

1943
NEW ZEALAND

RAILWAYS STATEMENT

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

MR. SPEAKER,—

In this my third Railways Statement, I take much pleasure in recording another splendid performance on the part of the Dominion's railways. In each of my previous Statements I was able to report record achievements, and this year the factors which combined to produce those records have continued and increased in tempo to such an extent that the railways have had to meet the heaviest demands ever yet made upon them.

FINANCIAL

The financial results of the year's operations are more than satisfactory. The gross revenue for the year amounted to £14,128,993, exceeding the record of last year by no less a sum than £2,190,655 (18·35 per cent.). Expenditure for the twelve months was £11,302,413, and the net revenue £2,826,580. These figures represent an increase of £1,246,379 (12·39 per cent.) and £944,276 (50·17 per cent.) respectively compared with 1941–42.

On a percentage basis the net return on capital was 4·31 per cent., and the surplus of net revenue over interest charges amounted to £203,867.

Thus, for the first time since 1926, the net revenue has been more than sufficient to meet the full interest charges; in fact, it is probably the first time that the railways can be said to have met their obligations in full, for in the year ended 31st March, 1926, the interest charges were met only by reason of the payment from the Consolidated Fund of a subsidy on branch lines amounting to £359,540, while prior to the reorganization of the accounting system on 1st April, 1925, no provision was made for depreciation, renewals, and reserves and no annual contribution to the Railways Superannuation Fund was required.

RAILWAYS AND THE WAR

In the present crisis, however, the financial results are overshadowed by the vital role being played by the railways in the Dominion's war effort.

The present conflict has shown quite clearly that in time of stress the railway is the only reliable agency for bulk inland transport. Since August, 1939, this country has suffered a progressive diminution in its transport capacity; the coast-wise trade has been limited, and the capacity to transport by road has been severely reduced, firstly by the petrol position and more recently by the progressively acute tire shortage. The brunt of this loss in transport capacity has been borne by the railways, and the difficulties attendant on the transport of military personnel and the large volume of war supplies and equipment have been correspondingly increased. In meeting and overcoming these difficulties the railways have played an essential part in the country's defence system not only in successfully handling the greatly increased volume of traffic, but also on the administrative side. The railway representatives on the various committees set up to deal with road transport, cargo clearance, and shipping have performed very valuable work in assisting road