

Looking back at the railway returns over a period of years I find the record of one year broken by that of the following year. Having regard to this and the resourcefulness of the country, I anticipate a very marked increase in the railway traffic in the near future, and in order to provide for it a commencement, and in a comprehensive way, should be made with the improvements outlined in the special report of the General Manager in 1914, otherwise great difficulties will inevitably arise in dealing with the traffic. Railway business cannot be handled economically and satisfactorily by the Department unless proper facilities are available.

I estimate the revenue for the year ending 31st March, 1917, at £4,450,000, and the expenditure at £3,045,000.

SUPERANNUATION FUND.

The amount standing to the credit of the Government Railways Superannuation Fund at the end of the financial year was £362,810, an increase of £16,654 on the balance to credit to the fund on the 31st March, 1915.

The total income for the year was £118,906, and the outgoing £102,252. Of the latter sum, £83,703 represented payments to 972 members of the service who have retired voluntarily or by reason of being medically unfit, 223 widows and 305 children dependants on deceased contributors to the fund who had not retired on superannuation at the time of their death. The income from actual contributions of members totalled £78,403, or £7,936 less than the actual liability on the 31st March. The receipts are, however, supplemented by the subsidy received from the Government, £25,000, and amounts accruing from interest on funds invested and fines imposed under the regulations: these amounted to £15,503.