

These services commenced running under the Department's control on 13th September, 1936, when the licenses operated by Newman's Motors, Ltd., were acquired. On 10th November, 1936, the goods-service license operated by Mr. H. M. Cameron between Ross and Weheka was also purchased.

The services now operated under this group are as follows :—

Passenger licenses—

Hokitika-Weheka.

Hokitika - Westland Hospital.

Hokitika - Arthurs Pass (seasonal).

Goods licenses—

Hokitika - Cooks River.

Ross - Okarito Forks.

Ross-Weheka.

Thirty-three vehicles are in use in these services and the revenue and expenditure per mile were 18·88d. and 15·24d. respectively. The number of vehicles taken over from the previous operators has been increased in order to cope with the additional goods and passenger traffic. The net return from the services is satisfactory, more especially in view of the heavy initial expenditure incurred.

LAKE WAKATIPU STEAMERS.

		1937.	1936.	Variation.	Per
		£	£	£	Cent.
Revenue	..	7,112	10,598	— 3,486	32·89
Expenditure	..	10,855	9,399	+ 1,456	15·49
Net revenue	..	<u>—£3,743</u>	<u>£1,199</u>	<u>—£4,942</u>	<u>412·18</u>

The revenue decreased under all heads with the exception of live-stock, which showed an increase of 21·42 per cent. The general decrease in revenue is due to the opening on 4th April, 1936, of the motor road alongside the lake and to the operation of the Department's passenger road service between Queenstown, Lumsden, and Invercargill.

The increase in expenditure is due to the restoration of salaries to the 1931 level, heavy overhaul of steamers, and to extensive repairs to the wharf at Glenorchy.

DEPARTMENTAL DWELLINGS.

		1937.	1936.	Variation.	Per
		£	£	£	Cent.
Revenue	..	131,187	129,255	+ 1,932	1·49
Expenditure	..	164,746	156,692	+ 8,054	5·14
Loss	..	<u>£33,559</u>	<u>£27,437</u>	<u>+£6,122</u>	<u>22·31</u>

The increase in revenue is due to the fact that ordinarily fifty-two weeks' rent are accounted for in each year. In the returns for the current year the rents for fifty-three weeks are included.

The increase in expenditure is due to improvements made to dwellings in the form of porches, bathrooms, &c., also to heavy maintenance-work.

SICK BENEFIT FUND.

The New Zealand Government Railways Employees' Sick Benefit Fund shows a surplus of £6,549, compared with £5,440 for the previous year, an increase of £1,109.

The receipts totalled £29,895, which includes the departmental subsidy of £8,000, as compared with £27,439 for the previous year, an increase of £2,456 (8·95 per cent.), while the expenditure increased from £21,999 to £23,346, an increase of £1,347 (6·12 per cent.). The total membership at 31st March, 1937, was 13,380, compared with 11,746 in 1936, an increase of 1,634 due to an increase in the number of staff employed.

The accumulated funds now stand at £40,959, of which £40,545 is represented by investments.

SUGGESTIONS AND INVENTIONS COMMITTEE.

During the year a total of 558 suggestions and inventions were dealt with by the Suggestions and Inventions Committee, compared with 514 for the previous year. Forty-nine suggestions and inventions were recommended for adoption in whole or in part, 100 were referred to heads of branches, were already in operation or related to matters of policy, 333 were not recommended for adoption, while 76 were under trial or investigation at the end of the financial year.

The suggestions recommended for adoption included 9 in connection with rolling-stock, 6 connected with workshop practice, 1 connected with way and works, 2 connected with signal and electrical work, 17 connected with traffic working, and 14 connected with railway working generally.