

holidays, 1924–25, excursion fares were reduced by 2s. per ticket. This represented a substantial concession on fares for short distances most subject to motor competition.

As the revenue becomes more buoyant it will be my aim to restore this concession as far as possible, but, having regard to the obligations to be met during the present financial year, I regret that no further reduction can be made in this direction at present. With the improved statistical data available, I propose to review the matter when next summer's excursion rates are being considered.

The availability of tickets has been restored to the pre-war basis, and this has caused satisfaction throughout the Dominion.

To obviate queues at busy times, and to enable intending passengers to obtain comfortable accommodation in ample time, the period of reservation has been extended from three to fourteen days.

BRANCH LINES.

The Board's report on branch lines is a striking illustration of the difficulties that have to be met in endeavouring to reduce losses, and, generally, to improve the financial results and the services, as a glance at the following instances will clearly show :—

Branch Lines.	Net Revenue.	Loss on Working.	Loss including Interest.	Average per Mile of Line.		
				Revenue.	Working-expenses.	Interest.
		£	£	£	£	£
Waitara		2,370	3,938	1,320	1,847	348
Toko		20,424	47,997	279	473	655
Greytown		1,919	2,425	262	901	169
Eyreton and Oxford ..		3,788	10,253	186	256	120
Cheviot		3,142	16,973	316	388	316
Whitecliffs		705	1,879	315	377	103
Springburn		11,315	14,050	233	259	100
Ngapara and Livingstone ..		3,600	10,420	208	342	254
Lawrence		2,035	14,009	453	512	346
Tapanui		3,729	8,743	286	429	192
Glenham		3,938	7,184	220	644	349
Forest Hill		3,173	4,350	188	438	93

It will be seen from the full statement that the loss, including interest, on the branch lines enumerated amounted to approximately a quarter of a million pounds ; but this does not represent the total loss, as an additional £97,000 has to be added in respect of the following small sections :—

—	Loss on Working.	Interest at 4½ per Cent.	Total Loss.
	£	£	£
Kaihu	153	7,926	8,079
Gisborne	(Profit) 1,614	30,792	29,178
Nelson	7,125	18,366	25,491
Picton	2,099	28,389	30,488
Lake steamers	2,183	1,827	4,010
	27,349	87,300	97,246

The management was actuated by the best motives in curtailing services on the unpayable lines in order to reduce the serious losses incurred over a long period of years. Considerable public dissatisfaction has been expressed because of the action taken in reducing services, but from a purely commercial point of view the running of additional trains cannot be justified.

It is equally clear, however, that the service provided on many of these lines at present is not up to the standard required by the public, and that it has been responsible for much of the road competition during recent years.