

Otahuhu only have been extended to Papatoetoe, and improvements made between Penrose and Otahuhu. A passenger-train has been provided on Saturdays between Raurimu and Taumarunui, and goods services between Putaruru and Rotorua adjusted to meet the requirements of passengers as far as could be reasonably done.

A number of alterations were made in the Wellington-Napier-New Plymouth districts, an extra service was put on between Palmerston North and Woodville, and several additions made to the Wellington suburban services.

An extended trial was made of a service between Stratford and Douglas on Saturdays, but owing to paucity of traffic the experimental trains had to be discontinued.

The following figures, which give the record of the late arrivals of the principal trains during the year, indicate that, notwithstanding the various alterations made in the train services, the trains as a whole have maintained punctuality.

		AVERAGE LATE ARRIVALS.	
		Min.	Min.
For long-distance passenger-trains	...	1.88, against	2.15 last year.
For suburban trains	...	0.54, "	0.48 "
For long-distance mixed trains	...	2.80, "	2.69 "

These figures include delays arising from all causes, and embrace accidents, slips, floods, &c.

Notwithstanding the fact of there being no Easter holiday traffic included in the business for the year under review, the number of ordinary passengers carried aggregated 11,200,613, an increase of 59,471 passengers over the previous year. Season tickets issued numbered 222,104, an increase of 22,733. The number of workers' twelve-trip tickets was 46,378, and of workers' weekly tickets, available on suburban lines, 121,724. The steady increase in workers' tickets goes to show that the people for whose benefit they were established are realizing the advantage derivable from living in the suburban areas. 683,459 passengers travelled on holiday excursion tickets, and 143,875 at school, factory, and friendly-societies rates.

The coaching and goods traffic show increases under the various headings under which the traffic is grouped, horses, drays, wool, and grain excepted. In the coaching the increases have been—Parcels, 70,555; carriages, 219; dogs, 1,527; and in the live-stock and goods traffic—Cattle and calves, 34,436 head; sheep, 784,529 head; pigs, 33,449 head; chaff, lime, &c., 18,644 tons; timber, 103,262 tons; firewood, 11,040 tons; merchandise, 68,777 tons; minerals, 169,129 tons. The decrease in the number of horses was 434 head; drays, 49; wool, 7,804 tons; grain, 31,170 tons.

The decrease in the wool traffic was not unexpected in view of the heavy increase last year, when favourable circumstances induced the sending forward of the product. The decrease this year being principally to ports, it is apparent a considerable portion of the clip has been held in store.

The decrease in the agricultural produce may be attributed to the fact of last harvest being so early that a considerable portion of the yield was carried in the financial year ending 31st March, 1910. The drought in North Otago and South Canterbury also affected the crops in those districts.

The average number of men employed on the railways during the year was 12,881, against 12,224 for the previous year.

During the year 413 members of the permanent staff resigned, 96 retired on superannuation, 38 died, 93 were dismissed, and 730 engaged.

Sixteen appeals were heard during the year by the Railway Appeal Boards, of these four were upheld and twelve dismissed.

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

The sum of £9,202 has been paid as compensation during the year to members retired from the service and to relatives of members deceased. This sum includes £8,684 paid under the Workers' Compensation for Accidents Act.

The additions made to the rolling-stock consisted of 14 heavy locomotives, 26 carriages, 7 bogie brake vans, 824 goods-wagons, and 335 tarpaulins. Of the locomotives 10 were built in the Railway Workshops—viz., 2 Class X four-cylinder balanced compound for use on the heavy gradients of the Wellington-Auckland line, and 8 Class Wg tank engines; the remaining four were Class Ad