

ford, New Plymouth, and the permanent electro-pneumatic system at Dunedin. The equipment of Lepperton Junction, Milton, Clinton, Parnell Tunnel, Remuera, Green Lane, Ellerslie, and Ngahauranga is in hand.

Eighty-two Tyers' electric tablet train-signalling instruments were installed between Waihi—Paeroa, Masterton—Woodville, Oamaru—Pukeuri, and Mosgiel—Gore, embracing 160 miles of line. Extensions of the system between Marton and Mataroa, Woodville and Dannevirke, and Frankton and Taumarunui are in hand.

For train-signalling on the double lines between Auckland and Penrose, Wellington—Lower Hutt, Heathcote—Rolleston, Sykes' lock and block system is being installed.

Automatic tablet exchangers were installed at 19 stations during the year.

The electric tablet train-signalling system has been installed over a total of 848 miles, covering the Sections—Henderson—Auckland, Onehunga—Morrinsville, Paeroa—Waihi, Longburn—New Plymouth, Te Aro—Woodville, Palmerston North—Woodville, Lyttelton—Heathcote, Rangiora—Rolleston, Pukeuri—Gore, Wingatui—Omakau, Bluff—Winton, Makarewa—Riverton, Westport—Granity, and Greymouth—Ngahere. The staff and ticket working is also in operation over 67 miles of line.

The Railway telegraph and telephone system was extended by 518 miles during the year, and now comprises 2,391 miles of wire. This system is most essential to successful and economic working of the Railway traffic.

With a view to giving better facilities for travel between the railway terminus at Culverden and the Hanmer Spa, a road motor service was established on 1st October, 1907, to run in conjunction with the trains. The cars, however, cannot run beyond Waiau Ferry at present. They have proved a convenience, are quicker than the coaches, and when the bridges over the Hanmer, Percival, and Rogerson Streams are finished, so that the cars can run right through to Hanmer, there is no doubt they will be found to afford a reliable service that will be appreciated by those who visit Hanmer Springs. The coach journey is at present six miles.

Under the Civil Service Superannuation Act passed last session it was provided that the Wellington and Manawatu Railway employees might, subject to certain conditions, become participators in the Government Railways Superannuation Fund. On particulars of the arrangements being given, the whole of the company's staff availed themselves of the privilege and are now subscribers. They have, moreover, paid up the greater part of the arrears of contributions in respect to the period intervening between the passing of the Government Railways Superannuation Fund and the Civil Service Superannuation Fund Acts. The Company has likewise paid £2,500 into the Fund, being one-half of the full sum of £5,000 authorised to be paid by them in instalments of £1,000 per annum for five years.

The increase in shipping at Picton, Nelson, and Greymouth has necessitated considerable improvements being undertaken in the matter of wharf accommodation. A ferro-concrete wharf is being erected at Picton, an extension of wharf and breastwork at Nelson, and strengthening and renewals are in hand at Greymouth.

At the close of the year the rolling-stock under order and in course of erection in the Railway workshops consisted of 8 four-cylinder balanced compound tender engines for North Island Main Trunk line, and 10 heavy tank engines, 32 boilers, 104 bogie carriages, 29 bogie brake-vans, 75 bogie and 1,661 four-wheeled wagons.

Messrs. A. and G. Price, of the Thames, have delivered four of the four-cylinder balanced compound locomotives, and are making satisfactory progress with the remaining 16 comprised in their contract.

A comprehensive programme for rolling-stock has been prepared for the year ending 31st March, 1909. It comprises 28 50 ft. cars, 18 bogie brake-vans, 1,066 wagons, and a 1,000 tarpaulins.

In view of the early completion of the North Island Main Trunk line, the all-important question of train service has been engaging my close attention for some time past. Many important issues are involved, but after mature consideration I have come to the conclusion that the Railway time-table must be