

Subsidiary Service Expenditure.—The particulars of the expenditure in connection with subsidiary services are as follow :—

		1934-35.	1933-34.	1932-33.
		£	£	£
Lake Wakatipu steamers		10,269	9,610	8,200
Refreshment service		77,685	72,872	66,577
Bookstall service		34,564	19,102	11,315
Advertising service		27,942	30,159	29,937
Departmental dwellings		155,302	150,781	145,786
Leases of bookstalls, &c.		11,481	10,667	10,167
Road motor services		84,606	76,816	78,123
		£401,849	£370,007	£350,105

The variations shown above are analysed under their separate heads later in this report.

PASSENGER TRAFFIC.

The result of the year's operations in passenger traffic may be regarded as satisfactory inasmuch as there is an increase of 607,281 passenger-journeys and £32,354 in revenue compared with the previous year. On account of the variation in the dates of the Easter holidays no Easter bookings were included in the figures for the year, whereas for the previous year two Easter periods were included. When allowance is made for this variation in the conditions it becomes apparent that the result achieved this year is more favourable than the figures indicate.

The improvement in passenger traffic can be ascribed in a large measure to the attractive fares now in force for ordinary travel and to the higher standard of service which is given in such matters as improved passenger-accommodation and faster train-services. A further important factor has been the large measure of success which has been achieved in developing week-end, special-excursion, and other classes of purely pleasure travel, the increased business under this heading as compared with last year amounting to 273,481 journeys and £21,226 revenue.

It has been recognized that the development of week-end travel offers an extensive field for exploitation, and, with a view to catering for this class of business, attractive fares for Saturday to Monday travel have been made available by the ordinary train-services between stations in the more populous areas. As distinct from these regular week-end fares, the organization of special day and week-end excursions has received special attention during the year. A complete programme of these outings has been planned and carried out in each railway district throughout the Dominion. With the object of reducing the overall cost to patrons to the lowest possible level the timing of the trains has been so arranged as to permit of excursionists spending the maximum time at the destination point without incurring the expense of hotel accommodation. This feature, combined with the attractive fares offered, has stimulated public patronage to such an extent that the excursions have become definitely established as a regular and profitable feature of the Board's operations, and give opportunity to a large section of the community to avail themselves of travel-facilities to distant parts which in other circumstances would be denied them.

Close contact has been maintained with show associations, trotting and racing clubs, school and factory organizations, &c., with a view to ensuring that fares and travel arrangements commensurate with the importance and attractiveness of the events in which they are individually interested will be available for their requirements.

An analysis of the passenger traffic is as follows :—

—				1935.	1934.	Variation.	
				Number.	Number.	Number.	Per Cent.
Passenger journeys—							
Ordinary	..	..	..	7,809,035	7,511,346	+297,689	3·96
Season	..	..	..	11,845,432	11,535,840	+309,592	2·68
Total	..	..	..	19,654,467	19,047,186	+607,281	3·19
Revenue—				£	£	£	
Ordinary	..	..	..	1,193,372	1,164,731	+ 28,641	2·46
Season	..	..	..	175,316	171,603	+ 3,713	2·16
Total	..	..	..	1,368,688	1,336,334	+ 32,354	2·42
Passenger train-miles				4,653,708	4,550,559	+103,149	2·27
Revenue—							
Per mile of line	..	..	..	£419	£411	+£8	1·95