

The matter was again considered this year and it was found that not only had it been impossible to overtake any arrears, but that further maintenance, which would ordinarily have been carried out during the year, had been deferred, and the provision of £246,000 is to meet this position. Details of the Renewals, &c., Accounts are set out in Statement No. 13.

The ratio of operating expenditure to operating revenue was 95·77, compared with 93·96 for the year 1944–45.

Net Revenue.—Prior to arriving at the net revenue, provision was made for deferred maintenance, and the sum of £1,804,864 was set aside from the revenue account for depreciation, renewals and other reserves, and superannuation and sick-benefit subsidies.

MILEAGE OF LINES OPEN FOR TRAFFIC

The mileage of lines open for traffic at 31st March, 1946, was 3,527 miles 63 chains, being an increase of 23 miles 62 chains over the figure for the preceding year. The increased mileage is due to the Railways Department taking over the final section of the South Island Main Trunk Railway between Hundalee and Kaikoura on 15th December, 1945, and to the commencement, on 7th January, 1946, of operations over a distance of 1 mile 36 chains from Waterloo to Naenae.

Details of mileage alterations during the year are as follows:—

			M.	ch.
Mileage of lines open for traffic, 31st March, 1945	..	..	3,504	1
Mileage opened for traffic during 1945–46—			M.	ch.
Hundalee—Kaikoura	..	..	23	30
Waterloo—Naenae	..	..	1	36
			24	66
Less main line and branch adjustments	..	..	1	4
			23	62
Mileage of lines open for traffic, 31st March, 1946	..	..	3,527	63

CAPITAL ACCOUNT

On 31st March, 1946, the capital invested in lines open for traffic and subsidiary services was £74,466,731. This represents an increase of £3,113,157 as compared with the previous year.

OPERATING REVENUE

Details of the operating revenue under the main headings, with comparisons with the previous year's figures, are set out in Statement No. 3.

Passenger revenue (ordinary) increased by £420,174, or 13·33 per cent., whilst the number of passenger journeys (ordinary) fell from 13,629,523 to 13,553,083, a decrease of 76,440, or 0·56 per cent. The reasons for these variations are principally an increase in receipts from furlough passes, coupled with a decrease in short-distance military traffic, and full patronage of long-distance services generally, coupled with a decrease in short-distance traffic since the improvement in the supply of petrol.

Passenger journeys on season tickets declined from 19,365,006 to 18,864,592, a decrease of 500,414, or 2·58 per cent. The revenue shows a corresponding decrease of £12,118, or 3·44 per cent. The decreases are due mainly to the relaxation of petrol restrictions.