Emergency equipment in considerable quantities has been made available during the course of the year, and with the addition of mobile fire-fighting trains, which are about to be placed in service and located at strategic points, the Department is well organized to meet any emergent conditions which might arise as a result of offensive action by the enemy.

As at 31st March, 1942, the number of employees serving with the armed forces totalled 5,935. It is a matter of profound regret that seventy-nine members of the Department's staff have

sacrificed their lives whilst serving with the armed forces during the present war.

Since its inception, the National Patriotic Fund has benefited to the extent of £14,152 by way of voluntary subscriptions deducted from the pay of railway employees. In addition, the Department's staff have deposited in fortnightly instalments the sum of £26,342 in National Savings Accounts.

TRACK, PLANT, AND ROLLING STOCK.

The track, bridges, structures, signalling-appliances, rolling-stock, locomotives, and other plant are in good order and efficient for the work required of them.

STAFF.

The average number of persons in the Department throughout the year ended 31st March, 1942, was 23,352, compared with an average of 24,502 for the previous year. The average number of men engaged exclusively on works chargeable to capital was 1,149, compared with 2,237 during the previous

The total number of staff employed at the 31st March, 1942, including those on works chargeable to capital, was 22,252. This figure does not include 5,935 employees who as at 31st March, 1942, were serving with the armed forces.

The total number of employees as at the end of the previous financial year was 23,971 (excluding

3,280 men serving with the armed forces)

Of the total staff as at 31st March, 1942, excluding those serving with the armed forces, 13,124 were permanent and 9,128 were casual employees.

During the year 533 members of the permanent staff resigned, 206 retired on superannuation,

88 died, and 89 were dismissed or paid off.

Employees to the number of 1,312 were engaged for employment on the permanent staff. One hundred and three members of the Second Division were promoted to the First Division.

A total of £65,446 was paid under the Workers' Compensation Act during the year to members of the Service who suffered injury in the course of their employment.

CONCLUSION.

I desire to accord my thanks to all members of the staff for their support and co-operation in assisting the Department to meet its obligations and responsibilities during the busy and difficult year just concluded.

GENERAL MANAGER.

E. Case