

A considerable amount of work was done in connection with the rearrangement of Auckland station-yard. The earthwork and formation are practically completed, and good progress has been made with the laying of sidings, and the erection of the Campbell Point Road overbridge. Public tenders for the erection of the outward goods-shed will be called shortly.

The duplication of the track between Penrose and Westfield was completed, and the double line was brought into use on the 20th December. Work on the duplication of track between Westfield and Otahuhu is proceeding satisfactorily.

The rearrangement of Paeroa station-yard was practically completed, and traffic was diverted to the new station-site on the 31st August. The new double-track bridge over the Ohinemuri River, and the approach embankments, are nearly completed. The land required for the Palmerston North deviation and new station-yard was taken by Proclamation, and claims for compensation are now being dealt with.

The contract for the erection of the sea-wall in connection with the reclamation for the new station-yard at Wellington was completed well under the stipulated time, and arrangements were made with the contractor, Mr. C. F. Pulley, for the erection of a further length of 450 ft. of wall, the construction of which is now well forward. A considerable amount of reclamation behind the wall has been carried out by the Harbour Board's dredge.

The deviating and doubling of the line between Dunedin and Ravensbourne was completed, and the new line was opened for traffic in May. The work of carrying out similar alterations between Ravensbourne and Burkes is now proceeding.

The construction of the new gravitation marshalling-yard at Middleton, near Christchurch, was put in hand, and good progress with the earthwork is being made.

The strengthening of bridges between Oamaru and Dunedin is nearing completion, and a considerable amount of this work has been carried out on other lines.

The plans and specifications for the erection of new locomotive workshops at Lower Hutt and Otahuhu were completed, and public tenders, to close in August and September respectively, have been called for their erection. Tenders will also be called shortly for the erection of the new workshops at Addington and Hillside, as the plans and specifications for these works will be completed shortly.

Additions to Open Lines.—The expenditure under this heading during the year was £94,252, the principal works being station rearrangements at Maungaturoto (completed), Whangarei (nearing completion), Hokitika (in hand), and Greymouth; siding extensions at Otorohanga, Poro-o-tarao, Henderson, Hamilton, New Plymouth, Wanganui, Tamaki, Westport, Flaxmill, Fairlie, Waikiwi, and Wairio; the duplication of line between Whangarei and Kioreroa; erection of goods-sheds at Kiwihaki and Makarau; erection of refreshment-rooms at Putaruru; the erection of overbridges at Kingsland and Waipara; the provision of new stock-yards at Methven; the installation of sewerage systems at Taihape, Frankton Junction, Mangaweka, and Marton; and the erection of houses at Thornbury, Rakaia, Bonny Glen, Haywards, and Sheffield.

Betterments.—The expenditure under this heading, and charged to working-expenses, was £17,711, the principal works being the provision of ladies' waiting-rooms at Tahekeroa and Makarau; improvements to stock-yards at Walton, Te Kuiti, Waipukurau, and Waipawa; the provision of wool-loading bank at Eketahuna; the provision of car-cleaning facilities at Ohakune; and the improvement of booking facilities at Dunedin.

Expenditure.—The expenditure for the year was as follows: Maintenance (charged to working-expenses) £1,144,384; new works (charged to capital) £431,301.

The maintenance expenditure charged to working-expenses amounted to £369 per mile, compared with £362 per mile in 1924-25, £373 per mile in 1923-24, £342 per mile in 1922-23, £367 per mile in 1921-22, £350 per mile in 1920-21, £280 per mile in 1919-20, £252 per mile in 1918-19, £240 per mile in 1917-18, £243 per mile in 1916-17, £251 per mile in 1915-16, and £254 per mile in 1914-15.

Mileage.—The mileage open for traffic on the 31st March, 1926, was 3,148 miles 38 chains. During the year 53 miles 41 chains additional lines were open for traffic, and 2 miles 34 chains of line (Nightcaps private line) was closed.

Land and Leases.—Number of leases registered during year, 690; aggregate rental of same, £12,317 11s. 2d. Total number of leases current on 31st March, 1926, 6,434; aggregate rental of same, £57,832 8s. 7d. Private-siding agreements registered during year, 117; aggregate rental of same, £4,219 10s. Total number of agreements current on 31st March, 1926, 519; aggregate rental of same, £19,804 10s. Miscellaneous agreements entered into, 10; aggregate rental of same, £250. Total number of Proclamations issued, taking or giving up land, 48; total amount of compensation paid during the year for land taken, £84,333 13s. 6d. Total fees collected for preparation of deeds, &c., £818 2s.

Staff.—Maintenance Branch: Working staff, 4,450; office staff, 198: total, 4,648.

SIGNAL AND ELECTRICAL.

Fixed Signals at Officer Stations.—Home and distant signals have been provided at Kauri, Portland, Mangapai, Tauaraoa, Waiotira, Taipuha, Paparua, Kaiwaka, Topuni, Kaipara Flats, Ahuroa, Tahekeroa, Rotowaro, Pukemiro, Glen Afton, service siding near Tirohia, Waharoa, Rotorua, Whakarongo, and Lochiel. Additional signals have been installed at Onoke, Whangarei, Huntly, Okahukura, Rolleston, Waikiwi, Wallacetown, and Winton.