

Expenditure increased by £4,521 (7·07 per cent.), this being attributed to increased wages and fuel costs and in running-expenses due to the increased mileage operated.

NAPIER-HASTINGS (PASSENGER).

			1938.	1937.	Variation.	
			£	£	£	Per Cent.
Revenue	..	..	21,144	20,224	+920	4·55
Expenditure	..	..	17,741	16,819	+922	5·48
Net revenue	..	..	<u>£3,403</u>	<u>£3,405</u>	— £2	0·06
Passenger journeys	..	..	533,301	533,314	— 13	0·00
Mileage	..	..	361,714	343,124	+18,590	5·42

This service continues to give satisfactory results. Receipts from ordinary passenger revenue increased by £153, school by £705, other miscellaneous items by £125, while special trips decreased by £63. The big increase in school receipts is due to an adjustment in rates and consequent improvement in traffic. Expenditure increased by £922 (5·48 per cent.), due to increased staff, increase in salaries and wages, and to higher maintenance and depreciation charges.

During the year a Diesel 33-seater omnibus and a Diesel 21-seater de luxe omnibus were added to the fleet, which has been brought up to a good standard.

CHRISTCHURCH SERVICES (PASSENGER).

			1938.	1937.	Variation.	
			£	£	£	Per Cent.
Revenue	..	..	7,596	3,712	+3,884	104·63
Expenditure	..	..	7,299	3,607	+3,692	102·36
Net revenue	..	..	<u>£297</u>	<u>£105</u>	+ £192	182·86
Passenger journeys	..	..	18,049	11,618	+6,431	55·35
Mileage	..	..	129,932	74,573	+55,359	74·23

These services operate passenger-vehicles over the following routes :—

Christchurch—Akaroa	..	..	..	Commenced running 1st May, 1936.
Little River—Akaroa	..	..	..	Commenced running 22nd June, 1936.
Parnassus—Blenheim	..	..	..	} Commenced running 31st January, 1938.
Kaikoura—Waiau	..	..	..	
Christchurch—Arthur's Pass (fortnightly service)	..	..	..	Commenced running 1st June, 1937.
Culverden—Westport via Lewis Pass (thrice weekly) ..	..	..	..	Commenced running 1st November, 1937.

It will be noticed that the three last-mentioned services are additional this year. The number of vehicles in use at the close of the year was twenty-five as compared with nine last year.

Revenue shows an increase of 2·08d. per mile and expenditure an increase of 1·87d. per mile. Expenditure includes full provision for depreciation of vehicles and interest on capital, together with a writing-down of a portion of the goodwill. Other increased charges were for wages due to increased rates and the operation of the forty-hour week for the whole of the year.

HOKITIKA SERVICES.

			1938.	1937.	Variation.	
			£	£	£	Per Cent.
Revenue	..	..	26,933	13,822	+ 13,111	94·86
Expenditure	..	..	26,804	11,155	+ 15,649	140·29
Net revenue	..	..	<u>£129</u>	<u>£2,667</u>	— £2,538	95·16
Passenger journeys	..	..	44,726	12,733	+ 31,993	250·87
Mileage	..	..	335,690	175,716	+159,974	91·04

This service contains the following groups :—

Route.			
Passenger :—			
Hokitika—Weheka — Arthur's Pass (seasonal)			} Commenced running 13th September, 1936.
December—April	..	..	
Hokitika — Westland Hospital	..	..	} Commenced running 12th July, 1937.
Hokitika—Rimu	..	..	
Hokitika—Greymouth	..	..	Commenced running 7th February, 1938.
Goods:—			
Hokitika — Cooks River	..	..	} Commenced running 10th November, 1936.
Ross—Weheka	..	..	
Reefton — Lewis Pass	..	..	Commenced running 13th December, 1937.