

ments referred to in the special report made by the General Manager in 1914. It was definitely stated at that time, and has been emphasized since, that unless the works enumerated were completed within five years very serious disabilities would occur in dealing with the railway traffic. At that date the revenue was verging on four millions per annum. In the succeeding four years it has advanced to £4,800,000, an increase of £800,000, or 20 per cent. per annum. I am firmly convinced that not long after hostilities cease this country, with its great natural resources, will enter upon an era of unprecedented industrial activity, and our railways will be called upon to deal with a greatly increased business. During ten years, 1905-1914, under normal conditions the railway revenue increased by over 83 per cent., and the tonnage by 48½ per cent. The experience of the last four years confirms my opinion that this rate of advancement will be maintained, if not exceeded, when normal conditions are restored. It is obvious that facilities that were insufficient for the business in 1914 will be totally inadequate to deal with the 50-per-cent. greater traffic that will be offering before the works can be completed five years hence. Much valuable time has already been lost through unavoidable circumstances. This cannot be recovered, but the consequent disabilities can be rendered less acute by at once making such provision as will enable the improvements to be commenced and hastened on vigorously and uninterruptedly as soon as materials and labour are available.

#### SUPERANNUATION FUND.

The total amount standing to the credit of the Government Railways Superannuation Fund at the end of the financial year was £377,585, an increase of £14,775 on the balance to credit to the fund on the 31st March, 1916.

The total income for the year was £125,434, and the outgoing amount £110,659. Of the latter sum, £89,859 represented payments to 1,019 members of the service who have retired voluntarily or by reason of being medically unfit, 250 widows and 347 children who are dependants of deceased contributors to the fund who were members of the service at the time of their death. The income from actual contributions of members totalled £82,983, or £10,870 less than the estimated annual liability. The receipts are, however, augmented by the subsidy received from the Government, £25,000, and amounts received by way of interest on funds invested and fines imposed under the regulations and a donation: these amounted to £17,451.

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