GENERAL.

A floodlight tower, the first of three, has been erected in Christchurch for the illumination of the new sidings between Waltham and Wilsons Roads.

Lifts and cranes under the control of the Department have been regularly inspected and, where

required, repairs have been carried out.

Additional pumping-plants, electrically equipped, have been installed at various stations to take the place of windmills and oil-engine-driven plants where these have come to the end of their useful A few domestic pumping-plants have also been installed for water-supply to departmental dwellings.

Motor installations completed number 23.

During the year electric lighting was installed in the stations and yards at Opua, Kawakawa, Otiria, Kaikohe, Okaihau, Taipuha, Paparoa, Kaiwaka, Te Hana, Rangikura, Bonnyglen, Wairoa, Poukawa, Opapa, Pukehou, Birchfield, Moana, Culverden, Henley, Kingston, Greenhills, and Kakariki.

In addition, 185 houses have been equipped with electric lighting.

Statistics of electrical equipment are as follows:-

Number of houses electrically lighted	 	 	3,176
Number of stations electrically lighted	 	 	431
N L of substations	 	 	23
Total capacity of substations	 	 	15,890 kVA.
Number of station yards flood-lighted	 	 	15

CENTENARY OF THE DOMINION.

On the 6th February, 1940, New Zealand celebrated its centenary, and to mark this and other important events associated with the founding of New Zealand appropriate celebrations were held in various parts of the Dominion. The chief centre of interest in connection with the celebrations was the Centennial Exhibition which was located at Wellington for a period of six months extending from 8th November, 1939, to 4th May, 1940. The Government Railways Department was represented at the Exhibition by a display fully worthy of the historic occasion and of the notable part played by the Dominion's railways in the development of the resources of the country during the last threequarters of a century.

It is pleasing to record that the Department's exhibit, throughout the whole period of the Exhibition, attracted a great deal of attention and interest, and was the subject of much favourable

comment.

WAR CONDITIONS.

The outbreak of war has added to the ordinary activities of the Railways, and already the Department has been called upon to provide a considerable measure of transportation in connection with the movement of troops and military stores and equipment. In other directions also the Department has contributed to the Dominion's war effort, the manufacture of a large volume of materials for war purposes having been undertaken by the Workshops Branch, while the services of a considerable number of the Railway staff have been made available to the fighting services for specialized war work. As at the 31st March, 1940, some 858 employees had enlisted for overseas service with the defence forces.

TRACK, PLANT, AND ROLLING-STOCK.

The track, bridges, structures, signalling-appliances, rolling-stock, locomotives, and other plant are in good order and efficient for the work required of them.

STAFF.

The average number of persons employed in the Department throughout the year ended 31st March, 1940, was 25,710, compared with an average of 24,342 for the previous year. The average number of men engaged exclusively on works chargeable to capital was 2,932, compared with 2,419 during the previous year.

The total number of staff employed at the 31st March, 1940, including those on works chargeable to capital, was 25,855. This figure does not include 424 permanent employees and 434 casual employees who as at 31st March, 1940, were serving with the armed Forces of the Dominion. The

total number of employees as at the end of the previous financial year was 25,138.

Of the total staff as at 31st March, 1940, excluding those serving with the armed Forces, 15,583 were permanent and 10,272 were casual employees.

During the year 335 members of the permanent staff resigned, 248 retired on superannuation, 60 died, and 76 were dismissed or paid off.

Employees to the number of 1,099 were engaged for employment on the permanent staff.

Ninety-four members of the Second Division were promoted to the First Division.

A total of £58,085 was paid under the Workers' Compensation Act during the year to members of the Second Division of the Service who suffered injury in the course of their employment.

I desire to record my thanks to all members of the staff for their support and co-operation in assisting the Department to meet its obligations and responsibilities in the busy and difficult year just concluded.

2. b as

General Manager.