There were under construction at close of year in Government Railway Workshops 988 wagons, consisting of 139 bogie and 849 four-wheel wagons.

Tarpaulins.—The stock of tarpaulins on the 1st April, 1906, was 10,362 tarpaulins, and on the 31st March, 1907, the stock consisted of 10,987 tarpaulins. Six hundred and twenty-five new tarpaulins were made and added to stock, and 1,822 worn-out tarpaulins were condemned and written off, and replaced with a similar number of new tarpaulins made in the Government Railway Workshops and charged to working-expenses.

The following table shows the work upon tarpaulins for the year .:--

Description.	Number passed through Shops.	Manufactured new.	Condemned and replaced with New Sheets.	Repaired.	
Tarpaulins	12,101	625	1,822	9,654	

There were no new tarpaulins in hand or on order at close of year.

Stationary Engines and Cranes.—The repairs and renewals to stationary engines and cranes were as follows for the year:—

	assed Snoor.			1	er-					Boiler repairs.					
Description.		Built new.	uilt ne rected	Re-erected after transfer. Thoroughly over	boroughly hauled.	Heavy Repairs.	Light Repairs.	Painted.	Touched up.	Heavy Repairs.	Light Repairs	Boilers patched	New Fire box Tube plate.	New Tubes.	New Boilers.
Hand-cranes	34					13	21	5	5		٠				
Steam-cranes	47	2	3	3	1	12	26	3	8	1	3		1	• • •	2
Hydraulic cranes	2					1	1								
Stationary engines	4					2	2			3	6	3	1	5	
Pile-drivers and hoisting-	2	• • • •				1	1	•••			1			1	• • • •
engines Steam-roller	1		1												

Three obsolete cranes were written off.

Four new 5-ton steam-cranes are being made in Government Railway Workshops.

Axles.—During the year 1,449 car, van, and wagon axles were replaced with modern steel axles; this number is exclusive of the new stock built.

Westinghouse Brake.—All new engines and rolling-stock built for Auckland, Wellington - Napier - New Plymouth and Hurunui-Bluff Sections are equipped with the quick-acting Westinghouse brake before being placed in traffic.

Car-lighting.—The oil and acetylene gas manufactured at the five separate Pintsch gasworks amounted to 4,438,133 cubic feet, costing 2s. 4.65d. per 100 cubic feet.

Workshops.—Various additions to the workshop appliances have been made during the year; also a well-equipped plant to facilitate the manufacture of points and crossings has been erected. To operate this machinery a suction gas-producer plant and a 50 b.h.p. engine have been installed.

Steamers.—The Railway Department's steamers on Lake Wakatipu have been well maintained and kept in good order and condition. Each steamer was overhauled and painted inside and out.

Train-running and Mileage.—There has again been a very large increase in train-mileage. Compared with 1905-6 the increase for 1906-7 is 341,881 train-miles, equal to 5:33 per cent., and 452,497 engine-miles, being equal to 5:19 per cent.

The increased cost per train-mile is due to the reduction in hours of locomotive-running staff, and the advanced cost of stores and material.

The following statement shows particulars of the expenditure per train-mile:-

					Cost in Pence per Train-mile.				
Year.			Train-mileage.	Engine-mileage.	Locomotive Branch.	Car and Wagon Branch.			
1906–7 1905–6	•••	•••	6,755,451 6,413,573	9,166,259 8,713,762	18·55 17·52	4·82 4·47	23·37 21·99		