

acquired by the Cargo Control Committee to facilitate stacking not only in the Committee's stores, but also in wharf sheds and merchants' stores, as these services enabled more effective use to be made of the storage space available to the Committee for urgent purposes.

To segregate the financial transactions relating to the operation of this store by the Commission a Store Fund was established as from 1st August, 1946. The subsidiary activities of cargo handling and plant hire were also brought within the scope of this fund. In order to show the true financial position, credit has been taken for additional storage charges amounting to £496, representing the loss of revenue on the one major class of goods stored at a specially reduced rate. Total revenue for the eight months' period to 31st March, 1947, amounting to £10,053, of which £3,788, or 37·68 per cent., was in respect of storage and sundries, £3,398, or 33·80 per cent., was for handling charges and plant hire, accounted for the balance of £2,867, or 28·52 per cent. It will be noted that each of the three main activities contributed substantially to the income of the fund.

The main items included in the total expenditure of £8,206 (representing 81·64 per cent. of income) are wages of casual labour (including overtime), £2,961 (36·09 per cent.); rent, £2,403 (29·28 per cent.); and store salaries, £1,144 (13·94 per cent.). A net balance of £1,847, equal to 18·36 per cent. of income, is transferred to Appropriation Account. Out of this net balance a sum of £1,500, representing approximately the net surplus on handling and plant charges, has been set aside as a Plant Purchase Reserve, and the balance of £347 has been carried down to Accumulated Funds Account. It will be noted that this credit balance, which in effect represents the net surplus on storage charges, would have been showing as a debit balance of £149 if the adjustment of £496 in respect of the loss of storage revenue had not been included in the income.

(g) SUPERVISION FUND

(See Appendix, page 84)

The major development during the year ended 31st March, 1947, which affected the accounts of the Supervision Fund was the cessation of the Commission's responsibility for supervision of waterfront labour at the ports of Auckland and Wellington as from 30th September, 1946. At the remaining ports of Nelson, Picton, Westport, and Greymouth Commission supervision of waterfront labour continued throughout the financial year, and no further ports were brought within the scope of this branch of the Commission's activities.

As would be expected, therefore, the income and expenditure figures for this year show substantial reductions as compared with 1945-46. Income from levies was only £29,796, a decrease of £26,249 on 1945-46. Total expenditure at £31,591 is less by £25,108 than for 1945-46. It will be noted that, while "insurance," "overtime," &c., and "Wages" all show equally substantial reductions, this was not the position so far as "Salaries," &c., was concerned. This is because at the secondary ports of Nelson, &c., the supervision is performed by one or more permanent supervisors on annual salaries, while at Auckland and Wellington the work was carried out by permanent staff mainly on weekly wages.

The continued downward trend in Co-operative Contracts Fund income (see Section (4)), on which Supervision Fund levies are based, is again reflected in the net deficit of £1,795 in this fund transferred to Appropriation Account for the year ended 31st March, 1947. It is an increase of £1,141 on the net deficit for 1945-46. In order to provide for this loss and also for profit distributions (in most cases payable in relation to similar payments from Co-operative Contracts Fund) it has been necessary to transfer back to Appropriation Account a further £2,505 from wartime profits of this fund. The net balance of Accumulated Funds Account as at 31st March, 1947, is now £10,911.