

The increased expenditure in the Traffic Branch is due to the additional train-mileage, higher rates of wages and salaries under the Classification Act, 1907, extra staff to operate the safety appliances, the installation and staffing of additional tablet stations, the provision of staff necessary to carry on the operations of the Department over a longer period of the day than heretofore, and provide for the requirement of the additional traffic. Incidentally it may be stated that a large number of the stations and tablet stations and signal-boxes are now open for practically the whole twenty-four hours, and have to be staffed accordingly.

In the Locomotive Branch the increase is due to extra train-mileage, heavy renewals and repairs, the increased cost of wages, fuel, and materials, and the additional staff to meet the requirements of the altered conditions since the opening of the Main Trunk line.

The increase in the cost of Head and Departmental Offices is incidental to the inclusion in the Head Office portion of the vote of items that have previously been charged under the sectional heading, and to the scale increase of salaries to the staff under the Classification Act.

The sum of £398,097 was expended under the head "Additions to open lines" and charged to Capital Account. Of this amount, £269,156 was expended on rolling-stock, tarpaulins, steam-cranes, Westinghouse brake, and machinery for workshops. The rolling-stock in respect to which the charges were made consists of 20 locomotives, 58 carriages, 7 brake-vans, 10 bogie and 570 four-wheeled wagons, 750 tarpaulins, and 2 cranes, completed on 31st March, 1909, and 15 locomotives, 44 carriages, 23 brake-vans, 65 bogie and 1,127 four-wheeled wagons, 325 tarpaulins incomplete but in hand on that date. £128,941 was spent in providing telegraph and telephone facilities, signals and interlocking, tablet and safety appliances, bridges, additions to station buildings, workshops, dwellings for staff, purchase of land, wharves, pile-driving and stone-crushing plant, sidings, loading-banks, stock-yards, crossings, additions to sheds, turntables, &c.

DUPLICATION OF LINES.

On duplication-work the following were charged to Capital Account under the provisions of the special Acts passed in 1903, 1904, and 1905 respectively, viz. :—

Wellington-Hutt duplication-works	...	...	...	£ 53,823
New Hutt Road, including land for same	...	...	...	12,428
				<u>£66,251</u>
Auckland-Penrose duplication-works	...	...	...	£ 31,005
Addington-Rolleston duplication-works	...	...	...	37,510
Dunedin-Mosgiel duplication and deviation of line	...	...	...	73,019
				<u>141,534</u>
Less profit on sale of debentures, as per Treasury Accounts	...			15
				<u>£141,519</u>