

The amount asked for appears large, but nothing has been included without the most careful consideration and investigation, and I am convinced it is absolutely necessary if the transport business of the Dominion is to be conducted in a satisfactory manner.

As I have shown in this report, there are other improvements and facilities which I consider must also be provided in the near future, if not at once, unless the progress of the Dominion is to be retarded, but I have not taken the responsibility of asking directly for them because of the magnitude of the sum involved. I have confined myself to recommending the most urgent works, merely indicating the other needs so that they may receive consideration and surveys be undertaken by the Public Works where such have not already been made, in preparation for the time when the works will have to be taken in hand. I give below a summary of the items making up the loan :—

SCHEDULE OF WORKS PROPOSED TO BE CHARGED TO SPECIAL LOAN.

New Stations and Station-yards—						£
Auckland	...	...	...	...	...	450,000
Wellington	...	...	...	...	...	480,000
Palmerston North	...	...	...	...	...	40,000
Hastings	...	...	...	...	...	40,000
Lyttelton	...	...	...	...	...	100,000
Christchurch	...	...	...	...	...	320,000
Addington	...	...	...	...	...	100,000
Timaru	...	...	...	...	...	40,000
Duplications—						
Penrose—Papakura	...	...	...	...	...	75,000
Ohinewai—Huntly	...	...	...	...	...	40,000
Horotiu—Frankton	...	...	...	...	...	45,000
Newmarket—New Lynn	...	...	...	...	...	200,000
Lyttelton Tunnel	...	...	...	...	...	125,000
Grade-easements—						
Penrose—Mercer	...	...	...	...	...	150,000
Mercer—Frankton	...	...	...	...	...	10,000
Frankton—Te Kuiti	...	...	...	...	...	40,000
Palmerston North—Marton	...	...	...	...	...	50,000
New Engine-depot and Approach Lines—						
Auckland	...	...	...	...	...	140,000
Additions to Railway Workshops—						
Newmarket	...	...	...	...	...	30,000
Petone	...	...	...	...	...	30,000
New Lines—						
Auckland via Hobson Bay	...	...	...	...	...	375,000
Signalling and interlocking	...	...	...	...	...	250,000
Level-crossing alarms	...	...	...	...	...	20,000
Bridge-strengthening	...	...	...	...	...	50,000
Locomotives—						
Ten Garrett engines	...	...	...	...	...	50,000
						<u>£3,250,000</u>

Considerable credit is due to the Chief Engineer, the District Engineers concerned and their staffs, for the energy and ability displayed in preparing the plans in connection with this report. The planning of the new station and approach-lines at Auckland in particular proved a problem requiring much study and consultation before a satisfactory and workable scheme could be evolved. The layman has probably little idea of the amount of detailed information that has to be prepared when extensive new railway-works are contemplated, and before even a preliminary plan can be outlined.

It is not my wish that any portion of this report should be misinterpreted into a direct or indirect criticism of the administration of my predecessors. Nothing is farther from my desire and intention; in fact, I am glad to have this opportunity of expressing my appreciation of the good work of those who preceded me in building up so well the present railway system of New Zealand. During my inspection of the railways I have found ample evidence of the great care, forethought, and ingenuity that have been expended in the past in evolving such a complete system of communication in a comparatively undeveloped and sparsely populated country. There are many instances where it is evident that my predecessor and his assistants in the various departments were anxious to adopt improvements, fully realizing their value, but were precluded from doing so owing to the fact that the funds available were more urgently required for immediate necessities. The fact that what may have been considered unattainable when, for instance, the north Main Trunk was not completed has now to be included within the category of necessary equipment and organization is only further evidence of the evolution of the New Zealand railways from the steam-tramway stage to that of an actual main-trunk system with every probability of rapid development in the near future.

It is too much to expect that the railways of New Zealand, with their limitations in gauge and receipts per mile, will be able to meet every demand made upon their resources, but I am hopeful,