

The following statistical figures in connection with locomotive transportation costs may be of interest :—

Averages.	1931.	1930.	1929.	1928.
Cost per engine-mile	23·31d.	23·98d.	23·49d.	24·52d.
Cost per train-mile	31·72d.	32·79d.	34·20d.	35·42d.
Cost per engine-hour	233·98d.	237·31d.	232·44d.	240·18d.
Cost per 1,000 gross ton-miles	160·71d.	163·97d.	163·35d.	173·08d.
Engine-miles per engine-hour	10·04	9·90	9·90	9·80
Gross ton-miles per engine-hour	1,456	1,447	1,423	1,388

The foregoing figures show a very satisfactory trend—namely, that more work is being performed at a lower cost.

Fuel.	Consumption.			Cost.		
	1931.	1930.	1929.	1931.	1930.	1929.
	lb.	lb.	lb.	d.	d.	d.
Per engine-mile	58·94	59·7	56·7	10·45	11·18	10·77
Per engine-hour	591·64	590·9	561·2	104·92	110·66	106·61
Per thousand gross ton-miles	406·37	408·3	394·4	72·07	76·47	74·92

Traffic Transportation.

The costs under this heading decreased by £85,429, or 4·53 per cent.

Shortly after taking control of the railways I initiated a comprehensive investigation of our business, with a view to collating data to serve as a reliable basis for a complete review of our services. The necessary inquiries and collation of these data necessitated a considerable amount of research and investigation, it being essential that, while every effort should be made to effect economies, due consideration should be given to the traffic requirements of the country as a whole. This embraced consideration not only of the business which the Railway Department was actually securing, but also of the field of possibility that might be explored as regards transport business which was being served by other means of transport. The investigation was completed during the year and the contemplated review of the services was made. A very extensive rearrangement of the services resulted, and the principal alterations were brought into operation in July, 1930. Since that time the review has been continuously carried on, with the result that a number of additional alterations have been made from time to time since that date, all designed to secure a due balance of economy and efficiency.

The matter is dealt with in more detail under the appropriate heading later in this report, but I would mention at this stage that the proposals showed a prospective reduction of the train mileage by 750,000 miles for the balance of the year, and it is satisfactory to note that the mileage was actually reduced by 763,511 miles.

Taking the traffic transportation costs for 1926 and the train-miles as the standard, and fixing the index figure at 100, the position regarding these two items is as follows :—

	1926.	1927.	1928.	1929.	1930.	1931.
Transportation costs	100	101	101	105	108	103
Train-miles	100	104	105	108	116	109

General Charges.

The expenditure under this heading totalled £255,492, a decrease of £8,897.

All items under this heading show a decrease, the largest being Head Office, which showed a decrease of £4,893.

Subsidiary Services.

Subsidiary Service Revenue.—The revenue from subsidiary services amounted to £790,149, as compared with £814,123 for the previous year, and an analysis of the figures is as follows :—

	1930-31.	1929-30.	1928-29.
	£	£	£
Lake Wakatipu steamers	9,166	11,447	10,941
Refreshment service	120,563	132,301	123,382
Advertising service	49,941	53,532	53,984
Departmental dwellings	116,256	109,649	105,897
Leases bookstalls, &c.	20,022	21,405	19,455
Road-motor services	103,348	105,702	102,385
Miscellaneous	370,853	380,087	308,131
	<u>£790,149</u>	<u>£814,123</u>	<u>£724,175</u>