

CONCLUDING REMARKS AND FORECAST.

In November, 1905, it was decided to grant the members of the Second Division of the Railway Staff certain monetary allowances in addition to the regular rates of pay assigned to them under the Government Railways Department Classification Act, and provision for the continuation of such allowances for the ensuing year has been made in the estimates to be submitted to Parliament. I recognise, however, that this method of dealing with the matter for any lengthened period is inadvisable, as it debars the member from receiving the benefits of the allowances when superannuated. I am, moreover, convinced that, having regard to the important part played by the railways in the development of the resources, industries, and settlement of the colony, to the general prosperity and consequent high wages ruling in other walks of life, the enhanced cost of living, and the important duties the employees are called upon to perform, the time has arrived when the Schedule to the Government Railways Department Classification Act should be reviewed. I purpose, therefore, during the present session to submit to Parliament proposals for embodying the allowances already granted in the Schedule to the Act, and for making such other alterations as are necessary to place the service on a better footing in respect to pay.

The deviation of the railway-line at New Plymouth which was put in hand during the year has made considerable progress, and it is anticipated that it will be completed in the course of a few months.

The work connected with the Auckland-Penrose, Dunedin-Mosgiel, Addington-Rolleston, and Lower Hutt-Wellington duplication is progressing favourably.

I regret that the anticipations expressed in last year's Statement in regard to the contractor for the delivery of stone for the Wellington-Lower Hutt duplication being able to overtake all arrears of work were not fulfilled. Operations were therefore much retarded, and ultimately the Railway Department determined the contract, and undertook the whole of the work itself. This change has had satisfactory results, ample supplies of stone coming regularly to hand, enabling a large amount of stone protective walling and earthwork to be carried out during the year. The progress made will enable a further length of double line to be opened shortly.

Interlocking points and signals were installed and brought into operation at Lyttelton, Dannevirke, Upper Hutt, and north end of Christchurch Station yard. Temporary systems (two) were also installed at Dunedin. Similar appliances for Timaru, Stratford, and Waiareka Junction are in hand, as is also the special electric pneumatic system which will be the permanent system for Dunedin.

Forty-eight of Tyer's electric tablet train-signalling instruments were installed and brought into use on sections Waitati-Oamaru and Invercargill-Bluff. Extensions of the system, embracing lines between Mosgiel and Balclutha, Omakau and Clyde, and Masterton and Woodville, are in hand.

With a view to facilitating the exchange of tablets with fast through trains automatic exchangers have been fitted up at twenty-five stations, where they are giving satisfactory results. It is intended to extend these appliances as circumstances permit.

The electric tablet has now been installed over a total of 688 miles, covering sections—Henderson to Auckland, Onehunga and Morrinsville, Longburn to New Plymouth, Te Aro to Masterton, Palmerston North to Woodville, Lyttelton to Heathcote, Rangiora to Rolleston, Oamaru to Mosgiel, Wingatui to Omakau, Bluff to Winton, Makarewa to Riverton, Westport to Granity, and Greymouth to Ngahere.

The staff and ticket working is also in operation over 67 miles of line.

Considerable extensions of the railway telegraph and telephone systems have been made during the year. These systems, which are highly essential to efficient railway working, now total 1,873 miles of wire, and will be further extended from time to time until they embrace the whole of the railway-lines of the colony.

In January last floods of an unprecedented character occurred on the Auckland Section. The lines in various parts of the section were seriously damaged, and train-