

1947
NEW ZEALAND

RAILWAYS STATEMENT

(BY THE MINISTER OF RAILWAYS, HON. R. SEMPLE)

MR. SPEAKER,—

In accordance with section 10 of the Government Railways Act, 1936, I have the honour to present the Railways Statement for the year ended 31st March, 1947.

FINANCIAL

In my Statement for last year it was anticipated that revenue would no more than meet expenditure. Actually, it did not quite do that.

The gross revenue for the year was £15,680,057, again establishing a new record for railway gross revenue. The increase over last year's record figure was £235,210, or 1·52 per cent. This increase was due largely to the substantial increase in revenue from railway road motor services.

Although receipts from rail passenger traffic fell away considerably due to the decreased receipts from Armed Services traffic, civilian receipts showed an improvement, which would undoubtedly have been much larger had it not been for coal difficulties. Notwithstanding a decrease in military freights, goods revenue increased substantially, setting a new record.

In effect, anticipations that the decrease in military freights and fares would be made good from other sources have been realized, added to which has been a substantial increase in road service revenue.

Unfortunately, the expected increase in expenditure has also materialized. The expenditure for the twelve months amounted to £15,944,270, an increase of £1,559,426, or 10·84 per cent., over last year's figure. The increase is due to a higher wages bill, higher cost and quantity of stores and material used, and the additional costs of operating expanded road services. The wages bill increased by over £830,000, and approximately half this increase was due to higher rates of pay and improved conditions of employment. The cost of coal used for locomotive purposes increased by over £250,000, whilst the tonnage used fell by 16,255 tons. The increased cost was due to the importation of coal from overseas.