Throughout these trips accommodation has been arranged beforehand for the excursionists by the Railway Department. In many instances farmers in the districts visited have made their homes available for the reception of these guests from other provinces, and I feel that a great work has been done for the people of the Dominion at large through the spirited manner in which the farmers' excursions have been conducted, and the practical way in which the farmers of the respective provinces have welcomed and assisted in the entertainment of excursionists.

It would be difficult to find in the whole range of the Dominion's social life a movement that has drawn together more effectively people with similar interests, or that has been of so much practical value in the direction of standardizing farming methods to comply with the most modern developments of scientific production.

In arranging these excursions the Railway Department has happily combined service with profit-profit both to itself and to the excursionists. In the past the rural community have been at a disadvantage as compared with the city folk in the matter of obtaining the full benefit of the excursion fares that are granted by the Railway Department at the regular holiday seasons, and for some years previously to the inauguration of the special farmers' excursions there had been a growing demand for something to be done to assist the rural community in this The idea of running the special farmers' trains at very low fares has connection. proved to be a solution of the difficulty, and has undoubtedly given satisfaction to the country people. The fact that these trains are run in the "off" passenger season enables the Department to make use of rolling-stock which would otherwise, to a large extent, be lying idle, and this in turn opens the way to the granting of very cheap fares. The profit of the Department is not large, but more particularly gratifying is the large amount of public satisfaction that is being afforded, and while this result can be achieved with even the smallest margin of profit the Department will have been realizing in practice one of the fundamental reasons of its being and what I regard as the main test of its success-namely, satisfactory service to the public.

A further application of railway service to aid national development is found in the arrangements that have been made to give those interested in commerce and in the secondary industries generally an opportunity that might be considered as equivalent to that already granted the farmers, for a plan is in hand to enable the running of an industrial train through the Auckland Province in October.

Already the Chambers of Commerce have taken interest in this undertaking, and the touring business men and manufacturers will have an unequalled opportunity of coming into touch with people in every phase of the industrial and business life of the Dominion, and of learning the latest in manufacturing science that any district has to offer.

Other pleasurable railway outings that have become a feature of traffic-operating here are "week-end excursions." These are not intended to serve either of the ends towards which the farmers' excursions and the business men's trains are directed. Rather, their scope embraces the bringing of a new pleasure into the lives of the people by enabling them to travel at cheap rates, and in their own time, to the principal scenic and holiday resorts of the Dominion. These excursions are also personally conducted, and everything possible is done to make the outings thoroughly enjoyable. They serve a further purpose, too, in that they help to increase the knowledge of the people generally in regard to their own country, and provide a health-giving change from the routine of the ordinary week's work.

During the year under review there have been 23,616 miles run by special trains of this type, 21,634 passengers have been carried, and a revenue of £15,609 has been earned.

PROGRAMME OF IMPROVEMENTS AND NEW WORKS.

In view of the rapid changes now occurring not only in transport matters, but in the producing and commercial situation of the country generally, I think it is desirable to present a review of the whole position in regard to railway developments.

The comprehensive programme of improvements and new works adopted in 1924 provided for an additional capital expenditure upon railways aggregating $\pounds 8,000,000$, this amount to be spread over a period of ten years.