

The large proportion of railway expenditure that is used in wages is indicated in the following table, which shows how the proportions of each £1 of expenditure are allocated to various items :—

	1935-36.	1936-37.	1937-38.
	s. d.	s. d.	s. d.
Wages	12 0	12 5	12 6
Coal	1 8	1 8	1 10
Stores and material	2 3	2 3	2 5
Depreciation*	2 8	2 4	2 1
Miscellaneous	1 5	1 4	1 2
	<hr/> 20 0 <hr/>	<hr/> 20 0 <hr/>	<hr/> 20 0 <hr/>

* NOTE.—The total amount of depreciation for 1937-38 is approximately the same as for the two previous years but owing to increase in the aggregate expenditure the proportion of the £1 for this item is relatively lower.

It should be noted how large a proportion of railway expenditure—amounting now to 12s. 6d. in the pound—is used in the payment of wages to a staff of approximately 23,000, and that a further 1s. 10d. in the pound is spent entirely in New Zealand for coal, and a large proportion of the 2s. 5d. in the pound for stores and material is also spent in New Zealand. The cash expenditure, after allowing for depreciation, &c., amounted to approximately £7,000,000, of which £6,250,000 was spent entirely in New Zealand. These figures indicate the tremendously important place the railways occupy as an industry in the economic life of the nation.

WELLINGTON'S NEW STATION.

The first year's operations at Wellington's new railway-station show some remarkable figures. For the year ended on 18th June the total revenue from goods and passengers was £934,915, an increase of £273,474 (more than 41 per cent.) on the aggregate of the old Lambton and Thorndon Stations for the previous twelve months.

The number of passenger-trains inward was 20,688 and outward 20,274, a total of 40,962. The number of ordinary, suburban, and excursion passengers from Wellington reached 562,130, an increase of 37,816. The revenue from this traffic was £135,971, an increase of £41,294 (nearly 44 per cent.).

In addition, there was an issue of 105,898 season tickets, an increase of 53,738. The revenue was £25,084, an increase of £9,071 (nearly 57 per cent.). Some of this increase is due to the growing use of the new six-trip and twelve-trip suburban tickets, which are classed as "Season."

The total increase in the passenger revenue over the combined revenue of the old Lambton and Thorndon Stations was £50,365—very nearly £1,000 per week—an advance of nearly 46 per cent.

There were 4,792 goods-trains inward and 4,776 outward. The revenue from the outward traffic was £387,301, an increase of £130,001 (more than 50 per cent.).

The total of outward freight was 300,206 tons, an increase of 78,494 tons (more than 35 per cent.). The total of inward freight was 229,855 tons (an increase of 25 per cent.).

A good indication of public appreciation of the facilities at the new station is seen in the parcels business. The receipts were £50,143, an increase of £16,323 (more than 48 per cent.).

The Refreshment Branch had a busy year at the new station. The revenue amounted to £55,307, an average of more than £1,063 a week.

RAILWAY ROAD SERVICES.

The Government's policy of co-ordination of existing transport on the principal routes throughout the Dominion in the national interest has been developed further during the year in the operations of the Railway Department's road services.

Additional passenger road services were taken over on the following routes during the year: Hokitika-Rimu, Hamilton-Rotorua-Opotiki, Auckland-Hamilton, Wellington-Titahi Bay, and Blenheim-Parnassus-Kaikoura-Waiiau.