

Since January, 1931, the Department has had to contend with competition from a taxi service operating over this route, and this competition has adversely affected the receipts from the Department's service.

LAKE WAKATIPU STEAMERS.

			1931-32. £	1930-31. £	Decrease. £
Revenue .. ..	..	..	8,013	9,166	—1,153
Expenditure .. ..	..	..	10,068	14,064	—3,996
Net loss .. ..	..	..	<u>£2,055</u>	<u>£4,898</u>	<u>£2,843</u>

The variations in revenue for the year ended 31st March, 1932, as compared with the previous year are as follow: Passengers, —£358; parcels, +£49; goods, —£842; miscellaneous, —£2.

Passenger journeys totalled 24,863, an increase of 2,101, but the revenue from this source decreased owing to the higher proportion of passengers carried at special excursion fares. Three "day" excursions were run during January and February, and 3,100 passengers travelled by these trips.

The decrease in goods revenue is a reflection of the general decline in business throughout the Dominion.

The total revenue for the past year was £2,354 below the average for the three years 1927, 1928, and 1929.

The decrease in expenditure (£3,996) was due to general economy measures introduced, and to a decrease in overhead charges due to a reduction in the capital account.

The mileage run totalled 24,461 steamer-miles, a decrease of 1,663 as compared with the previous year.

The Board carefully reviewed the position in regard to this service, and concluded that something should be done to improve the financial results. Steps were taken to bring the expenditure down to a minimum consistent with a reasonably adequate service. Further action as principally affecting the tariff was, however, postponed until the Board could have an opportunity of visiting the district. This visit was paid soon after the close of the financial year now under review, and the Board has now placed the lake steamer tariff on a basis which it believes will improve the financial results from the service, while avoiding any unduly high charges for the transport afforded.

DEPARTMENTAL DWELLINGS.

			1931-32. £	1930-31. £	Variation. £
Revenue .. ..	..	..	138,725	116,256	+22,469
Expenditure .. ..	..	..	149,974	178,410	—28,346
Loss .. ..	..	..	<u>£11,249</u>	<u>£62,154</u>	<u>—£50,905</u>

The improvement in revenue is due to the increased rentals which were brought into force on 1st February, 1931, as a result of a recommendation of the Royal Commission on Railways (1930).

The average rental per dwelling per annum for the year was £38 2s.

The decrease in expenditure is due to the fact that the capital account was written down by £450,000, thus causing a reduction in depreciation, interest, and insurance.

SICK BENEFIT FUND.

The operations of the New Zealand Government Railways Employees' Sick Benefit Fund for the year ended 31st March, 1932, show a surplus of £4,374, compared with a surplus of £4,545 for the previous year. The receipts totalled £26,940, including the departmental subsidy of £8,000, as compared with £29,566 for the previous year, a reduction of £2,636 due to a decrease of 2,219 in membership caused by the reduction in the staff of the Department.

Sick-benefit payments totalled £22,566, as compared with £25,021 for the previous year, a reduction of £2,455. The total membership at 31st March, 1932, was 10,011, as compared with 12,230 in 1931.

SUGGESTIONS AND INVENTIONS COMMITTEE.

The Suggestions and Inventions Committee dealt with 1,005 suggestions during the year, as compared with 1,042 during the previous year. Of these suggestions, 85 were recommended for adoption in whole or in part, 354 referred to heads of branches were already in operation or related to policy matters, 481 were not recommended for adoption, and 85 were, at the close of the financial year, under trial or investigation, and were carried forward for future consideration.

Of the 85 suggestions recommended for adoption 14 were in connection with improvements to rolling-stock, 10 were in connection with workshop equipment, 13 referred to matters connected with the Way and Works and Signals Branches, 12 related to traffic operation, while the balance dealt with general matters in connection with railway working.