

The popularity of the workers' 2s. weekly tickets for suburban lines and the ready manner in which the workers have availed themselves of the opportunity afforded for travelling at cheap rates between the large cities and their suburbs is a matter for congratulation. It amply demonstrates the wisdom of the provision made, and also the fact that the workers themselves fully recognise the importance and advantages of living outside the crowded area of the cities, and are prepared to reside in the suburbs provided that facilities are afforded them for travelling to and from their homes and work at a cheap rate and by a convenient train service.

An average of 7,793 men were employed on the railways as compared with 7,236 for the previous year. (*Vide* Return No. 26.)

Of the 2,662 casual labourers employed in the Traffic Branch, and insured against accident at a cost of £541, charged to working-expenses, seventy-nine were injured and received compensation during the year.

One hundred and seventeen members of the permanent staff resigned, thirty-seven died, thirty-eight were retired, thirty-three were dismissed, and 631 engaged.

Six appeals against decisions of the department were heard by the Railway Appeal Boards during the year; five were dismissed and one upheld. The total number of appeals against decisions of the department heard by the Appeal Boards since the passing of "The Government Railways Department Classification Act, 1896," has been thirty-one, of which six were upheld and twenty-five dismissed.

The number of appeals in connection with the classification since the Act was passed in 1896 has been fifty-seven, of which ten were upheld and forty-seven dismissed.

Substantial concessions in regard to wages and hours of labour have been made to the railway staff during the year.

The cost of the special allowance of wages (6d. per day) to labourers and others in receipt of 6s. 6d. per day, and for tradesmen and other workshop employés, amounts for the year to £20,951.

During the year the sum of £4,253 has been paid as compensation and compassionate allowances to members retired from the service and the relatives of deceased members of the service.

Six members of the Second Division were promoted to the First Division during the year.

The First Division now comprises 1,226 members, of whom 645 have obtained certificates of proficiency in telegraphy, and 566 proficiency in postal work.

During the two years ending 31st March, 1901, seven caretakers have been placed in charge of flag-stations. The total number of such stations at which caretakers are employed is now 101.

On the 9th April, 1900, an accident of a serious nature resulted from neglect of trainmen in charge of a heavy stock train to put down the brakes before train commenced to descend the Mungaroa bank. Forty-three trucks left the road and were wrecked, guard's assistant being severely injured and a large number of sheep killed. On the 2nd February, 1901, an accident occurred at Port Chalmers, resulting in injury to five persons who were waiting in the cars of a train standing at the platform, when a goods train from Dunedin ran into the station, against the signals, and collided with the train standing at the platform.

2. EARNINGS.

The gross revenue for the year amounted to £1,727,236, and the net revenue to £599,389, increases over the previous year of £103,345 and £27,856 respectively. The gross revenue has exceeded the estimate by £167,236. In view of the fact that the traffic for the year 1900 was of an exceptional character, the result of the operations for the year under review is eminently satisfactory, more especially when the sweeping character of the reductions in passenger fares, and the large concessions made on other items of traffic are taken into consideration.