	149	0.7	19,009	0.5	9,792	0.5	168	0.6	63	0.4	162	0.9	29,352	0.5
Shed expenses ..	296	5.6	485	2.3	84,387	2.3	48,487	2.6	1,785	6.3	199	1.2	754	4.2	136,393	2.4
	2,008	37.9	7,950	37.1	1,198,814	33.0	569,337	30.7	11,295	39.8	4,171	26.1	9,415	52.4	1,802,990	32.4
Per cent. of operating revenue	64.21		28.36		21.82		18.44		11.63		41.65		21.87		20.58	
Per cent. of operating expenditure	20.25		24.44		25.11		19.16		13.80		17.74		19.21		22.70	
Per mile of railway £	83.67		162.24		773.43		356.73		313.75		69.52		168.12		534.85	

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.
<b>ABSTRACT F.—TRAFFIC TRANSPORTATION.</b>																
General expenses—	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
Branch .. .. .	21	0.4	158	0.7	27,580	0.8	15,825	0.9	521	1.8	55	0.3	226	1.3	44,386	0.8
District .. .. .	48	0.9	1,243	5.8	79,081	2.2	53,430	2.9	1,189	4.2	1,013	6.3	1,438	8.0	137,442	2.5
Station expenses—																
Supervision and office	885	16.7	1,567	7.3	310,002	8.5	235,146	12.7	3,706	13.1	1,898	11.9	3,353	18.7	556,557	10.1
Platform .. .. .	49	0.9	96	0.4	121,272	3.3	52,753	2.8	574	2.0	45	0.3	318	1.8	175,107	3.1
Signalling .. .. .	..	..	226	1.1	140,362	3.9	68,191	3.7	1,198	4.2	2	..	41	0.2	210,020	3.8
Shunting and marshalling yards	49	0.9	402	1.9	164,499	4.5	114,175	6.0	3,810	13.4	312	2.0	876	4.9	284,123	5.1
Goods - sheds and goods-yards	49	0.9	105	0.5	141,556	3.9	140,043	7.6	1,375	4.8	301	1.9	1,348	7.5	284,777	5.1
Wharves .. .. .	26	0.5	..	..	30,232	0.8	107,902	5.8	10,814	38.1	..	..	4,169	23.2	153,143	2.7
Fuel, water, stationery, and other expenses	74	1.4	421	2.0	21,080	0.6	13,040	0.7	255	0.9	265	1.7	286	1.6	35,421	0.6
Train expenses—																
Running .. .. .	431	8.2	1,125	5.2	159,104	4.4	88,220	4.8	1,811	6.4	614	3.8	952	5.3	252,257	4.5
Cleaning and heating vehicles	25	0.5	105	0.5	57,035	1.6	28,011	1.5	242	0.9	222	1.4	334	1.9	85,974	1.5
Sleeping-cars .. .. .	..	..	..	..	15,067	0.4	999	0.1	..	..	..	..	..	..	16,066	0.3
Miscellaneous .. .. .	3	..	45	0.2	7,240	0.2	5,560	0.3	28	0.1	35	0.2	2,721	15.0	15,632	0.3
	1,660	31.3	5,493	25.6	1,274,110	35.1	923,295	49.8	25,523	89.9	4,762	29.8	16,062	89.4	2,250,905	40.4
Per cent. of operating revenue	53.09		19.59		23.19		29.91		26.29		47.55		37.32		25.69	
Per cent. of operating expenditure	16.74		16.89		26.69		31.07		31.19		20.25		32.76		28.34	
Per mile of railway £	69.17		112.10		822.01		578.51		708.97		79.37		286.82		667.72	

## ABSTRACT G.—GENERAL EXPENSES.

	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
Head Office .. .. .	22	0.4	160	0.7	27,297	0.8	15,531	0.8	515	1.8	54	0.4	217	1.2	43,795	0.8
Appeal Board .. .. .	1	0.0	10	0.1	1,635	0.0	930	0.1	31	0.1	3	0.0	13	0.1	2,623	0.1
Chief Accountant .. .. .	14	0.3	107	0.5	18,319	0.5	10,424	0.6	345	1.2	36	0.2	146	0.8	29,392	0.5
Training School .. .. .	1	0.0	9	0.0	1,532	0.0	872	0.0	29	0.1	3	0.0	12	0.1	2,458	0.0
	38	0.7	286	1.3	48,783	1.3	27,757	1.5	920	3.2	96	0.6	388	2.2	78,268	1.4
Per cent. of operating revenue	1.22		1.02		0.89		0.90		0.95		0.96		0.90		0.89	
Per cent. of operating expenditure	0.38		0.88		1.02		0.93		1.12		0.41		0.79		0.99	
Per mile of railway £	1.58		5.84		31.47		17.39		25.56		1.60		6.93		23.22	
Superannuation subsidy	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.	£	d.
	77	1.4	584	2.7	99,789	2.7	56,780	3.1	1,882	6.6	195	1.2	795	4.4	160,102	2.9

## 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 ..	5,544	13,074	813,171	589,197	21,195	10,373	15,714	1,468,268
B.—Maintenance of Signals and Electrical Appliances	37	149	119,083	77,439	908	149	179	197,949
C.—Maintenance of Rolling-stock ..	508	4,856	1,165,953	696,159	19,037	3,597	6,256	1,896,366
D.—Examination, Lubrication, and Lighting of Vehicles	43	135	54,674	31,964	1,962	174	220	88,272
E.—Locomotive Transportation .. .. .	2,008	7,950	1,108,814	569,337	11,295	4,171	9,415	1,892,990
F.—Traffic Transportation .. .. .	1,660	5,493	1,274,110	923,295	25,523	4,762	16,062	2,250,905
G.—General Expenses .. .. .	38	286	48,783	27,757	920	96	388	78,268
Superannuation Subsidy .. .. .	77	584	99,789	56,780	1,882	195	795	160,102
Total .. .. .	9,915	32,527	4,774,382	2,971,928	81,822	23,517	49,029	7,943,120
Per cent. of operating revenue	317.08	116.01	86.91	96.28	84.27	234.32	113.91	90.65
Per mile of railway .. .. .	£	£	£	£	£	£	£	£
	413.12	663.82	3,080.25	1,862.10	2,272.83	391.95	875.52	2,356.30
Per train-mile .. .. .	pence	pence	pence	pence	pence	pence	pence	pence
	187.08	151.67	121.59	160.46	288.22	147.08	272.76	142.61



## STATEMENT No. 4.

## INCOME AND EXPENDITURE IN RESPECT OF LAKE WAKATIPU STEAMERS.

EXPENDITURE.	1939-40.	1938-39.	Per Cent. of Revenue.		REVENUE.	1939-40.	1938-39.	Per Cent. of Revenue.	
			1939-40.	1938-39.				1939-40.	1938-39.
	£	£				£	£		
Salaries and wages, shore staff ..	1,483	1,528	20·14	21·32	Ordinary passengers ..	2,115	2,621	28·73	36·58
Salaries and wages, steamer staff	4,148	4,351	56·34	60·70	Season tickets ..	12	34	0·18	0·47
Coal and stores ..	1,898	1,695	25·78	23·65	Parcels, luggage, and mails ..	450	493	6·10	6·87
Repairs, steamers ..	692	1,068	9·40	14·90	Goods ..	4,728	3,990	64·21	55·66
Repairs, wharves, &c. ..	618	197	8·39	2·75	Miscellaneous ..	57	30	0·78	0·42
Insurance, depreciation, &c. ..	949	932	12·90	13·00					
Motor-lorry expenses ..	529	712	7·19	9·93					
	10,317	10,483	140·14	146·25	Operating loss ..	7,362	7,168	100·00	100·00
	10,317	10,483	140·14	146·25		2,955	3,315	40·14	46·25
Operating loss ..	2,955	3,315	40·14	46·25					
Payments to railway revenue—					Net loss ..	3,758	4,145	51·05	57·83
Interest on capital ..	803	830	10·91	11·58					
	3,758	4,145	51·05	57·83		3,758	4,145	51·05	57·83

## STATEMENT No. 5.

## INCOME AND EXPENDITURE IN RESPECT OF REFRESHMENT SERVICE.

EXPENDITURE.	1939-40.	1938-39.	Per Cent. of Revenue.		REVENUE.	1939-40.	1938-39.
			1939-40.	1938-39.			
	£	£				£	£
Salaries and wages ..	59,564	55,012	29·65	32·80	Receipts from Refreshment-rooms ..	200,871	167,710
Provisions used ..	90,069	76,770	44·84	45·77			
Light, fuel, and water ..	4,763	3,393	2·37	2·02			
Renewals and depreciation ..	6,621	4,908	3·29	2·93			
Insurance and miscellaneous ..	8,457	7,841	4·21	4·68			
	169,474	147,924	84·36	88·20			
Operating profit ..	31,397	19,786	15·64	11·80	Operating profit ..	31,397	19,786
	200,871	167,710	100·00	100·00		200,871	167,710
Payments to railway revenue—							
Interest on capital ..	1,638	1,465	0·83	0·87			
Rent ..	11,837	10,309	5·89	6·14			
Freights and fares ..	3,679	3,491	1·83	2·09			
Net profit ..	14,243	4,521	7·09	2·70			
	31,397	19,786	15·64	11·80		31,397	19,786

## STATEMENT No. 5A.

## INCOME AND EXPENDITURE IN RESPECT OF BOOK-STALL SERVICE.

EXPENDITURE.	1939-40.	1938-39.	Per Cent. of Revenue.		REVENUE.	1939-40.	1938-39.
			1939-40.	1938-39.			
	£	£				£	£
Salaries and wages ..	9,924	9,543	8·79	10·30	Receipts ..	112,855	92,604
Stores ..	84,125	68,675	74·54	74·16			
Miscellaneous ..	1,527	1,240	1·36	1·34			
	95,576	79,458	84·69	85·80			
Operating profit ..	17,279	13,146	15·31	14·20	Operating profit ..	17,279	13,146
	112,855	92,604	100·00	100·00		112,855	92,604
Payments to railway revenue—							
Rents ..	10,313	8,490	9·14	9·17			
Rail freights ..	352	196	0·31	0·21			
Net profit ..	6,614	4,460	5·86	4·82			
	17,279	13,146	15·31	14·20		17,279	13,146

## STATEMENT No. 6.

## INCOME AND EXPENDITURE IN RESPECT OF ADVERTISING SERVICE.

EXPENDITURE.	1939-40.	1938-39.	Per Cent. of Revenue.		REVENUE.	1939-40.	1938-39.
			1939-40.	1938-39.			
	£	£				£	£
Salaries, wages, and allowances .. ..	7,979	8,243	21·91	20·57	Advertising-signs, publications, &c. ..	36,417	40,071
Stores and materials .. ..	1,396	2,293	3·83	5·72			
Insurance and depreciation .. ..	8,970	7,966	24·63	19·88			
Office and general expenses .. ..	3,317	3,153	9·11	7·87			
	21,662	21,655	59·48	54·04			
Operating profit .. ..	14,755	18,416	40·52	45·96			
	36,417	40,071	100·00	100·00		36,417	40,071
Payments to railway revenue—					Operating profit .. ..	14,755	18,416
Interest on capital .. ..	680	697	1·87	1·74			
Rent of premises and sites .. ..	10,581	11,500	29·05	28·70			
Commission .. ..	910	1,051	2·50	2·62			
Freights .. ..	228	231	0·63	0·58			
Net profit .. ..	2,356	4,937	6·47	12·32			
	14,755	18,416	40·52	45·96		14,755	18,416

## STATEMENT No. 7.

## INCOME AND EXPENDITURE IN RESPECT OF DEPARTMENTAL DWELLINGS.

EXPENDITURE.	1939-40.	1938-39.	Per Cent. of Revenue.		REVENUE.	1939-40.	1938-39.
			1939-40.	1938-39.			
	£	£				£	£
Wages and charges .. ..	63,451	58,668	44·72	43·81	Rentals .. ..	141,889	133,946
Materials .. ..	27,467	26,272	19·36	19·61			
Insurance .. ..	355	324	0·25	0·24			
Depreciation .. ..	42,315	37,504	29·82	28·00			
	133,588	122,768	94·15	91·66			
Operating profit .. ..	8,301	11,178	5·85	8·34			
	141,889	133,946	100·00	100·00		141,889	133,946
Payments to railway revenue—					Operating profit .. ..	8,301	11,178
Interest .. ..	70,587	64,425	49·75	48·10	Net loss .. ..	62,286	53,247
	70,587	64,425	49·75	48·10		70,587	64,425

## STATEMENT No. 8.

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

EXPENDITURE.	1939-40.	1938-39.	Per Cent. of Revenue.		REVENUE.	1939-40.	1938-39.
			1939-40.	1938-39.			
	£	£				£	£
Wages and charges .. ..	5,452	4,022	17·34	16·84	Rentals .. ..	31,435	23,889
Materials .. ..	1,164	1,083	3·70	4·53			
Insurance and depreciation .. ..	5,269	3,674	16·77	15·38			
	11,885	8,779	37·81	36·75			
Operating profit .. ..	19,550	15,110	62·19	63·25			
	31,435	23,889	100·00	100·00		31,435	23,889
Payments to railway revenue—					Operating profit .. ..	19,550	15,110
Interest .. ..	9,311	6,866	29·62	28·74			
Net profit .. ..	10,239	8,244	32·57	34·51			
	19,550	15,110	62·19	63·25		19,550	15,110

## STATEMENT No. 9.

## INCOME AND EXPENDITURE IN RESPECT OF ROAD SERVICES.

EXPENDITURE.	1939-40.	1938-39.	Per Cent. of Revenue.		REVENUE.	1939-40.	1938-39.	Per Cent. of Revenue.	
			1939-40.	1938-39.				1939-40.	1938-39.
Superintendence — Salaries and office expenses	£ 61,678	£ 60,852	12.03	12.04	Passengers .. .. .	£ 304,925	£ 283,546	59.47	56.09
Maintenance charges .. .. .	79,839	78,918	15.57	15.61	Goods, parcels, mails, &c. ..	205,976	220,295	40.17	43.56
Running-expenses .. .. .	270,698	248,601	52.79	49.16	Miscellaneous .. .. .	1,857	1,771	0.36	0.35
License fees .. .. .	17,015	15,301	3.32	3.03					
Insurance and depreciation ..	61,683	64,126	12.03	12.68					
	490,913	467,798	95.74	92.52					
Operating profit .. .. .	21,845	37,814	4.26	7.48					
	512,758	505,612	100.00	100.00		512,758	505,612	100.00	100.00
Payment to railway revenue—									
Interest on capital .. .. .	12,585	12,277	2.45	2.43	Operating profit .. .. .	21,845	37,814	4.26	7.48
Net profit .. .. .	9,260	25,537	1.81	5.05					
	21,845	37,814	4.26	7.48		21,845	37,814	4.26	7.48

## STATEMENT No. 10.

RAILWAY EMPLOYEES' SICK BENEFIT SOCIETY.  
*Income and Expenditure.*

EXPENDITURE.	1939-40.	1938-39.	INCOME.	1939-40.	1938-39.
Sick benefits paid to members .. .. .	£ 40,374	£ 38,390	Contributions .. .. .	£ 28,034	£ 26,671
			Entrance fees .. .. .	266	360
			Interest on Investments .. .. .	1,520	1,663
			Subsidy as per section 5, subsection (1), of Government Railways Amendment Act, 1928, charged to Working Railways Account	8,000	8,000
			Balance being excess of expenditure over income for the year	2,554	1,696
	40,374	38,390		40,374	38,390
Excess of expenditure over income .. .. .	2,554	1,696	Accumulated funds brought forward on 1st April	45,696	47,392
Balance accumulated funds as at 31st March ..	43,142	45,696		45,696	47,392
	45,696	47,392		45,696	47,392

*Balance-sheet.*

<i>Liabilities.</i>	£	£	<i>Assets.</i>	£	£
Accumulated funds .. .. .	43,142	45,696	Investments .. .. .	43,898	49,379
Sick pay due not paid .. .. .	47	41	Cash in Working Railways Account .. .. .	..	..
Working Railways Account .. .. .	742	3,695	Contributions outstanding at 31st March ..	33	53
	43,931	49,432		43,931	49,432

## STATEMENT No. 11.

STATEMENT OF LOSSES ON DEVELOPMENTAL BRANCH LINES FROM 5TH MARCH, 1939, TO 2ND MARCH, 1940, AND ISOLATED SECTIONS FROM 1ST APRIL, 1939, TO 31ST MARCH, 1940.

Branch.	Mileage operated.	Loss on Working.	Feeder Value.	Total Net Loss.	Loss, including Interest.	Average per Mile of Line operated.					
						Branch Revenue.	Feeder Value.	Total Revenue.	Working-expenses.	Interest.	Total Loss.
		£	£	£	£	£	£	£	£	£	£
Kaikohē .. .. .	25	9,095	5,588	3,507	18,306	292	224	516	656	592	732
Kirikopuni .. .. .	14	6,841	2,500	4,341	48,576	247	179	426	735	3,160	3,470
Waiuku .. .. .	13	6,024	2,572	3,452	11,837	478	198	676	942	645	911
Taneatua .. .. .	111	25,759	21,742	4,017	117,285	986	196	1,182	1,219	1,020	1,057
Opunake .. .. .	23	5,147	3,875	1,272	19,181	314	168	482	538	779	834
Greytown .. .. .	3	2,876	847	2,029	2,509	130	282	412	1,089	160	836
North Island totals .. .. .	189	55,742	37,124	18,618	217,694	710	196	906	1,004	1,053	1,152
Eyreton—Oxford .. .. .	43	4,496	564	3,932	7,874	116	13	129	220	92	183
Cheviot .. .. .	44	6,919	2,453	4,466	19,131	509	56	565	666	333	435
Little River .. .. .	23	8,934	333	8,601	13,227	360	14	374	748	201	575
Southbridge .. .. .	26	2,887	1,182	1,705	5,459	754	45	799	865	144	210
Whitecliffs .. .. .	12	839	838	1	637	229	70	299	299	55	55
Mothven .. .. .	23	2,212	2,034	178	3,628	430	88	518	526	150	158
Springburn .. .. .	28	1,204	795	409	2,781	162	28	190	205	85	99
Fairlie .. .. .	36	1,180*	1,765	2,945*	2,863	466	49	515	434	161	80
Waimate .. .. .	13	5,647	1,606	4,041	6,067	197	124	321	632	156	467
Kurow .. .. .	37	3,080	1,042	2,038	5,933	279	28	307	363	105	160
Ngapara .. .. .	15	1,813	834	979	4,486	359	56	415	480	234	299
Waihemo .. .. .	9	302	1,170	868*	441	324	130	454	324	145	49
Otago Central .. .. .	147	34,787	2,199	32,588	94,761	730	15	745	967	423	645
Outram .. .. .	9	2,868	251	2,617	4,151	132	28	160	451	170	461
Roxburgh .. .. .	61	15,109	1,105	14,004	43,928	227	18	245	475	491	720
Catlins River .. .. .	43	5,874	2,335	3,539	22,935	359	54	413	496	451	533
Tapauui .. .. .	27	5,503	1,630	3,873	8,873	248	60	308	452	185	329
Waikaka .. .. .	13	1,438	616	822	3,610	159	47	206	269	214	278
Switzers .. .. .	14	2,939	467	2,472	5,502	99	33	132	309	216	393
Wynndham .. .. .	4	661	787	126*	487	245	197	442	410	153	122
Seaward Bush .. .. .	34	3,495	799	2,696	9,882	296	24	320	399	211	291
Orawia .. .. .	9	393	411	18*	4,387	106	46	152	149	489	487
Forest Hill .. .. .	13	372	741	369*	525	176	57	233	204	69	40
Mararoa .. .. .	12	1,028	479	549	1,546	94	40	134	179	83	129
South Island totals .. .. .	695	111,620	26,436	85,184	273,134	394	38	432	555	270	393
Totals, both Islands .. .. .	884	167,362	63,560	103,802	490,828	461	72	533	651	438	555
<i>Isolated Sections.</i>											
Kaihu .. .. .	24	6,619	..	6,619	13,499	..	..	147	423	287	562
Gisborne .. .. .	56	4,223	..	4,223	37,359	..	..	534	610	592	667
Nelson .. .. .	64	13,269	..	13,269	35,032	..	..	176	383	340	547
Pictou .. .. .	56	4,951	..	4,951	30,069	..	..	835	924	449	537
Totals .. .. .	200	29,062	..	29,062	115,959	..	..	457	603	434	580
Grand totals .. .. .	1,084	196,424	63,560	132,864	606,787	..	..	..	..	..	..

\* Indicates profit.

## STATEMENT No. 12.

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

<i>Receipts.</i>		£	s.	d.	<i>Payments.</i>		£	s.	d.
Balance brought forward .. .. .	..	72,199	14	6	Wages and vouchers .. .. .	..	11,005,048	11	3
Revenue receipts .. .. .	..	10,452,363	14	10	Refunds to Harbour Boards, shipping companies, and other carriers .. .. .	..	517,944	16	1
"Credits-in-aid" (Working Railways expenditure) .. .. .	..	2,961,914	17	6	Interest on capital .. .. .	..	1,189,031	6	1
Contributions to Sick Benefit Fund .. .. .	..	43,472	2	9	Payments from Sick Benefit Fund .. .. .	..	31,683	18	3
Interest on investments .. .. .	..	7,674	13	2	Balance as per General Balance-sheet .. .. .	..	943,916	11	1
Investments realized .. .. .	..	150,000	0	0					
		£13,687,625	2	9			£13,687,625	2	9

*Reconciliation Statement.*

	£	s.	d.
Credit balance in Working Railways Account as per Treasury figures .. .. .	930,385	15	2
Add imprests outstanding .. .. .	13,270	9	9
Cash in transit .. .. .	260	6	2
Credit balance as per above statement .. .. .	£943,916	11	1

## STATEMENT No. 13.

## RENEWALS, DEPRECIATION, AND EQUALIZATION RESERVE ACCOUNTS.

## GENERAL RESERVE ACCOUNT.

Balance .. .. .	£	s.	d.
	£1,144,552	17	8

## INSURANCE RESERVE ACCOUNT.

<i>Expenditure.</i>			<i>Income.</i>		
	£	s. d.		£	s. d.
Losses .. .. .	4,704	9 10	Balance from previous year .. .. .	104,248	1 7
Upkeep railway fire brigades and fire appliances..	3,645	7 4	Premiums debited to working-expenses ..	6,664	17 11
Balance .. .. .	102,563	2 4			
	<u>£110,912</u>	<u>19 6</u>		<u>£110,912</u>	<u>19 6</u>
			Balance .. .. .	£102,563	2 4

## WORKERS' COMPENSATION RESERVE ACCOUNT.

<i>Expenditure.</i>			<i>Income.</i>		
	£	s. d.		£	s. d.
Accident payments .. .. .	58,085	6 0	Balance from previous year .. .. .	39,863	10 9
Balance .. .. .	51,192	14 5	Premiums debited to working-expenses ..	69,414	9 8
	<u>£109,278</u>	<u>0 5</u>		<u>£109,278</u>	<u>0 5</u>
			Balance .. .. .	£51,192	14 5

## SLIPS, FLOODS, AND ACCIDENTS EQUALIZATION RESERVE ACCOUNT.

<i>Expenditure.</i>			<i>Income.</i>		
	£	s. d.		£	s. d.
Repairs to bridges, track, &c... .. .	9,813	3 6	Balance from previous year .. .. .	668	0 2
Balance .. .. .	10,693	16 8	Contributions debited to working-expenses ..	19,839	0 0
	<u>£20,507</u>	<u>0 2</u>		<u>£20,507</u>	<u>0 2</u>
			Balance .. .. .	£10,693	16 8

## BETTERMENTS RESERVE ACCOUNT.

<i>Expenditure.</i>			<i>Income.</i>		
	£	s. d.		£	s. d.
Refreshment Branch .. .. .	1,084	4 6	Balance from previous year .. .. .	3,248	2 0
Balance .. .. .	3,663	17 6	Contributions debited to working-expenses, Refreshment Branch .. .. .	1,500	0 0
	<u>£4,748</u>	<u>2 0</u>		<u>£4,748</u>	<u>2 0</u>
			Balance .. .. .	£3,663	17 6

## RENEWALS RESERVE ACCOUNT.

<i>Expenditure.</i>			<i>Income.</i>		
	£	s. d.		£	s. d.
Relaying of track .. .. .	328,723	8 2	Balance from previous year .. .. .	700,333	6 9
Refreshment Branch .. .. .	92	1 8	Contributions debited to working-expenses ..	211,190	0 0
Balance .. .. .	582,707	16 11		<u>£911,523</u>	<u>6 9</u>
	<u>£911,523</u>	<u>6 9</u>	Balance .. .. .	£582,707	16 11

## DEPRECIATION RESERVE ACCOUNT.

<i>Expenditure.</i>			<i>Income.</i>		
	£	s. d.		£	s. d.
Way and works and bridges .. .. .	113,089	11 3	Balance from previous year .. .. .	673,482	13 3
Operating buildings .. .. .	1,584	1 9	Contributions—		
Signalling and interlocking .. .. .	9,157	13 5	Way and works, bridges, wharves and plant ..	77,320	9 8
Rolling-stock .. .. .	99,928	15 4	Operating buildings .. .. .	42,021	0 0
Locomotive running and car and wagon depot plant .. .. .	3,705	11 9	Signals, interlocking, and electric traction ..	62,891	2 6
Dwellings .. .. .	7,963	4 2	Rolling-stock .. .. .	397,159	4 5
Refreshment, advertising, road service and stores buildings .. .. .	36,996	5 5	Locomotive running and car and wagon depot plant .. .. .	3,268	0 0
Workshops buildings and plant .. .. .	2,512	3 5	Dwellings .. .. .	43,260	0 0
Balance .. .. .	1,138,244	17 1	Head Office buildings and plant .. .. .	3,916	0 0
	<u>£1,413,182</u>	<u>3 7</u>	Refreshment, advertising, road service, and stores buildings .. .. .	7,872	0 0
			Workshops buildings and plant .. .. .	43,798	0 0
			Lake Wakatipu steamer service .. .. .	664	0 0
			Road services .. .. .	57,529	13 9
				<u>£1,413,182</u>	<u>3 7</u>
			Balance .. .. .	£1,138,244	17 1

## STATEMENT No. 14.

EXPENDITURE ON CONSTRUCTION OF RAILWAYS, ROLLING-STOCK, ETC., TO 31ST MARCH, 1940; 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.			
Kaihu .. .. .	£ 159,654	£ 586	£ 160,240	£ ..	£ -6,788	£ s. d. .. ..
" .. .. .	747,434	20,840	768,274	..	-4,490	.. ..
Gisborne .. .. .	..	..	..	2,897,126	..	.. ..
North Island Main Line and Branches .. .. .	32,089,411	6,493,131	38,582,542	..	719,093	1 18 11
South Island " Main Line and Branches .. .. .	16,418,844	3,291,666	19,710,510	1,547,047	114,917	0 11 10
Westport " .. .. .	313,841	45,054	358,895	1,239,607	15,276	4 5 3
" .. .. .	497,242	9,898	507,140	1,061,361	-13,502	.. ..
Nelson .. .. .	596,807	13,410	610,217	256,209	-5,989	.. ..
Picton .. .. .	..	..	..	971,390	..	.. ..
	50,823,233	9,874,585	60,697,818	..	818,517	1 7 11
	..	..	..	7,972,740	..	.. ..
Lake Wakatipu steamer service .. .. .	20,396	..	20,396	..	-3,758	.. ..
Subsidiary services, &c. .. .. .	2,331,078	..	2,331,078	..	374,272	.. ..
<i>In suspense—</i>						
Surveys, North Island .. .. .	..	..	..	29,229	..	.. ..
Surveys, South Island .. .. .	..	..	..	5,943	..	.. ..
General .. .. .	9,896	..	9,896	10,337	..	.. ..
P.W.D. stock of permanent-way .. .. .	..	..	..	10,018	..	.. ..
	53,184,603	9,874,585	63,059,188	8,028,267	1,189,031	1 19 3
Total cost of opened and unopened lines at 31st March, 1940	..	..	71,087,455	..	..	.. ..

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, 1940.

Way and Works Branch: Particulars of Works.	Working Railways Depreciation Fund.	Public Works Fund.	Total.
	£	£	£
Land .. .. .	..	6,684	6,684
Grading and formation .. .. .	16,013	246,558	262,571
Tunnels .. .. .	..	13,767	13,767
Bridges (structures only) .. .. .	98,975	18,507	117,482
Overbridges .. .. .	..	7,249	7,249
Culverts .. .. .	380	7,804	8,184
Subways .. .. .	..	10,054	10,054
Fences, gates, and cattlestops .. .. .	89	6,573	6,662
Permanent-way .. .. .	<i>Cr.</i> 2,368	193,277	190,909
Station buildings and platforms .. .. .	528	86,993	87,521
Cattleyards, loading-banks .. .. .	..	5,282	5,282
Engine-sheds, car and wagon depots, and other operating buildings .. .. .	1,056	30,528	31,584
Dwellings .. .. .	7,963	80,771	88,734
Land for dwellings .. .. .	..	3,694	3,694
Huts .. .. .	..	..	..
Lake Wakatipu wharves .. .. .	..	930	930
Water services .. .. .	..	2,906	2,906
Stores buildings .. .. .	<i>Cr.</i> 514	141	<i>Cr.</i> 373
Locomotive workshops buildings .. .. .	1,859	36,552	38,411
Locomotive workshops plant .. .. .	..	957	957
Locomotive depot plant .. .. .	646	2,134	2,780
Refreshment, advertising, and bookstall buildings .. .. .	..	8,006	8,006
Road service buildings .. .. .	<i>Cr.</i> 114	31,660	31,546
Cranes, weighbridges, capstans, and turntables .. .. .	..	6,537	6,537
Movable plant for Maintenance Branch .. .. .	..	4,510	4,510
Miscellaneous (roads, sewerage, drainage, fire-fighting appliances) .. .. .	..	12,956	12,956
Signalling and interlocking .. .. .	3,054	7,578	10,632
Tablet installations .. .. .	1,204	124	1,328
Automatic and power signalling .. .. .	2,218	69,291	71,509
Electric lighting .. .. .	244	4,929	5,173
Communication lines and apparatus .. .. .	2,996	26,213	29,209
Level-crossing warning-signals .. .. .	<i>Cr.</i> 558	306	<i>Cr.</i> 252
Electric-power appliances .. .. .	..	55	55
Overhead electrification .. .. .	..	41,223	41,223
Overhead wires for automatic and power signalling .. .. .	..	9,103	9,103
Signal-cabins .. .. .	..	..	..
	133,671	983,852	1,117,523
Expenditure by Public Works Department—			
Turakina—Okoiia grade easement .. .. .	..	110,557	110,557
Tawa Flat deviation .. .. .	..	164	164
Plimmerton—Paekakariki duplication .. .. .	..	18,807	18,807
Palmerston North deviation .. .. .	..	46,311	46,311
Rimutaka deviation and tunnel .. .. .	..	395	395
	133,671	1,160,086	1,293,757

## STATEMENT No. 15—continued.

EXPENDITURE OUT OF WORKING RAILWAYS ACCOUNT (DEPRECIATION FUND) AND PUBLIC WORKS FUND FOR THE YEAR ENDED 31ST MARCH, 1940—continued.

## Locomotive Branch: Particulars of Rolling-stock.

Description of Stock ordered.	Number Incomplete on 31st March, 1939.	Number Complete on 31st March, 1940.	Number Incomplete on 31st March, 1940.	Expenditure, Working Railways Depreciation Fund.	Expenditure, Public Works Fund.	Total.
Locomotives, Classes KA, KB .. ..	41	16	25	£ ..	£ 329,777	£ 329,777
Locomotives, Class J (imported) .. ..	..	40	..	..	672,617	672,617
Spares for locomotives, Class J .. ..	..	..	..	..	5,828	5,828
Convert three Garrett locomotives to six G locomotives .. ..	..	..	..	248	..	248
Electric head and tail lights for locomotives .. ..	..	..	..	780	..	780
Fit exhaust steam injectors to locomotives .. ..	..	..	..	2,977	..	2,977
Fit superheaters to locomotives .. ..	..	..	..	64	..	64
Fit speed recorders to locomotives .. ..	..	..	..	814	..	814
Material for K locomotives .. ..	..	..	..	..	Cr. 94,501	Cr. 94,501
Tractors .. ..	..	10	5	685	49,352	50,037
Electric locomotives .. ..	9	7	2	..	128,745	128,745
Material for electric locomotives .. ..	..	..	..	..	Cr. 119,435	Cr. 119,435
Build three X boilers .. ..	..	..	..	136	..	136
Build four W <sub>r</sub> boilers .. ..	..	..	..	2,044	..	2,044
Build four H boilers .. ..	..	..	..	3,475	..	3,475
Build six AA boilers .. ..	..	..	..	11,443	..	11,443
Rail cars .. ..	1	1	..	..	2,505	2,505
Spares for rail cars .. ..	..	..	..	..	2,749	2,749
Multiple units, coaches and trailers .. ..	..	..	..	..	43	43
Spares for multiple units .. ..	..	..	..	..	3,029	3,029
Carriages, Class A .. ..	105	55	56	2,790	294,463	297,253
Carriage, one vice-regal .. ..	1	1	..	6,967	..	6,967
Fitting new and improving lavatories in existing carriages .. ..	..	..	..	2,902	..	2,902
Fitting steam heat to carriages .. ..	..	..	..	2,144	..	2,144
Improve seating in carriages .. ..	..	..	..	9,649	..	9,649
Fitting electric light to carriages .. ..	..	..	..	1,118	..	1,118
Roller-bearing bogies for carriages .. ..	..	..	..	..	917	917
Fitting Westinghouse brake to carriages .. ..	..	..	..	1,128	..	1,128
Brake-vans, Class F .. ..	81	..	91	3,728	18,199	21,927
Wagons, Class G .. ..	15	..	27	18	39,097	39,115
Wagons, Class H .. ..	222	57	265	36	23,780	23,816
Wagons, Class J .. ..	816	181	925	69	123,608	123,677
Wagons, Class LA .. ..	1,700	1,365	465	Cr. 3,387	406,545	403,158
Wagons, Class MC .. ..	90	..	170	..	331	331
Wagons, Class Q .. ..	20	..	43	1,970	93	2,063
Wagons, Class S .. ..	..	..	12	9	39	48
Wagons, Class T .. ..	10	..	20	87	35	122
Wagons, Class UB .. ..	137	30	143	316	25,990	26,306
Wagons, Class UD .. ..	..	1	..	970	..	970
Wagons, Class UG .. ..	29	15	17	8	9,553	9,561
Wagon, Class VB .. ..	22	22	20	19,970	389	20,359
Wagons, Class W .. ..	102	22	90	1,569	12,852	14,421
Wagons, Class XA .. ..	186	86	185	3,092	32,590	35,682
Wagons, Class XB .. ..	..	..	8	13	..	13
Wagons, Class YB .. ..	70	..	70	40	608	648
Wagons, Class Z .. ..	40	..	95	26	17,108	17,134
Respraying wagons .. ..	..	..	..	8,218	..	8,218
Fitting Westinghouse brake to YB wagons .. ..	..	..	..	3,137	..	3,137
Fitting Janny-yoke drawgear to wagons .. ..	..	..	..	10,676	812	11,488
Material for cars, brake-vans, and wagons .. ..	..	..	..	..	Cr. 405,756	Cr. 405,756
Spare parts for rolling-stock .. ..	..	..	..	..	Cr. 3,182	Cr. 3,182
40-ton breakdown cranes .. ..	2	2	..	..	12,723	12,723
10-ton steam-cranes .. ..	2	2	..	..	375	375
	3,701	1,913	2,734	99,929	1,591,878	1,691,807
<b>SUMMARY.</b>						
Locomotives .. ..	50	63	27	..	..	..
Rail cars .. ..	1	1	..	..	..	..
Tractors .. ..	..	10	5	..	..	..
Carriages .. ..	106	56	56	..	..	..
Brake-vans .. ..	81	..	91	..	..	..
Wagons, bogie .. ..	238	68	307	..	..	..
Wagons, four-wheeled .. ..	3,221	1,711	2,248	..	..	..
Cranes .. ..	4	4	..	..	..	..
	3,701	1,913	2,734	..	..	..

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

	£	£	£
Workshops equipment .. ..	653	63,534	64,187
Machinery and equipment for locomotive running, and car and wagon depots .. ..	3,060	1,832	4,892
Motor-buses and motor-lorries .. ..	37,624	Cr. 26,994	10,630

## RECONCILIATION STATEMENT, PUBLIC WORKS FUND.

Expenditure charged by	£	s.	d.	£	s.	d.	Expenditure—	£	s.	d.
Treasury .. ..	3,048,686	15	1				Way and Works Branch .. ..	..	..	1,160,085 5 2
Vouchers outstanding previous year .. ..	204,595	3	11				Locomotive Branch .. ..	..	..	1,657,244 3 3
				2,844,091	11	2	Road services .. ..	..	..	Cr. 26,994 11 8
Less recoveries .. ..				62,046	19	0				
				2,782,044	12	2				
Public Works Department: Administration charges .. ..				5,205	0	0				
Vouchers outstanding at 31st March, 1939 .. ..				3,085	4	7				
				£2,790,334	16	9				£2,790,334 16 9



## STATEMENT NO. 16.

STATEMENT OF SEASON TICKETS ISSUED FOR THE YEARS ENDED 31ST MARCH, 1937 TO 1940.

Description of Tickets.	1939-40.		1938-39.		1937-38.		1936-37.	
	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.
		£		£		£		£
Annual, all lines .. .. .	5	575	6	665	5	566	10	1,019
Annual, North Island.. .. .	36	3,060	47	3,973	52	4,592	55	4,629
Annual, South Island.. .. .	2	23	1	71	1	74	4	279
Sectional annual, North Island.. .. .	172	10,660	169	10,478	180	11,106	191	11,240
Sectional annual, South Island.. .. .	49	2,350	66	3,325	74	3,524	84	4,075
Reporters' annual .. .. .	17	812	18	832	19	814	16	679
Tourist, all lines .. .. .	25	418	54	863	56	898	50	809
Tourist, North Island.. .. .	124	1,231	168	1,565	209	1,909	206	1,995
Tourist, South Island.. .. .	25	231	29	251	62	501	32	299
School .. .. .	25,403	23,662	25,078	21,972	25,318	21,492	25,693	21,865
Bearer twelve-trip .. .. .	47,756	9,133	56,649	10,099	62,969	11,246	72,920	15,741
Bearer six-trip .. .. .	389,573	64,402	326,289	51,091	208,019	31,859	10,673	1,658
Weekly twelve-trip .. .. .	55,377	10,323	58,512	10,066	69,391	11,601	110,844	21,252
Weekly workmen's .. .. .	74,756	15,227	74,132	13,812	93,053	16,431	257,843	43,364
Suburban twelve-trip.. .. .	319,715	66,083	291,715	56,091	245,342	45,542	..	..
All other season .. .. .	59,734	66,356	55,911	61,611	45,747	60,036	34,442	60,768
Totals .. .. .	972,769	274,546	888,844	246,765	750,497	222,191	513,063	189,672
Total passenger journeys .. .. .	16,170,947	..	15,452,332	..	14,372,194	..	12,950,472	..

**STATEMENT NO. 17.**  
**STATEMENT OF OPERATING TRAFFIC AND REVENUE FOR THE YEAR ENDED 31ST MARCH, 1940.**  
**(1) OPERATING TRAFFIC.**

Section.	Length Open for Traffic.	Passengers.			Live-stock.					Goods.			Gross Total Tonnage.		
		First Class.	Second Class.	Total.	Season Tickets.	Cattle.	Calves.	Sheep.	Pigs.	Total.	Equivalent Tonnage.	Timber.		Goods.	Total.
Kaihu	24	170	13,239	13,239	131	1	..	..	..	..	639	1,254	1,893	1,893	
Gisborne	49	1,084	17,555	17,555	42	2,538	98,363	..	..	..	9,641	51,743	61,384	61,384	
North Island Main Line and Branches	1,561	183,863	4,740,350	4,924,213	698,784	442,327	4,908,864	484,894	..	..	303,474	3,195,989	3,499,463	3,896,948	
South Island Main Line and Branches	1,604	149,319	3,062,634	3,211,953	272,205	91,737	24,088	3,846,509	37,162	..	203,359	2,821,553	3,024,912	3,212,431	
Westport	36	252	49,882	49,882	586	109	..	..	..	..	1,101	423,102	424,242	424,242	
Nelson	60	235	17,038	17,273	532	596	17,695	2,248	..	..	83	17,926	17,994	19,023	
Pictou	56	3,132	45,860	48,992	489	914	137,193	40	..	..	658	46,791	47,449	53,248	
Total railway operation...	3,390	338,055	7,945,012	8,283,087	972,769	538,182	613,851	9,008,688	524,344	..	10,683,065	596,652	7,077,298	7,673,950	
Lake Wakatipu steamers	..	..	11,530	11,530	..	133	7,594	..	..	..	280	6,578	6,858	7,206	

**(2) OPERATING REVENUE.**

Section.	Length Open for Traffic.	Revenue.						Milage.						
		Ordinary Passengers.	Season Tickets.	Parcels, Luggage, and Mails.	Total Coaching.	Goods.	Labour, Demurrage, &c.	Total Goods.	Total Operating Revenue.	Per Mile of Railway per Annum (Average).	Per Train-mile.	Train. (Revenue).	Shunting, &c.	Total.
Kaihu	24	620	333	1,153	2,106	845	176	1,021	3,127	130	59.00	12,720	3,997	16,717
Gisborne	49	1,055	634	991	2,680	24,799	558	25,357	28,037	572	130.74	51,469	10,824	62,293
North Island Main Line and Branches	1,561	1,274,289	192,695	231,799	1,698,783	3,686,490	168,202	3,794,692	5,493,475	3,544	151.41	8,707,798	2,861,337	11,569,135
South Island Main Line and Branches	1,604	561,194	78,131	94,316	733,641	2,270,801	82,403	2,353,204	3,086,845	1,934	166.66	4,445,163	1,847,428	6,292,591
Westport	36	2,913	779	525	4,217	37,337	3,484	92,881	97,098	2,697	342.02	68,134	51,804	119,938
Nelson	60	1,225	1,065	212	2,502	7,380	133	7,513	10,015	167	62.64	38,373	10,431	48,804
Pictou	56	3,493	909	1,028	5,430	31,581	6,029	37,610	43,040	769	239.44	43,141	47,003	90,144
Total railway operation	3,390	1,844,789	274,546	330,024	2,449,359	6,109,293	202,985	6,312,278	8,761,637	2,599	157.81	13,366,798	4,832,824	18,199,622
Lake Wakatipu steamers	..	2,115	12	450	2,577	4,728	57	4,785	7,362	..	..	..	..	..





STATEMENT No. 18—continued.

STATEMENT OF TRAFFIC AND REVENUE FOR EACH STATION FOR THE YEAR ENDED 31ST MARCH, 1940—continued.

Table with columns: Stations, TRAFFIC (Number of Passenger Journeys, Season Tickets, Cattle and Calves, Sheep and Pigs, Timber, etc.), REVENUE (Ordinary Passengers, Season Tickets, Parcels, etc.), and INWARD TRAFFIC. Rows include stations like Lyttelton, Heathcote, Woolston, Opawa, Christchurch, Papanui, Belfast, Kaiapoi, Rangiora, etc.



**STATEMENT NO. 19.**  
**CLASSIFICATION OF GOODS AND LIVE-STOCK TRAFFIC AND EARNINGS BY COMMODITIES.**

Commodity.	Year ended 31st March, 1940.					Year ended 31st March, 1939.												
	Tonnage carried.	Per Cent. of Gross.	Tons One Mile (1000 omitted).	Average Haul.	Total.	Per Cent. of Gross.	Tons One Mile (1000 omitted).	Average Haul.	Total.	Revenue.								
										Per Ton.	Per Ton. Mile.							
<i>Products of Agriculture.</i>																		
Grain .. .. .	236,912	3.08	12,451	53	£ 130,963	2.11	0 11	1	2.52	165,203	2.44	10,626	57	£ 109,559	1.74	0 11	0	d. 2.27
Meals .. .. .	114,748	1.50	7,406	65	76,586	1.23	0 13	4	2.48	114,595	1.52	7,315	64	69,841	1.21	0 12	2	2.29
Fruit and vegetables .. .. .	54,118	0.71	10,363	191	90,279	1.45	0 13	4	2.03	56,737	0.75	11,728	207	93,751	1.62	1 13	0	1.92
Root crops and fodder .. .. .	126,218	1.64	9,812	78	87,416	1.41	0 13	10	2.14	137,500	1.82	10,594	77	87,024	0 12	8	9	1.97
Flax, green and pressed .. .. .	5,979	0.08	579	97	6,102	0.10	0 10	5	2.53	6,249	0.08	521	83	5,845	0.10	0 18	9	2.69
Seeds .. .. .	17,686	0.23	1,225	69	16,668	0.27	0 18	10	3.27	16,346	0.22	1,212	74	14,149	0.24	0 17	4	2.80
	555,661	7.24	41,836	75	408,014	6.57	0 14	8	2.34	516,630	6.83	41,996	81	371,169	6.41	0 14	4	2.12
<i>Animals and other Products.</i>																		
Cattle, calves, horses .. .. .	210,088	2.74	17,146	82	237,996	3.83	1 2	8	3.33	211,058	2.80	18,509	88	235,562	4.08	1 2	5	3.07
Sheep .. .. .	386,564	5.04	29,873	77	431,065	6.94	1 2	4	3.46	410,695	5.44	31,821	77	441,479	7.61	1 1	6	3.33
Meat .. .. .	281,984	3.67	9,385	33	268,107	4.32	0 19	0	6.86	262,974	3.48	9,501	36	239,532	4.13	0 18	2	6.05
Butter .. .. .	122,477	1.60	10,154	83	161,056	2.59	1 6	4	3.81	138,845	1.84	10,134	73	155,936	2.69	1 2	6	3.69
Cheese .. .. .	73,412	0.96	4,018	55	76,379	1.23	0 10	4	4.56	71,794	0.95	3,684	51	69,331	1.20	0 19	4	4.52
Wool .. .. .	167,951	2.19	8,974	53	182,322	2.94	1 1	8	4.88	172,197	2.28	9,660	56	178,799	3.09	1 0	8	4.44
Dairy products .. .. .	19,471	0.25	1,709	88	22,803	0.37	1 3	5	3.20	20,220	0.27	1,724	85	20,891	0.36	1 0	8	2.91
Fat, hides, and skins .. .. .	40,804	0.53	2,203	54	46,692	0.75	1 2	11	5.09	45,300	0.60	2,188	48	47,449	0.82	1 1	0	5.20
Fish .. .. .	10,476	0.14	2,078	198	18,973	0.31	1 16	3	2.19	10,171	0.13	1,901	187	16,828	0.29	1 13	1	2.11
	1,313,227	17.11	85,540	65	1,445,398	23.28	1 2	0	4.06	1,343,234	17.79	89,122	66	1,406,707	24.27	1 1	0	3.79
<i>Products of Mines.</i>																		
Agricultural lime .. .. .	393,117	5.12	23,019	59	146,419	2.36	0 7	5	1.53	379,504	5.04	23,033	61	132,518	2.25	0 7	0	1.38
Coal, imported .. .. .	11,590	0.15	521	45	5,581	0.09	0 9	8	2.57	36,055	0.48	1,760	44	18,705	0.32	0 10	4	2.56
Coal, New Zealand hard .. .. .	832,595	10.83	36,170	43	298,597	4.81	0 7	2	1.98	840,683	11.02	36,886	49	277,098	4.9	0 6	8	1.80
Coal, New Zealand brown .. .. .	911,351	11.88	112,392	123	651,514	10.49	0 14	4	1.39	897,602	11.90	108,783	121	593,634	10.25	0 13	3	1.32
Road-metal .. .. .	93,524	1.22	3,664	39	36,114	0.58	0 7	9	2.37	169,938	2.26	5,816	34	48,374	0.83	0 5	8	2.00
Lime and coke .. .. .	44,507	0.58	3,447	77	28,047	0.45	0 12	7	1.95	40,936	0.54	3,328	81	24,556	0.42	0 12	0	1.77
	2,286,684	29.80	179,213	78	1,166,272	18.78	0 10	2	1.56	2,354,718	31.24	179,006	76	1,094,885	18.90	0 9	3	1.47
<i>Products of Forests.</i>																		
Timber, imported .. .. .	19,082	0.25	1,192	62	21,645	0.35	1 2	8	4.36	25,458	0.34	1,993	78	30,688	0.53	1 4	1	3.70
Timber, New Zealand .. .. .	499,848	6.51	59,944	120	533,255	8.59	1 1	4	2.14	476,187	6.32	57,618	121	475,129	8.20	1 0	0	1.98
Firewood and fencing .. .. .	68,081	0.89	6,173	91	36,759	0.59	0 10	10	1.43	76,565	1.02	6,978	91	39,076	0.67	0 10	2	1.34
	587,021	7.65	67,309	115	591,659	9.53	1 0	2	2.11	578,210	7.68	66,589	115	544,893	9.40	0 18	10	1.96
<i>Manufactures, &amp;c.</i>																		
Benzene, gasoline, kerosene .. .. .	195,113	2.54	16,010	82	329,400	5.31	1 13	9	4.94	188,492	2.50	17,401	92	311,496	5.37	1 13	0	4.30
Cement .. .. .	91,078	1.19	11,641	128	108,734	1.75	1 3	11	2.24	87,404	1.16	10,324	119	94,485	1.63	1 1	9	2.20
Manure .. .. .	1,036,730	13.51	68,466	66	561,626	9.04	0 10	10	1.97	874,679	11.62	65,356	75	475,090	8.20	0 10	11	1.74
	1,322,921	17.24	96,117	73	999,760	16.10	0 15	1	2.50	1,150,215	15.28	93,081	81	881,071	15.20	0 15	4	2.27
Miscellaneous .. .. .	1,608,436	20.96	110,762	69	1,598,447	25.74	0 19	11	3.46	1,596,005	21.18	104,691	66	1,495,963	25.82	0 18	9	3.43
Total .. .. .	7,673,950	100.00	580,777	76	6,209,550	100.00	0 16	2	2.57	7,539,012	100.00	574,485	76	5,794,688	100.00	0 15	4	2.43

## 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, 1940.

## 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.	£	£	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	1,698,021	318,457	1,243,615	11,101,056	490,207
1938-1939 ..	3,319	56,413,304	13,072,615	23,265,768	1,785,646	334,170	1,165,560	10,102,345	501,644
1939-1940 ..	3,390	60,697,818	13,366,798	24,454,014	2,119,335	330,024	1,152,033	9,533,032	518,940

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
1938-1939 ..	6,415,613	6,917,257	5,694,936	190,307	8,005,050	146.96
1939-1940 ..	6,558,358	7,077,298	6,109,293	202,985	8,761,637	157.31

## 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
1938-1939 ..	1,375,829	17.19	414.53	186,546	2.33	56.21	1,832,615	22.89	33.64
1939-1940 ..	1,468,268	16.76	435.56	197,949	2.26	58.72	1,896,366	21.64	34.05

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	19.92	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
1938-1939 ..	1,812,857	22.65	33.28	2,208,310	27.59	40.54	247,475	3.09	4.54	7,663,632	140.70	95.73
1939-1940 ..	1,891,262	21.59	33.96	2,250,905	25.69	40.41	238,370	2.72	4.28	7,943,120	142.62	90.66



**STATEMENT NO. 21.**  
**COMPARATIVE STATEMENT OF THE AVERAGE NUMBER OF EMPLOYEES FOR YEARS**  
**1939-40 AND 1938-39.**

Branch.	Kaihu.		Gisborne.		North Island Main Line and Branches.		South Island Main Line and Branches.		Westport.		Nelson.		Picton.		Stores Branch.		Refreshment Service.		Advertising Service.		Road Service.		Total.
	1939-40.	1938-39.	1939-40.	1938-39.	1939-40.	1938-39.	1939-40.	1938-39.	1939-40.	1938-39.	1939-40.	1938-39.	1939-40.	1938-39.	1939-40.	1938-39.	1939-40.	1938-39.	1939-40.	1938-39.	1939-40.	1938-39.	
General ..	1	5	802	191	4	3	4	618	561	43	479	2,711											
Traffic ..	7	28	3,910	2,891	58	12	39	..	..	..	..	6,945											
Maintenance ..	20	38	3,037	2,111	57	25	87	..	..	..	..	5,375											
Locomotive running (including depot staff)	4	14	2,063	1,177	28	11	26	..	..	..	..	3,323											
Workshops ..	..	..	4,361	2,933	62	..	..	..	..	..	..	7,356											
Totals ..	32	85	14,173	9,303	209	51	156	618	561	43	479	25,710											
General ..	1	4	792	183	4	3	4	579	529	45	441	2,585											
Traffic ..	4	19	3,790	2,865	57	12	35	..	..	..	..	6,782											
Maintenance ..	24	29	2,974	1,672	43	21	54	..	..	..	..	4,817											
Locomotive ..	4	15	6,090	3,954	63	10	22	..	..	..	..	10,158											
Totals ..	33	67	13,646	8,674	167	46	115	579	529	45	441	24,342											

NOTE.—For year 1938-39 locomotive running and workshops staff were combined under the title "Locomotive" except that figures for Westport Section represented workshops staff only, locomotive running staff being included in South Island Main Line and Branches. The total of 10,158 employees included 3,288 locomotive running and 6,870 workshops employees. For year 1939-40 separate statistics have been compiled for each section.

**STATEMENT NO. 22.**  
**STATEMENT OF ACCIDENTS FOR THE YEAR ENDED 31ST MARCH, 1940.**

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 Railway Crossings.		Total.	
	Passengers.		Employees.		Passengers.		Employees.		Passengers.		Employees.		Other Persons.		Killed.		Injured.	
	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.
Kaihu ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Gisborne ..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
North Island Main Line and Branches ..	17	2	..	..	..	2	..	..	..	..	..	..	..	..	..	..	..	..
South Island Main Line and Branches ..	6	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Westport ..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Nelson ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Picton ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Totals ..	5	24	1	3	..	15	2	6	..	1	2	126	1	3	19	39	34	234

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, MULTIPLE UNIT, BRAKE-VAN AND WAGON STOCK, AND TARPULINS, FOR THE YEAR ENDED 31ST MARCH, 1940.

Description.	Class.	Kaihu.	North Island Main Line and Branches.	Gisborne.	South Island Main Line and Branches.	Westport.	Nelson.	Pictou.	Total.
<b>CARRIAGES—</b>									
First class .. .. .	..	..	121	..	113	..	..	3	237
Second class .. .. .	..	2	576	..	372	10	7	4	971
Composite .. .. .	..	..	162	6	113	..	7	5	293
Sleeping .. .. .	..	..	13	..	..	..	..	..	13
Combination day-sleeping .. .. .	..	..	11	..	5	..	..	..	16
Totals .. .. .	..	2	883	6	603	10	14	12	1,530
<b>RAIL-CARS</b> .. .. .									
	..	..	14	..	2	..	..	..	16
<b>MULTIPLE UNITS—</b>									
Power units .. .. .	..	..	6	..	..	..	..	..	6
Trailers .. .. .	..	..	6	..	..	..	..	..	6
Totals .. .. .	..	..	12	..	..	..	..	..	12
<b>VANS—</b>									
Postal vans .. .. .	..	..	5	..	4	..	..	..	9
Brake vans .. .. .	..	2	258	4	193	7	3	4	471
Totals .. .. .	..	2	263	4	197	7	3	4	480
<b>WAGONS—</b>									
Special-purpose wagons .. .. .	E	..	882	..	338	..	..	..	1,220
Horse-boxes .. .. .	G	..	69	1	72	1	1	4	148
Cattle .. .. .	H	..	464	4	195	4	3	8	678
Sheep .. .. .	J	..	1,477	37	1,222	..	11	43	2,790
Covered goods .. .. .	K	1	263	2	152	5	6	3	432
Sleeping-vans .. .. .	K	..	13	..	10	1	1	..	25
High sides .. .. .	L	4	3,248	32	3,558	12	83	137	7,074
High sides .. .. .	LA	..	5,035	..	4,055	..	..	..	9,090
High sides .. .. .	LB	..	174	14	468	5	20	37	718
Low sides .. .. .	M	12	489	32	849	24	14	37	1,457
Work-train hopper .. .. .	M	..	..	..	33	..	..	..	33
Low sides, steel .. .. .	MA	..	126	12	..	..	..	..	138
Low sides .. .. .	MB	..	7	12	16	..	..	1	36
Timber .. .. .	N	39	100	..	124	32	8	12	315
Iron hopper .. .. .	O	..	7	..	..	..	..	..	7
Iron hopper, for ballast .. .. .	OB	..	9	..	..	..	..	..	9
Platform, coal .. .. .	P	..	196	..	..	..	..	..	196
Petrol inspection .. .. .	Pw	..	..	..	1	..	..	..	1
Movable hopper .. .. .	Q	..	..	..	456	723	..	..	1,179
Frozen meat .. .. .	W	..	234	..	67	..	..	..	301
Frozen meat .. .. .	WA	..	233	3	30	..	18	..	284
Covered goods .. .. .	X	..	133	..	16	..	..	..	149
Cool, ventilated .. .. .	XA	3	426	..	461	1	..	7	898
Cool, ventilated .. .. .	XB	..	47	..	31	..	..	..	78
Work-train .. .. .	Y	..	62	..	17	..	..	..	89
Work-train .. .. .	YB	..	258	..	138	..	..	10	406
Special-purpose wagons, bogie .. .. .	E	2	59	1	30	..	..	1	93
High sides, bogie .. .. .	R	2	199	..	80	..	..	..	281
High sides, bogie .. .. .	RB	..	69	..	25	..	..	..	94
High sides, bogie .. .. .	RD	..	3	..	..	..	..	..	3
High sides, bogie .. .. .	RN	..	19	..	..	..	..	..	19
Sheep, bogie .. .. .	S	..	30	..	37	..	..	..	67
Cattle, bogie .. .. .	T	..	31	..	19	..	..	..	50
Platform, bogie .. .. .	U	..	203	39	108	4	4	10	368
Gas-storeholder, bogie .. .. .	UA	..	10	..	4	..	..	..	14
Platform, bogie .. .. .	UB	..	177	..	267	..	..	..	444
Fuel oil, bogie .. .. .	UC	..	..	..	1	..	..	..	1
Platform, bogie .. .. .	UD	..	1	..	..	..	..	..	1
Horse-boxes, bogie .. .. .	UG	..	59	..	65	..	..	..	124
Frozen meat, bogie .. .. .	V	..	52	..	66	..	..	..	118
Chilled beef, bogie .. .. .	V	..	6	..	..	..	..	..	6
Frozen meat, bogie .. .. .	VB	..	137	..	85	..	..	..	222
Chilled beef, bogie .. .. .	VB	..	89	..	..	..	..	..	89
Covered goods, bogie .. .. .	Z	..	69	..	44	..	..	..	113
Covered goods, bogie .. .. .	ZP	..	76	..	74	..	..	..	150
Totals .. .. .	..	63	15,241	189	13,214	812	169	320	30,008
<b>TARPULINS</b> .. .. .									
	..	28	12,168	113	11,345	52	145	287	24,138

## STATEMENT No. 24.

## LOCOMOTIVE STOCK FOR YEAR ENDED 31ST MARCH, 1940.

Class.	Type.	Kaihu.	North Island Main Line and Branches.	Gisborne.	South Island Main Line and Branches.	Westport.	Nelson.	Picton.	Total.
A	Tender (4-cylinder balanced compound) ..	..	18	..	39	..	..	..	57
A	Tender (2-cylinder simple) ..	..	..	..	1	..	..	..	1
AA	Tender ..	..	10	..	..	..	..	..	10
AB	Tender ..	..	87	..	54	..	..	..	141
B	Tender ..	..	..	..	8	..	..	..	8
BA	Tender ..	..	..	..	10	..	..	..	10
BB	Tender ..	..	..	..	..	..	..	..	30
C	Tender (shunting) ..	..	12	..	12	..	..	..	24
EC	Electric ..	..	..	..	6	..	..	..	6
ED	Electric ..	..	6	..	2	..	..	..	8
Eo	Electric ..	..	..	..	5	..	..	..	5
F	Tank ..	2	..	..	19	..	..	..	21
FA	Tank ..	..	..	..	..	2	..	..	2
G	Tender ..	..	..	..	6	..	..	..	6
H	Tank ..	..	6	..	..	..	..	..	6
J	Tender ..	..	30	..	10	..	..	..	40
K	Tender ..	..	30	..	..	..	..	..	30
KA	Tender ..	..	10	..	..	..	..	..	10
KB	Tender ..	..	..	..	6	..	..	..	6
Q	Tender ..	..	..	..	13	..	..	..	13
U	Tender ..	..	..	..	9	..	..	..	9
UB	Tender ..	..	..	..	7	..	..	..	7
UC	Tender ..	..	..	..	7	..	..	..	7
W	Tank ..	..	..	..	2	..	..	..	2
WA	Tank ..	..	..	4	3	..	..	..	7
WAB	Tank ..	..	20	..	10	..	..	..	30
WB	Tank ..	..	..	..	..	4	..	..	4
WE	Tank ..	..	..	..	2	..	..	..	2
WF	Tank ..	..	11	..	17	..	4	5	37
WG	Tank ..	..	16	2	..	..	..	..	18
WW	Tank ..	..	49	..	..	3	..	..	52
X	Tender (4-cylinder balanced compound) ..	..	18	..	..	..	..	..	18
	Totals .. .. .	2	353	6	248	9	4	5	627

NOTE.—EB battery shunting-engines located at workshops have been omitted as they are shops equipment.

STATEMENT No. 25.

ALL SECTIONS.

LOCOMOTIVE RUNNING COSTS, YEAR ENDED 31ST MARCH, 1940.

Section.	Number of Locomotives.	Locomotive-mileage.					Quantity of Stores.					Cost.				Section.
		Train.		Assisting Light, and Miscellaneous.		Total.	Running.		Oil.	Repairs. Wages, Material, and Overhead.	Stores.	Running.		Total.		
		Shunting.	Miscellaneous.	Average Mileage per Locomotive.	Coal.		Quarts.	Fuel.				Wages.				
						d.			c.	d.	c.		d.	c.		
N.I.M.L. and branches	348	8,283,572	2,545,521	10,829,093	31,118	6,677,593	439,241	370,627	21,829	577,490	420,021	1,389,967	N.I.M.L. and branches.			
S.I.M.L. and branches	236	4,223,167	1,681,947	5,905,114	25,022	3,024,937	261,255	228,162	12,139	195,439	234,916	670,656	S.I.M.L. and branches.			
Kaihu	2	13,986	2,731	16,717	8,359	6,742	266	209	23	921	901	2,054	Kaihu.			
Gisborne	6	51,615	10,678	62,293	10,382	37,939	3,845	1,433	163	4,429	2,387	8,412	Gisborne.			
Westport	9	69,252	47,596	116,848	12,983	51,826	4,807	5,255	289	3,094	5,720	14,358	Westport.			
Nelson	4	38,788	10,016	48,804	12,201	18,211	1,768	2,091	79	1,872	1,815	5,857	Nelson.			
Pictou	6	63,244	26,900	90,144	15,024	31,915	3,897	2,761	167	3,998	3,926	10,852	Pictou.			
Total, steam	611	12,743,624	4,325,389	17,069,013	27,936	9,849,163	715,089	610,538	34,689	787,243	669,686	2,102,156	Total, steam.			
Electric locos., Eo. 2-6	5	49,360	61,682	111,042	22,208	1,999,630	3,599	6,638	379	17,628	2,517	27,162	Electric locos., Eo. 2-6.			
Electric locos., Ec. 7-12	6	117,798	24,666	142,464	23,744	2,296,190	2,408	5,669	141	4,805	3,119	13,734	Electric locos., Ec. 7-12			
Electric locos., E.D. 101-106	6	7,182	3,328	10,510	1,752	118,626	955	2,299	16	318	755	3,388	Electric locos., E.D. 101-106.			
Electric locos., E.D. 109-110	2	..	..	..	..	..	..	..	..	..	..	..	Electric locos., E.D. 109-110.			
Multiple units, D.M. 1-6	6	246,495	24,799	271,294	45,216	1,545,594	360	5,338	40	3,993	6,030	15,401	Multiple units, D.M. 1-6.			
Petrol rail-cars	5	136,357	5,833	142,190	28,438	23,945	2,143	2,006	189	1,613	1,711	5,519	Petrol rail-cars.			
Diesel rail-cars	11	399,649	8,994	408,643	37,149	48,837	8,549	7,983	701	2,143	3,802	14,629	Diesel rail-cars.			
Tractors	22	338	44,128	44,466	2,021	11,886	1,624	675	117	1,277	1,266	3,355	Tractors.			
Total, steam	611	12,743,624	4,325,389	17,069,013	27,936	9,849,163	715,089	610,538	34,689	787,243	669,686	2,102,156	Total, steam.			
Electric locos., Eo. 2-6	5	49,360	61,682	111,042	22,208	1,999,630	3,599	6,638	379	17,628	2,517	27,162	Electric locos., Eo. 2-6.			
Electric locos., Ec. 7-12	6	117,798	24,666	142,464	23,744	2,296,190	2,408	5,669	141	4,805	3,119	13,734	Electric locos., Ec. 7-12			
Electric locos., E.D. 101-106	6	7,182	3,328	10,510	1,752	118,626	955	2,299	16	318	755	3,388	Electric locos., E.D. 101-106.			
Electric locos., E.D. 109-110	2	..	..	..	..	..	..	..	..	..	..	..	Electric locos., E.D. 109-110.			
Multiple units, D.M. 1-6	6	246,495	24,799	271,294	45,216	1,545,594	360	5,338	40	3,993	6,030	15,401	Multiple units, D.M. 1-6.			
Petrol rail-cars	5	136,357	5,833	142,190	28,438	23,945	2,143	2,006	189	1,613	1,711	5,519	Petrol rail-cars.			
Diesel rail-cars	11	399,649	8,994	408,643	37,149	48,837	8,549	7,983	701	2,143	3,802	14,629	Diesel rail-cars.			
Tractors	22	338	44,128	44,466	2,021	11,886	1,624	675	117	1,277	1,266	3,355	Tractors.			

Section.	Cost per Locomotive-mile.										Section.				
	Repairs. Wages, Material, and Overhead.	Running.				Depreciation.	Water.	Conversions and Alterations.	Cost per Locomotive-mile.			Average Number of Days in Steam.			
		Stores.	Fuel.	Wages.	Total.				General Charges.	Depreciation.			Water.	Conversions and Alterations.	General Charges.
N.I.M.L. and branches	8.21	0.48	12.80	9.31	30.80	79.577	18,721	24,682	139,075	1.76	0.41	0.55	3.09	84,320	N.I.M.L. and branches.
S.I.M.L. and branches	9.27	0.49	7.94	9.55	27.25	39,590	8,191	8,849	87,849	1.61	0.33	0.36	3.58	52,045	S.I.M.L. and branches.
Kaihu	3.00	0.33	13.22	12.94	29.49	34	29	142	142	0.49	0.42	..	2.05	295	Kaihu.
Gisborne	5.52	0.63	17.06	9.20	32.41	291	124	873	1.12	0.48	..	3.36	2,759	Gisborne.	
Westport	10.79	0.59	6.35	11.74	29.47	500	139	1,967	1.04	0.29	..	4.04	9,700	Westport.	
Nelson	10.28	0.39	9.20	8.93	28.80	227	52	372	1.11	0.26	..	1.83	6,508	Nelson.	
Pictou	7.35	0.44	10.64	10.45	28.88	499	105	1,290	1.35	0.28	..	3.43	12,746	Pictou.	
Total, steam	8.58	0.49	11.07	9.42	29.56	120,718	27,361	33,531	231,568	1.70	0.38	0.47	3.26	140,597	Total, steam.
Electric locos., Eo. 2-6	14.35	0.82	38.10	5.44	58.71	5,504	..	1,083	11.90	..	..	2.33	33,749	Electric locos., Eo. 2-6.	
Electric locos., Ec. 7-12	9.55	0.24	8.09	5.25	23.13	3,136	..	925	5.28	..	..	1.56	17,795	Electric locos., Ec. 7-12.	
Electric locos., E.D. 101-106	52.50	0.57	7.26	17.24	77.57	..	..	227	..	..	..	5.18	3,615	Electric locos., E.D. 101-106.	
Multiple units, D.M. 1-6	4.72	0.04	3.53	5.33	13.62	4,764	..	1,136	4.21	..	..	1.00	21,301	Multiple units, D.M. 1-6.	
Petrol rail-cars	3.39	0.32	2.72	2.89	9.32	5,041	..	284	8.50	..	..	0.48	10,844	Petrol rail-cars.	
Diesel rail-cars	4.69	0.41	1.26	2.23	8.59	14,044	..	625	8.25	..	..	0.37	29,298	Diesel rail-cars.	
Tractors	3.64	0.63	6.89	6.84	18.00	..	..	..	..	..	..	..	3,335	Tractors.	
Total, steam	..	..	..	..	..	..	..	..	..	..	..	..	2,635,271	Total, steam.	

STATEMENT NO. 25—continued.  
PERFORMANCES OF LOCOMOTIVES FOR THE YEAR ENDED 31ST MARCH, 1940.

Type.	Number of Locomotives.	Locomotive-mileage.			Quantity of Stores.			Cost.						Average Number of Days in Steam.	Average Number of Days in Steam per Locomotive.	Type.				
		Train.	Details.		Running.	Coal.	Oil.	Repairs.	Running.			Total.	Repairs.				Running.			
			Shunting, Assisting, Light, and Miscellaneous.	Total.					Stores.	Fuel.	Wages.						Wages, Material, and Overhead.	Stores.	Fuel.	Wages.
A	18	421,102	101,915	523,017	284,429	25,357	21,166	£	£	£	£	£	d.	d.	d.	d.	d.	d.	242	A.
AA	10	260,642	63,963	324,605	287,724	14,832	14,314	708	15,319	12,794	43,185	10,588	0.52	11.33	9.46	8.95	31.89	4,343	244	AA.
AB	87	3,485,273	550,485	4,035,758	2,204,447	144,764	114,368	7,417	185,699	127,612	435,096	6,800	0.44	11.04	7.59	25.87	24,658	283	244	AB.
BB	30	299,483	385,225	684,708	446,860	34,029	29,336	1,607	32,015	39,935	102,893	10,288	0.56	11.23	14.00	36.06	7,608	254	7,608	BB.
C	12	1,553	252,566	254,119	201,468	8,499	3,542	455	17,931	18,543	40,471	3,385	0.43	16.93	17.51	38.22	3,326	277	3,326	C.
H	6	12,780	29,417	42,197	48,923	5,250	8,417	220	5,676	5,210	19,523	47,877	1.25	32.28	29.63	111.03	1,261	210	1,261	H.
J	30	395,043	51,984	447,027	284,232	11,508	5,511	654	24,130	14,241	44,536	2,966	0.35	12.95	7.65	23.91	2,748	92	2,748	J.
K	30	328,858	99,801	428,659	1,084,789	49,870	62,816	2,547	101,459	42,998	209,820	10,555	0.43	17.05	7.22	35.25	7,957	265	7,957	K.
KA	10	242,104	14,763	256,867	152,924	6,757	1,467	374	17,491	7,294	26,626	1,377	0.35	16.34	6.82	24.88	1,372	137	1,372	KA.
L	1	2,211	1,449	3,660	895	36	211	4	104	141	460	13,844	0.26	6.82	9.25	30.17	76	76	76	L.
WAB	20	571,477	126,479	697,956	442,642	28,398	20,116	1,392	34,896	25,408	81,812	6,922	0.48	11.99	8.74	28.13	5,613	281	5,613	WAB.
WF	11	33,975	135,706	169,681	93,026	7,618	5,498	422	9,054	10,639	25,613	7,778	0.60	12.81	15.05	36.24	2,370	215	2,370	WF.
WG	16	84,320	257,405	341,725	205,164	16,725	797	16,705	21,710	52,079	52,079	9,044	0.56	11.73	15.25	36.58	4,391	274	4,391	WG.
WW	49	657,070	409,908	1,066,978	596,802	46,213	39,060	2,290	53,690	52,001	147,041	8,779	0.52	12.08	11.70	33.09	11,929	243	11,929	WW.
X	18	487,681	64,455	552,136	393,268	39,390	31,938	1,727	36,695	21,987	92,347	13,888	0.75	15.95	9.56	40.14	4,230	235	4,230	X.
Total steam...	348	8,283,572	2,545,521	10,829,093	6,677,593	439,241	370,627	21,829	577,490	420,021	1,389,997	8,211	0.48	12.80	9.31	30.80	84,320	242	84,320	Total steam.

NORTH ISLAND MAIN LINE AND BRANCHES.

STATEMENT NO. 25—continued.  
PERFORMANCES OF LOCOMOTIVES FOR THE YEAR ENDED 31ST MARCH, 1940—continued.

Type.	Number of Locomotives.	Locomotive-mileage.			Average Mileage per Locomotive.	Quantity of Stores.			Cost per Locomotive-mile.						Days in Steam.	Average Number of Days in Steam per Locomotive.	Type.	
		Details.		Total.		Running.	Coal.	Oil.	Repairs.		Running.		Repairs.					Total.
		Train.	Shunting, Assisting, Light, and Miscellaneous.						Wages, Material, and Overhead.	Stores.	Fuel.	Wages.	Wages, Material, and Overhead.	Stores.				
				£		£	£	£										£
A	40	920,802	161,453	1,082,255	27,056	542,100	52,966	2,418	34,694	37,803	119,044	9.79	0.54	7.69	8.38	26.40	223	A.
AB	54	1,888,617	374,565	2,255,182	41,818	1,120,691	92,767	4,275	73,027	68,815	233,007	9.23	0.43	7.76	7.31	24.75	266	AB.
B	8	85,761	56,906	142,667	17,833	72,854	6,280	300	4,786	7,296	18,559	10.39	0.50	8.05	12.27	31.21	241	B.
BA	10	72,485	147,669	220,154	22,015	126,482	11,718	522	7,802	13,410	33,900	13.26	0.37	8.51	14.62	36.96	237	BA.
C	12	39,064	224,936	264,000	22,000	138,699	9,771	5,979	10,323	18,268	35,051	5.44	0.43	9.39	16.61	31.87	280	C.
F	19	1,776	198,329	200,105	10,532	67,177	7,123	389	4,285	14,899	25,583	7.20	0.47	5.41	17.87	31.05	195	F.
FA	1	62	3,890	3,892	3,892	1,195	139	8	77	273	385	1.66	0.49	4.75	16.83	23.73	86	FA.
G	6	153,097	20,216	173,313	28,886	101,637	7,390	338	6,894	5,886	16,138	4.18	0.47	9.55	8.15	22.35	191	G.
J	10	14,050	1,826	15,876	1,588	12,531	365	557	799	535	4,186	34.69	8.42	12.08	8.09	63.28	129	J.
KB	6	80,265	8,845	89,110	14,852	58,413	2,998	156	3,911	2,919	8,076	2.94	0.42	10.53	7.86	21.75	102	KB.
Q	13	173,070	66,532	239,602	18,431	135,014	12,563	21	8,478	10,933	34,265	14.86	0.02	8.49	10.95	34.32	187	Q.
U	9	145,951	42,031	187,982	20,886	104,115	8,209	391	6,065	7,432	22,628	11.16	0.50	7.74	9.49	28.89	222	U.
UB	7	63,006	45,621	108,627	15,518	53,479	4,758	228	3,509	5,540	10,719	3.19	0.50	7.75	12.24	23.68	213	UB.
UC	7	144,445	31,614	176,059	25,151	84,954	5,737	5,016	5,490	6,423	17,228	6.84	0.41	7.48	8.76	23.49	257	UC.
W	2	16,663	13,653	30,316	15,158	15,810	1,098	60	1,009	1,626	5,092	18.98	0.47	7.99	12.87	40.31	381	W.
WA	3	18,561	22,021	40,582	13,527	21,171	1,581	90	1,350	2,350	6,578	16.49	0.53	7.98	13.90	38.90	566	WA.
WAB	10	350,591	54,013	404,604	40,460	209,728	22,377	9,012	13,995	12,625	36,005	5.35	0.57	7.95	7.49	21.36	288	WAB.
WE	2	19,313	8,241	27,554	13,777	17,148	1,295	58	1,090	1,602	6,345	31.31	0.51	9.49	13.95	55.26	211	WE.
WF	17	40,588	199,646	240,234	41,131	141,739	12,120	584	8,450	16,277	37,867	12.54	0.58	8.44	16.26	37.82	204	WF.
Total steam...	236	4,223,167	1,681,947	5,905,114	25,022	3,024,937	261,265	12,139	195,439	234,916	670,656	9.27	0.49	7.94	9.56	27.26	52,045	Total steam.

SOUTH ISLAND MAIN LINE AND BRANCHES.

Type.	Number of Locomotives.	Locomotive-mileage.			Average Mileage per Locomotive.	Quantity of Stores.			Cost per Locomotive-mile.						Days in Steam.	Average Number of Days in Steam per Locomotive.	Type.	
		Details.		Total.		Running.	Coal.	Oil.	Repairs.		Running.		Repairs.					Total.
		Train.	Shunting, Assisting, Light, and Miscellaneous.						Wages, Material, and Overhead.	Stores.	Fuel.	Wages.	Wages, Material, and Overhead.	Stores.				
				£		£	£	£										£
A	40	920,802	161,453	1,082,255	27,056	542,100	52,966	2,418	34,694	37,803	119,044	9.79	0.54	7.69	8.38	26.40	223	A.
AB	54	1,888,617	374,565	2,255,182	41,818	1,120,691	92,767	4,275	73,027	68,815	233,007	9.23	0.43	7.76	7.31	24.75	266	AB.
B	8	85,761	56,906	142,667	17,833	72,854	6,280	300	4,786	7,296	18,559	10.39	0.50	8.05	12.27	31.21	241	B.
BA	10	72,485	147,669	220,154	22,015	126,482	11,718	522	7,802	13,410	33,900	13.26	0.37	8.51	14.62	36.96	237	BA.
C	12	39,064	224,936	264,000	22,000	138,699	9,771	5,979	10,323	18,268	35,051	5.44	0.43	9.39	16.61	31.87	280	C.
F	19	1,776	198,329	200,105	10,532	67,177	7,123	389	4,285	14,899	25,583	7.20	0.47	5.41	17.87	31.05	195	F.
FA	1	62	3,890	3,892	3,892	1,195	139	8	77	273	385	1.66	0.49	4.75	16.83	23.73	86	FA.
G	6	153,097	20,216	173,313	28,886	101,637	7,390	338	6,894	5,886	16,138	4.18	0.47	9.55	8.15	22.35	191	G.
J	10	14,050	1,826	15,876	1,588	12,531	365	557	799	535	4,186	34.69	8.42	12.08	8.09	63.28	129	J.
KB	6	80,265	8,845	89,110	14,852	58,413	2,998	156	3,911	2,919	8,076	2.94	0.42	10.53	7.86	21.75	102	KB.
Q	13	173,070	66,532	239,602	18,431	135,014	12,563	21	8,478	10,933	34,265	14.86	0.02	8.49	10.95	34.32	187	Q.
U	9	145,951	42,031	187,982	20,886	104,115	8,209	391	6,065	7,432	22,628	11.16	0.50	7.74	9.49	28.89	222	U.
UB	7	63,006	45,621	108,627	15,518	53,479	4,758	228	3,509	5,540	10,719	3.19	0.50	7.75	12.24	23.68	213	UB.
UC	7	144,445	31,614	176,059	25,151	84,954	5,737	5,016	5,490	6,423	17,228	6.84	0.41	7.48	8.76	23.49	257	UC.
W	2	16,663	13,653	30,316	15,158	15,810	1,098	60	1,009	1,626	5,092	18.98	0.47	7.99	12.87	40.31	381	W.
WA	3	18,561	22,021	40,582	13,527	21,171	1,581	90	1,350	2,350	6,578	16.49	0.53	7.98	13.90	38.90	566	WA.
WAB	10	350,591	54,013	404,604	40,460	209,728	22,377	9,012	13,995	12,625	36,005	5.35	0.57	7.95	7.49	21.36	288	WAB.
WE	2	19,313	8,241	27,554	13,777	17,148	1,295	58	1,090	1,602	6,345	31.31	0.51	9.49	13.95	55.26	211	WE.
WF	17	40,588	199,646	240,234	41,131	141,739	12,120	584	8,450	16,277	37,867	12.54	0.58	8.44	16.26	37.82	204	WF.
Total steam...	236	4,223,167	1,681,947	5,905,114	25,022	3,024,937	261,265	12,139	195,439	234,916	670,656	9.27	0.49	7.94	9.56	27.26	52,045	Total steam.

**STATEMENT NO. 25—continued.**  
**PERFORMANCES OF LOCOMOTIVES FOR THE YEAR ENDED 31ST MARCH, 1940—continued.**  
**SMALL SECTIONS.**

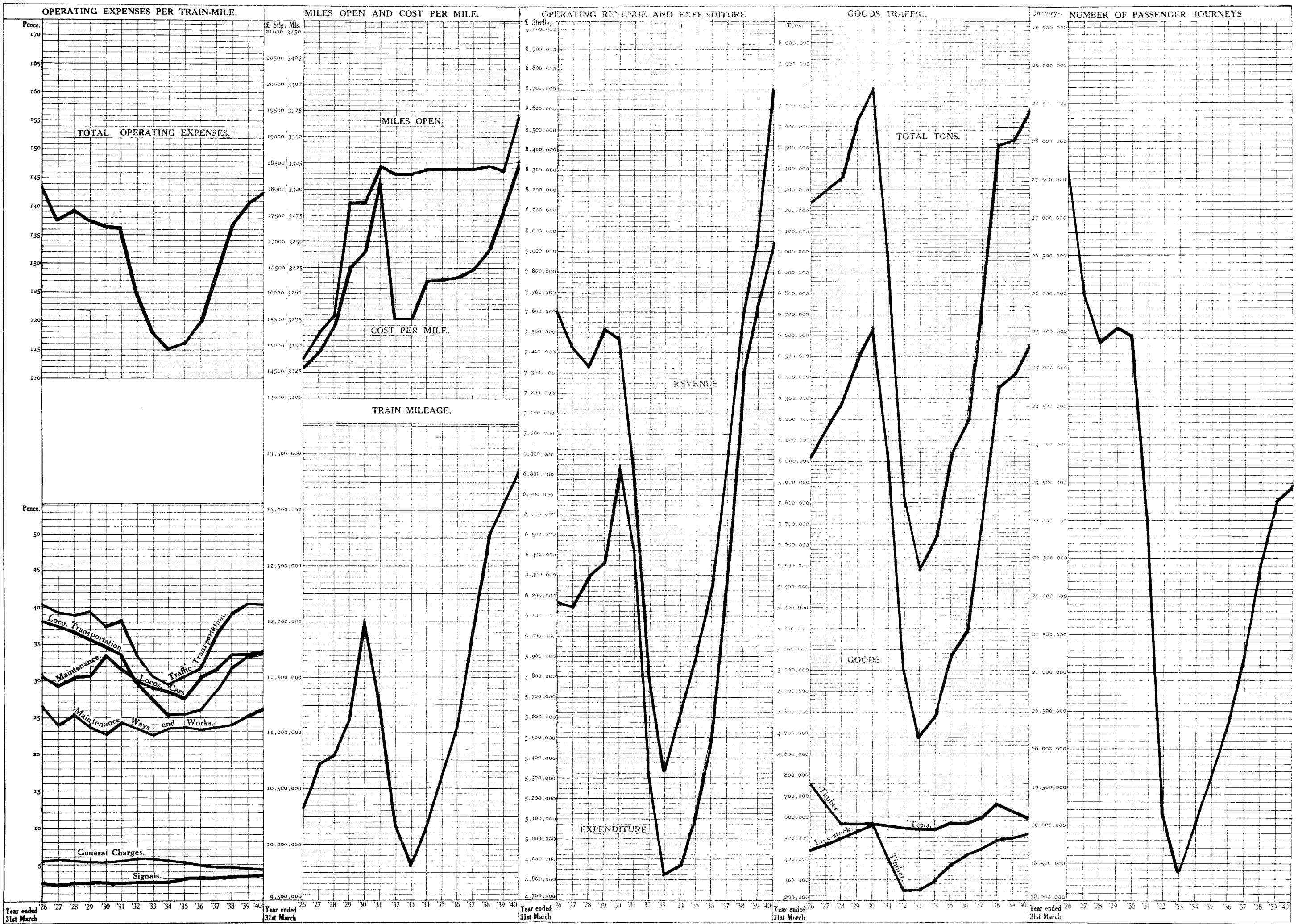
Type.	Locomotive-mileage.			Average Mileage per Locomotive.	Quantity of Stores.			Cost.				Cost per Locomotive-mile.				Days in Steam.	Average Number of Days in Steam per Locomotive.	Type.		
	Details.		Total.		Running.	Oil.	Coal.	Repairs.	Running.		Total.	Repairs.	Running.		Total.					
	Train.	Shunting, Assisting, Light, and Miscellaneous.							Wages, Material, and Overhead.	Fuel.			Wages.	Wages, Material, and Overhead.					Fuel.	Wages.
F ..	2	13,986	2,731	16,717	8,359	Cwts. 6,742	Quarts. 266	£ 209	£ 28	£ 921	£ 901	£ 2,054	d. 3-00	d. 0-33	d. 13-22	d. 12-94	d. 29-49	295	158	F.
WA ..	4	22,730	4,572	27,302	6,826	15,844	1,626	846	71	1,836	1,014	3,767	7-44	0-62	16-14	8-91	33-11	269	67	WA
WG ..	2	28,885	6,106	34,991	17,496	22,095	2,219	587	92	2,593	1,373	4,645	4-03	0-63	17-79	9-42	31-87	346	173	WG.
Total	6	51,615	10,678	62,293	10,382	37,939	3,845	1,433	163	4,429	2,387	8,412	5-52	0-63	17-06	9-20	32-41	615	103	Total.
KAHRU SECTION.																				
GISBORNE SECTION.																				
FA ..	2	498	13,334	13,832	6,916	5,238	679	477	38	317	1,044	1,876	8-28	0-66	5-50	18-11	32-55	320	160	FA.
WB ..	4	20,098	24,976	45,074	11,269	20,806	1,837	3,029	112	1,240	2,523	6,904	16-13	0-60	6-60	13-43	36-76	699	175	WB.
WW ..	3	48,656	9,286	57,942	19,314	25,782	2,291	1,749	139	1,537	2,153	5,578	7-24	0-58	6-37	8-91	23-10	701	234	WW.
Total, steam	9	69,252	47,596	116,848	12,983	51,826	4,807	5,255	269	3,094	5,720	14,358	10-79	0-59	6-36	11-75	29-49	1,720	191	Total, steam.
Tractors	1	..	3,090	3,090	3,090	454	48	2	3	33	130	168	0-16	0-23	2-56	10-10	13-05	72	72	Tractors.
WF ..	4	38,788	10,016	48,804	12,201	18,211	1,768	2,091	79	1,872	1,815	5,857	10-28	0-39	9-20	8-93	28-80	494	124	WF.
NELSON SECTION.																				
PICTON SECTION.																				
FA ..	1	17,067	1,289	18,356	18,356	4,860	826	87	37	617	805	1,546	1-14	0-48	8-07	10-53	20-22	241	241	FA.
WF ..	5	46,177	25,611	71,788	14,358	27,055	3,071	2,674	130	3,381	3,121	9,306	8-94	0-43	11-30	10-43	31-10	867	173	WF.
Total	6	63,244	26,900	90,144	15,024	31,915	3,897	2,761	167	3,998	3,926	10,852	7-35	0-44	10-64	10-46	28-89	1,108	185	Total.

By Authority: E. V. PAUL, Government Printer, Wellington.—1940.





# NEW ZEALAND GOVERNMENT RAILWAYS



Year ended 31st March    Year ended 31st March    Year ended 31st March    Year ended 31st March    Year ended 31st March

