

1942.  
NEW ZEALAND.

# RAILWAYS STATEMENT

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

MR. SPEAKER,—

At the close of the fiscal year 1940–41 and with the prospect of a continuance of war conditions, indications were not lacking that the Dominion's railways would be operated under conditions of increased pressure during the succeeding twelve months. The results of working for the financial year which ended on 31st March last reveal that this expectation has been realized to the full, more business having been handled by the railways during the past twelve months than in any previous year in the history of the Dominion.

## FINANCIAL.

The financial results of the year's working may be regarded as very satisfactory. The gross revenue reached a new high level of £11,938,338, eclipsing the previous record figure established last year by no less a sum than £778,120 (6·97 per cent.), and maintaining the progressive gain in earnings which has been so marked a feature of railway working since 1935.

Expenditure for the twelve months was £10,056,034, and the net revenue £1,882,304. These figures represent an increase of £590,460 (6·24 per cent.) and £187,660 (11·07 per cent.) respectively compared with 1940–41. On a percentage basis the net return on capital was 2·90 per cent., compared with 2·64 per cent. in the preceding twelve months and 1·96 per cent. in 1940.

Both earnings and expenditure were affected by the abnormal conditions arising from the war. Revenue benefited by the diversion to rail of road traffic due to restrictions on the sale and consumption of petrol, to shipping difficulties, and as the outcome of the Government's policy of co-ordinating rail and road transport, and was further augmented by the carriage of military personnel and large quantities of war supplies and equipment. Expenditure was higher by reason of an increase in maintenance and transportation expenses necessitated by the increased volume of traffic handled and of the payment to the lower-paid staff of the cost-of-living bonus for a full twelve months, as against only seven months in the previous year.

## RAILWAYS AND THE WAR.

Both on the productive side and in its fundamental sphere—the maintenance of transport services—the railways contribution to the Dominion's war effort has been particularly comprehensive, the Department's well maintained and equipped workshops establishments and operating plant having enabled it to meet, efficiently and expeditiously, all calls made upon it as a result of the expansion of national productive activities and the carriage of military personnel and war supplies.