

opposition to our buses, and these have accounted for a decrease in the revenue in this service of no less than £7,239. But for this circumstance our bus business would have shown a very substantial improvement on last year.

The foregoing comments are not intended to be a full treatment of our working under the various headings above named, but are mentioned as being the principal factors that require to be taken into account when comparing the position for 1929–30 as disclosed in the Revenue and Expenditure Account with that disclosed by the same account for the previous year. (Each of the various phases of our operations will be treated in fuller detail hereunder). As I mentioned last year, in order that proper comparison may be made as regards Revenue and Expenditure Account for any two years the differentiating factors are required to be taken into account.

Summarizing the items mentioned above, the following sets out the position :—

Decrease in revenue due to two Easter periods being included in 1928–29, and	£
practically no Easter traffic in 1929–30	107,000
Increases in expenditure—	
Maintenance of way and works	34,785
Maintenance of signals and electrical appliances	5,371
Maintenance of rolling-stock	256,754
Locomotive transportation—	
Drivers' and firemen's wages	19,021
Fuel	80,255
	99,276
Less saving in cleaning-costs	12,120
	87,156
Examination and lubrication of rolling-stock	9,298
Traffic transportation	57,953
General charges	14,168
Subsidiary services—	
Departmental dwellings	13,991
Road-motor services	2,088
	16,079
	<u>£588,564</u>

It will be seen that the foregoing items alone more than account for the increase in the deficit on account of revenue and expenditure that remains to be accounted for after allowing for the alterations in the financial arrangements of the Department as I have previously set out. All of these items are due to more or less fortuitous circumstances over which the administration could have little or no control, such as the incidence of the Easter traffic, the increased expenditure associated with extension of the services, overtaking of arrears of maintenance of rolling-stock, and such-like causes as are mentioned under the various headings above. The foregoing is intended to be by way of elucidation of the main factors affecting the Revenue and Expenditure Account, and is not directed to the question of the efficiency of the working of the Department. In this latter connection I would draw particular attention to the comment in my last annual report under the heading of "Statistics," and under this heading in this report I again give some figures which are more truly significant as regards the operating efficiency of the Department than are the figures of the Revenue and Expenditure Account.

The sum charged against revenue for depreciation and provision for renewals was £699,177, and the amount expended from the Depreciation and Renewals Fund was £339,635 for assets written off or renewals effected during the year. The accumulated credit balance in this fund at 31st March, 1930, was £1,687,562.

The position in regard to the undermentioned equalization funds is as follows :—

	Credit Balance brought forward from 1929.	Contributions, 1929–1930.	Expenditure, 1929–1930.	Credit Balance at 31st March, 1930.
	£	£	£	£
Slips, Floods, and Accidents Fund	26,902	21,647	31,329	17,220
Workers' compensation	18,498	44,894	47,890	15,502
Insurance	24,819	15,964	6,872	33,911
	70,219	82,505	86,091	66,633

The following summary makes a comparison of the principal items charged against working-expenses in respect of the various funds tabulated below for the five years ended 31st March, 1925, and 31st March, 1930, respectively :—

	Five Years ended 31st March, 1930.	Five Years ended 31st March, 1925.
Reserves accumulated for renewals and depreciation	1,687,562	..
Reserves against fire, flood, accident, compensation, and insurance	66,633	..
Old and obsolete rolling-stock, buildings, and equipment written off	635,772	94,425
Superannuation Fund subsidies	892,701	80,000
	<u>£3,282,668</u>	<u>£174,425</u>