

The sum of £329,741 was expended in the Maintenance Branch and charged to capital under the head "Additions to Open Lines." These comprise additions to station-yards, signal, tablet, and telephone installation, interlocking, additional dwellings for the staff, and purchase of land.

In the Locomotive Branch £1,121,132 was expended in the provision of additional rolling-stock, tarpaulins, Westinghouse brake, steam heating, and workshops machinery.

The rolling-stock in respect of which the charges were incurred comprised thirty locomotives, five cars, eight brake-vans, fifty-three bogie wagons, 787 four-wheeled wagons, and 1,115 tarpaulins completed on the 31st March, 1922, and fifty-five locomotives, thirty cars, ten brake-vans, thirty bogie wagons, and 2,124 four-wheeled wagons uncompleted but in hand on that date.

WAGES AND CONDITIONS OF STAFF.

The forty-four-hours week, which became operative on the 6th March, 1921, is directly responsible for an increase of £305,996 in the wages-bill for the current year, notwithstanding the curtailment of the train services, and the reduction in pay provided for in the Salaries Adjustment Act, 1921, to take effect from the 1st January, 1922. The position is clearly indicated by the following statement:—

		Year ended 31st March, 1921.	Year ended 31st March, 1922.	Increase.
		£	£	£
For time worked between 6 a.m. and 10 p.m.	..	3,694,565	3,946,768	252,203
For time worked between 10 p.m. and 6 a.m.	..	173,112	189,227	16,115
For departmental holidays and Sundays	..	49,712	69,208	19,496
For night allowance paid to members of Second Division	..	37,693	55,775	18,082
Totals	..	£3,955,082	£4,261,078	£305,996

The following figures indicate the advance in wages and salaries since the 1st April, 1914:—

				£	
Eight years	..	1914	..	1,966,868	
		1922	..	3,826,369	
Increase	..		..	£1,859,501	= 94·5 per cent.
Five years	..	1914	..	1,966,868	
		1919	..	2,277,142	
Increase	..		..	£310,274	= 15·77 per cent.
Three years	..	1919	..	2,277,142	
		1922	..	3,826,369	
Increase	..		..	£1,549,227	= 68·03 per cent.
Two years	..	1920	..	2,745,780	
		1922	..	3,826,369	
Increase	..		..	£1,080,589	= 39·35 per cent.

It will be observed that whereas the increase for the five years 1914–19 amounted to £310,274, or 15·77 per cent., that for the triennial period 1919–22 was £1,549,227, or 68·03 per cent., and for the two years 1920–22 £1,080,589, or 39·35 per cent.: in eight years the increase has amounted to an additional annual charge of £1,859,501 = 94·5 per cent.

These figures indicate in a striking manner the far-reaching effect of the recommendations of the Wages Boards which became operative in January, 1920, and March, 1921. Details of the alterations in pay and working-conditions involved in giving effect to the Wages Boards' recommendations were given in last year's report and need not be recapitulated. The figures are, however, eloquent testimony to the fact that the making of both ends meet—a complex problem in favourable circumstances—is not rendered less difficult by a steady decline of revenue and an advance of such magnitude in the cost of the wages-bill.

The increase of £1,080,589 in the wages bill of the last two years represents a sum sufficient to pay 2·74 per cent. on the capital cost of the Working Railways (£39,300,000).

The causes to which the increase in wages is due were fully stated in my report for the year ending 31st March, 1921, and need not be recapitulated.

RAILWAY SETTLEMENTS.

During the year complete systems of drainage have been carried out at the Railway settlements at Kaiwarra, Wadestown, Taumarunui, and Frankton Junction, and all the cottages have been connected thereto. Cottages at Railway settlements adjacent to a town system of drainage have been connected to the latter.

Roads, channels, and pavements have been completed at Taumarunui and Frankton Junction, and arrangements made for tree-planting at Marton, Taumarunui, and Frankton Junction.

An area for a recreation-ground has been provided at Frankton Junction, where tennis-courts, bowling-green, and croquet-lawns are being laid out, the labour being undertaken by the members