engine-power during this year, a charge not hitherto debited, the expenditure was really £11 per mile less than in 1914-15 and £24 per mile less than in 1913-14, notwithstanding a considerable increase in the cost of most materials.

Although it is no doubt advisable to curtail expenditure at the present time to the lowest possible limits, any decrease in expenditure now must entail increased expenditure later unless the standard of maintenance is to be lowered, which I think inadvisable.

Mileage.—The mileage open for traffic on the 31st March, 1916, was 2,969 miles 77 chains.

During the year 15 miles 36 chains were opened.

Lands and Leases.—Number of leases registered during the year, 554; annual rental, £4,938. Leases current at 31st March, 1916, 5,167; annual rental, £35,843. Private-siding agreements registered during the year, 68; annual rental, £1,647. Private-siding agreements current at 31st March, 1916, 387; annual rental, £8,488. Proclamations taking or giving up land, 71. Total amount of compensation paid during the year for land, £15,203.

Staff.—Maintenance Branch working staff, 3,774; office staff, 151: total, 3,925.

SIGNAL AND ELECTRICAL.

Fixed Signals at Officered Stations.

During the year five stations have been equipped with fixed signals, viz: Waianakarua,

Opaki, Woodside, Rangiotu, and Silverstream.

Fifty-two stations have been equipped with distant signals in addition to their previous equipment, viz.: Wiri, Takanini, Drury, Paerata, Pukekohe, Buckland, Tuakau, Whangarata, Whangamarino, Te Kauhata, Rangiriri, Ohinewai, Huntly, Taupiri, Ngaruawahia, Horotiu, Te Rapa, Ohapo, Te Awamutu, Te Kawa, Otorohanga, Hangatiki, Puketutu, Poro-o-tarao, Mangaonoho, Hunterville, Rata, Porewa, Greatford, Halcombe, Maewa, Feilding, Bunnythorpe, Linton, Tokomaru, Shannon, Koputaroa, Levin, Ohau, Manakau, Otaki, Te Horo, Waikanae, Paraparamu, Plimmerton, Paramata, Poripus, Pakinski, Burnham, Solwan, Dunsandel, and Pura paraumu, Plimmerton, Paremata, Porirua, Pakipaki, Burnham, Selwyn, Dunsandel, and Pura-

The installation of seventy-two more stations is in hand.

Total number of officered stations (including tablet stations), 495; equipped with fixed signals, 285; interlocked, 92; unequipped, 118.

Interlocking of Points and Signals.

The electric pneumatic installation has again worked satisfactorily during the past year. The following stations have been fully equipped with signalling and interlocking, viz.: Waikumete, New Lynn, Avondale, Khandallah, Sockburn Crossing, and Port Chalmers.

The interlocking has been added to and rearranged at Kioreroa Bridge, Henderson, Linwood,

and Sockburn.

The following sidings and flag-stations have been interlocked with the tablet system, viz.: Service siding near Papatoetoe; service siding near Runciman; service siding near Karaka; Waikato Co-operative Dairy Company's siding at Te Rapa; Wilson's Portland Cement Company's siding at Te Kumi; Manson and Clarke's siding near Raurimu; H. Alexander's siding near Taihape; Otaihape Farmers' Meat and Produce Company's siding and public siding at Winiata; ballast-pit siding, Ohingaiti; Kaikarangi Station; Silverhope Station; Overton Station; Cliff Road Station; Oroua and West Coast Meat and Produce Company's siding at Accounting the McCill's siding at Palmentan North: Defence siding near Trenthers. Norther Defences siding near Trenthers. Aorangi; J. McGill's siding at Palmerston North; Defence siding near Trentham; Norwood Station; Fairfield Station; Windermere Station; Rangitata Island Station; Arowhenua Station; Seadown Station; North Otago Agricultural and Pastoral Association's Siding near Oamaru; Shag Point Station; Bushey Station; Tumai Station; Morton Station; Omimi Station; Evansdale Station; Mihiwaka Station; St. Leonard's Station; East Gore Station; Kew Station; Fleming and Co.'s siding near Invercargill.

Ten additional stations in the South Island and thirty in the North Island have been fitted

with special switch-locks interlocking the facing points with home signals.

Two switch-out tablet stations have been equipped with special locking arrangements, and the work for sixty-eight more stations is in hand.

Total stations now interlocked, 92; tramway crossings, 7; sidings and flag-stations interlocked with tablet, 78.

The installation of interlocking at Johnsonville is in preparation.

Expenditure for the year was as follows: New works, £26,138 0s. 1d.; maintenance, £9,648 2s. 2d.

Block-working (Electric Tablet).

During the year ten additional tablet instruments and nineteen miles of line have been fitted and brought into use, embracing the Longburn-Foxton Section; and Swanson, Melling, and Waianakarua have been installed as tablet stations.

The equipment of the sections Rangiora-Waikari and Hornby-Lincoln is in progress.

The total mileage now equipped with Tablet apparatus is 1,620 miles of single lines out of 2,925 miles of single line open for traffic.

Number of electric-tablet instruments now in use is 884, at 367 stations.

Automatic tablet-exchanging apparatus has been installed at four additional stations. The total now in use is 334.

Lock and Block.

The electric lock-and-block system for double-line working has worked satisfactorily.

The total mileage equipped with lock-and-block is 44 miles of double line.

Electric lock-and-block instruments in use, eighty, at thirty-six stations.

Alterations and additions have been carried out at Parnell Tunnel, Newmarket, and Linwood.