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

				1935–36. £	1934–35. £	1933–34. £
Lake Wakatipu steamer	s	••		9,399	10,269	9.610
Refreshment service				84,976	77,685	72,872
Bookstall service		• •		43,042	34,564	19,102
Advertising service				29,391	27,942	30,159
Departmental dwellings				156,692	155,302	150,781
Leases of bookstalls, &c.		• •		11,464	11,481	10,667
Road motor services		• •	•	94,682	84,606	76,816
				£429,646	£401,849	£370,007

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

PASSENGER TRAFFIC.

An analysis of the passenger traffic is as follows:-

			1936.	1935.	Variation.		
Passenger journey Ordinary Season	's—-	••		Number. 7,963,824 12,394,700	Number. 7,809,035 11,845,432	Number. $+154,789$ $+549,268$	Per Cent. 1.98 4.64
Total	••	••		20,358,524	19,654,467	+704,057	3.58
Revenue— Ordinary Season	••		• •	£ 1,286,059 180,558	£ 1,193,372 175,316	$\begin{array}{c} & & \\ + & 92,687 \\ + & 5,242 \end{array}$	$7 \cdot 77$ $2 \cdot 99$
Total	••	• •	••	1,466,617	1,368,688	+ 97,929	7.15
Passenger train-m	iles			4,747,525	4,653,708	+ 93,817	2.02
Revenue— Per mile of line	e	••	• •	£449	£419	+£30	7.15

Compared with the year 1934-35, the variations in passenger traffic, other than season tickets, are as follow:—

Description	Journ	eys.	Variation.	
Description.	1936.	1935.		
Standard fare Suburban Day and special excursion and other reduced fares	Number. 3,285,197 2,298,021 2,380,606 7,963,824	Number. 3,280,370 2,221,420 2,307,245 7,809,035	Number. + 4,827 + 76,601 + 73,361 +154,789	Per Cent. 0·15 3·45 3·18
Description.	Reve	nue.	Variation.	
Description.	1936.		varianon.	
Standard fare Suburban Day and special excursion and other reduced fares	£ 1,001,588 75,118 209,353 1,286,059	£ 929,848 73,945 189,579	$ \begin{array}{r} $	Per Cent. 7 · 72 1 · 59 10 · 43 7 · 77