## In my last year's Statement I alluded to the position of the lower-grade members of the railway staff, and intimated that the question of making some alteration in respect to such members was under consideration. After mature deliberation the per day being paid to men in receipt of 7s. per day, and 6d. per day to other men.

Government decided to include in the supplementary estimates placed before Parliament during the session of 1905 an amount sufficient to enable an allowance of 1s. The allowances apply to all members except tradesmen, enginemen, firemen, guards. and signalmen in receipt of 8s. per day and over. It was also decided at the same time to reduce the hours of locomotive enginemen, firemen, guards, and signalmen from fifty-four to forty-eight per week of six days, such alteration to take effect from the 1st April, 1906. The cost of these concessions on the basis of the staff existing on the 1st November, 1905, was approximately £65,000 per annum, and it will, of course, increase proportionately with the growth of the staff. In view, however, of the enhanced cost of living and labour-conditions generally, I feel assured that the concessions made to the Railway staff are fully justified, and are, further, of a character to commend themselves to every one.

The duplication of the Auckland-Penrose and the Dunedin-Mosgiel lines has been put in hand. Surveys for the duplication of the Addington-Rolleston line are nearly complete, and the actual construction of the duplication will be gone on with as soon

as the data are available.

The Lower Hutt-Wellington line has been duplicated and opened for traffic from Lower Hutt to Rocky Point, a distance of about three miles, and the new station-yards at Lower Hutt and Petone have been completed. Owing, however, to unforeseen circumstances the contractor has up to the present been unable to deliver the stone required for facing fast enough to keep pace with the work, and progress has been very much impeded in consequence. The matter has, however, been receiving attention, and the contractor, having now opened out a second quarry from which suitable stone is obtainable, anticipates being able to deliver regularly the full quantity specified under the contract, and is also hopeful of making up arrears. With a view to further facilitating the progress of the work, the Department has arranged to obtain a quantity of suitable stone from Paekakariki.

The approach to Wanganui Station has been materially improved by the deviation of the Aramoho - Wanganui Branch line for a distance of approximately three-

quarters of a mile, which was put in hand and completed during the year.

It has also been decided to make an alteration in the railway approach to New Surveys have been completed, and it is intended to put the actual

construction-work in hand as soon as the plans are available.

Good progress continues to be made in the matter of equipping the lines with safety appliances. During the year the signalling and interlocking system was brought into use at Woodville, Lower Hutt, Petone, Petone Junction, Rocky Point, Longburn, Te Aro, Heathcote, Christchurch (south end), and at Lincoln Road and Riccarton Road tramway crossings, and a commencement was made in installing similar appliances at Christchurch (north end), Lyttelton, Dunedin, and Upper Hutt. Tyre's electric train-signalling tablet instruments were installed between Hawera and New Plymouth, Awapuni to Racecourse, Mercer to Frankton, and Frankton to Morrinsville, and also at Kaiwarra, Pitcaithly's, Silverstream, and Trentham These installations cover a distance of ninety miles, and comprise ninety-Considerable extensions of the system in hand are being pushed two instruments. on as quickly as possible.

New stations were erected and brought into use at Longburn, Temuka, Seacliff, Petone, Lower Hutt, and Gore, the latter to replace the station that had been destroyed by fire. The new Dunedin Station is approaching completion, and will be ready for occupation very shortly. It will supply much-needed facilities for the transaction

of public business.

The contract for equipping the rolling-stock of the Hurunui-Bluff Section with the Westinghouse brake was completed in December last, four months before the expiration of the contract time. All the vehicles on the Auckland, Wellington -Napier - New Plymouth and Hurunui-Bluff Sections are now equipped, and by arrangement made with the Westinghouse Brake Company all new rolling-stock built for these sections will be equipped with the brake in the Railway Workshops.