

On the evening of 16th January, 1937, flooding occurred on the line between Tahoraiti and Tapuata in the Hawke's Bay district, necessitating the cancellation of several trains and the transhipment of passengers by road. Normal running was resumed at midday on the 18th January.

The following is a *résumé* of the more important alterations to the train services during the year:—

On 3rd August, 1936, a rail-car service was inaugurated between Christchurch and the West Coast, two units, each with a seating-capacity for nineteen persons, being provided for this route. The service, which is subsidized by the Christchurch Press Newspaper Co., permits of an early delivery of the Christchurch morning paper in West Coast towns and enables passengers from Christchurch and intermediate stations to visit Westland centres and return home the same day.

Rail-car services were also inaugurated between Wellington, Masterton, and Palmerston North on 7th September, 1936. The larger type of rail-car provided for these services was specially constructed to facilitate the negotiation of the Rimutaka Incline, and it is capable of seating forty-nine passengers. The services run by these cars provide fast daily return trips between Palmerston North, Masterton, and Wellington; they also give convenient connections with the Auckland-Wellington "Limited" express trains. This type of rail-car has also been utilized to supplement the Wellington-Upper Hutt suburban train services.

Sunday services, which were established between Wellington, Masterton, and Palmerston North, also between Wellington and Upper Hutt, with the advent of the rail-cars have proved very popular.

A combined passenger and goods rail-car, specially constructed for the conveyance of school-children and local cream traffic, was placed in service between Cross Creek and Masterton on 1st March, 1937. Consequent upon the running of this car an adjustment of the train services was made, the mixed trains being eliminated in this area.

As from 19th October, 1936, the services on the Southbridge Branch were reorganized, the morning mixed train from Southbridge to Christchurch and the return evening mixed train being replaced by separate passenger and goods services.

A reorganization of the goods-services in the Auckland district was made from 6th December, 1936, improvements being effected to the trains serving the Waiuku, Glen Afton, Bay of Plenty, and Rotorua lines. The increasing traffic in the Waihi-Taneatua section necessitated additional goods-services being provided in this area.

In the Tauranga-Taneatua area the express trains to and from Auckland, starting from Tauranga in the morning and terminating at Tauranga in the evening, were extended to run between Taneatua and Tauranga. The new services replaced the morning and evening mixed trains in the Taneatua-Tauranga area and reduced the travelling-time of "Up" trains between the two last-mentioned stations by forty-five minutes and the travelling-time for "Down" trains by forty minutes. This alteration took effect from 6th December, 1936.

The acquisition during the year of the passenger road services operating between Christchurch, Little River, and Akaroa permitted of the co-ordination of the rail and road services in this area as from 14th December, 1936, and the district has been given an improved service at less cost.

Consequent upon the introduction of the forty-hour week, various adjustments to the train services throughout the system were necessary, more particularly in the Auckland and Wellington suburban areas.

As from 29th January, 1937, an additional passenger-train from Hokitika to Greymouth has been run on Fridays to suit the change in the late-shopping night.

In order to permit of South Westland residents visiting Hokitika on Friday nights an additional return service has been provided between Ross and Hokitika on Fridays.

The passenger-trains on the Otago Central line have been accelerated, thus providing improved communication between Dunedin, Otago Central stations, and the Lakes district.

The train services on the Seaward Bush branch were reorganized in order to provide improved transport for passengers and goods traffic, the former four-day-a-week services now being run daily.

In order to permit of necessary alterations being carried out in connection with the Wellington yard rearrangement, the Wairarapa and Hutt Valley line trains formerly dealt with at Lambton Station were diverted to the platforms at the Wellington new station on 20th July, 1936.

GENERAL.

The goods and live-stock tonnage for the year was 6,813,240 tons, as compared with 6,188,805 tons for the previous year, an increase of 624,435 tons, or 10.09 per cent.

A heavy increase in tonnage was experienced in the North Island during January, February, and March, 1937. Heavy overseas cargoes of basic slag were discharged at main North Island ports for distribution to the country farming areas, and coal, lime, and fertilizer traffic also showed substantial increases. This traffic, together with the lateness of the fat-lamb season, threw an additional burden on the railways, which necessitated the running of numerous special trains, substantially increasing the train mileage. The abnormal flow of traffic, together with the difficulties at times experienced in obtaining the prompt release of wagons at country stations and centres, placed a heavy drain upon the available wagon-supply.