D.—2.

Twenty-two appeals were heard during the year by the Railway Appeal Boards. Of these, four were upheld, seventeen dismissed, and in one case the punishment was mitigated.

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Eight members of the Second Division were promoted to the First Division.

The sum of £9,277 has been paid as compensation during the year under the Workers' Compensation for Accidents Act.

The rolling-stock was augmented by the addition of 4 four-cylinder balanced compound tender engines, Class "X," weighing 94 tons in working trim, designed for the North Island Main Trunk line, and 2 heavy tank engines, built in the Railway Workshops; also by 8 four-cylinder balanced compound tender engines, weighing 72 tons in working trim, built under contract by Messrs. A. and G. Price (Limited); 26 new cars, 11 bogie brake-vans, and 1 Fell brake-van; 733 goods-wagons, and 500 new tarpaulins.

Eight hundred and forty-seven modern steel axles were placed under cars and wagons in substitution of the old iron axles. The effect of this alteration is to increase the carrying-capacity of each wagon by 2 tons, while giving greater stability

to the wagon.

The quantity of Pintsch's gas manufactured at the Railway Gasworks was 7,326,780 cub. ft. A large proportion of the cars in which this illuminant is used are fitted with incandescent mantles, which materially improve the light and the remainder of the cars are being fitted as quickly as possible.

The sum of £5,612 was expended on new and improved machinery for the

workshops.

The running of the railway road motor-cars, previously restricted to Culverden – Waiau Ferry, was extended to Hanmer on the 1st November last. A new car has been obtained and put into the service which is meeting all the present requirements of the passenger and mail traffic.

The whole of the railway equipment, consisting of rolling-stock, machinery, and appliances, track, bridges, buildings, and other structures has been maintained

in a thoroughly efficient condition.

One hundred and thirteen miles of track were relaid during the year—eightytwo miles of main line with 70 lb. rails, and thirty-one miles of branch line with 53 lb. steel rails taken out of the main line.

Ballast to the extent of 366,242 cubic yards was used in track-maintenance,

and 256,647 new sleepers were laid.

A considerable number of improvements have been carried out at various stations connected with the railway system throughout the Dominion: they consist of increased accommodation at stations, additions to station buildings, erection of verandahs, provision and extension of sidings, water-services, installation of fire-prevention appliances in goods-sheds, erection of stockyards, cranes, houses for staff, improved lighting at stations, workshops, and in yards, strengthening bridges, additional signal appliances, weighbridges, sanitary conveniences, and wharf-extensions. Many other works, too numerous to particularise, but having for their object the promotion of the public convenience and efficiency of railway service, were undertaken, and will be pushed on to completion as quickly as possible.

Floods that occurred at Gisborne and in the vicinity of Paeroa, Thames, and Waihi during March caused considerable damage to the railway, and necessitated

the suspension of the local train services for a few days.

As a result of inquiries made and data obtained, an order has been given for the construction of two self-contained motor-cars, which will be built in the Railway Workshops as soon as the machinery required for generating the motive power of the cars arrives. The cars will be tested experimentally, and if found in practice to be suitable to the local requirements, additional cars will be put into service from time to time as the business warrants.

Plans and specifications have been prepared for the building of a new twinscrew steel steamer for the Lake Wakatipu service. The vessel is to be built within the Dominion, and to be delivered on Lake Wakatipu ready in every respect for service after such practical trial as may be required. Tenders will be invited accordingly at an early date.