D.—2.

Doubling and Improvement of Lines.—Hutt Road and Railway Improvement: The double line from Lower Hutt to Lambton Station, Wellington, has been completed. The road is well advanced, and the whole of the works will be finished within a few months.

Dunedin-Mosgiel: Double-line working between Dunedin and Burnside was brought into operation in October last. Works between Burnside and Abbotsford are nearing completion, Chain Hills Tunnel is in hand, and works between that tunnel and Mosgiel are being pushed on.

Expenditure. Maintenance cost £693,445, equal to about £253 per mile.

Mileage.—The mileage open for traffic on the 31st March, 1911, amounted to 2,761 miles 25 chains, being an increase for the year of 44 miles 43 chains.

Private Sidings.—New rights granted during the year totalled nineteen, making in all 334 with an annual rental of £6,057.

Leases.—Leases current on the 31st March numbered 3,595, with a total annual rental of £24,341. New leases issued during the year, 574.

Staff.-Maintenance working-staff, 4,127 men; office staff, 121: total, 4,248.

SIGNAL AND ELECTRICAL.

Signals, and Interlocking of Points and Signals.

During the past year twenty-three stations have been fitted with fixed semaphore signals, viz.:-

Bennett's Junction, Hamilton, Henderson, Clifton. Kamahi. Shortland. Eureka, Stockton. Westfield, Awarua. Springfield, Thames, Centre Bush One-tree Point, Whangarei, Waihi, Weedon's. West Plains. Culverden. Putaruru. Morningside, Otira. Riversdale.

The signalling and interlocking at stations has worked satisfactorily.

The following stations have been fully equipped with signalling and interlocking, and brought into operation during the year: Frankton, Aramoho, Blackball, Westport (rearrangement), Islington (rearrangement), Timaru (rearrangement), Burnside (complete scheme for double-line working), Kensington (complete scheme for double-line working), Caversham (complete scheme for double-line working), Dunedin South end (complete scheme for double-line working), Kaiwarra (complete scheme for double-line working), Wellington North end (rearrangement for double-line working). Harrison's Siding, Whangarei, Waingawa Siding (near Masterton), Works Siding, Chain Hills have been interlocked with the tablet system.

Work has been commenced at Kioreroa Lift-bridge, Green Island, Abbotsford, Linwood, Woolston, Taihape, Weedon's, and Thorndon.

The expenditure for the year on new works was £12,710 0s. 2d., and for maintenance £5,969 17s. 11d.

Block Working.

The electric train-tablet system of block working has worked satisfactorily.

During the year thirty-four instruments and forty-five miles of line have been fitted and brought into operation, embracing the following sections: Gore to Invercargill; Ngahere to Blackball; Whangarei to Kamo.

The following have also been installed as tablet stations: Manawatu Ballast-pit, Black Jack's Point, Westfield, and Tuakau.

The equipment of the section Washdyke to Rolleston is in progress.

Automatic tablet-exchanging apparatus has been installed at thirty-five stations.

The installation of the electric lock-and-block system for double-line working has been completed and brought into operation between Kaiwarra and Wellington. Christchurch and Templeton, and Dunedin and Burnside; and the work is in hand on the double lines between Christchurch-Heathcote and Templeton-Rolleston.

Telegraph and Telephone Facilities, and Electric Lighting.

During the year 244 miles of wire and 106 miles of poles have been erected and brought into use; also various alterations and additions have been made to improve existing lines.

Fifty-seven telephones have been fixed and brought into operation, eight additional and three extension connections have been made with the public telephone exchanges, and three portable telephones and fifteen electric bells brought into use.

The work of installing new Morse line, Gore-Lumsden, is in hand.

Old-pattern telephones have been replaced by new and modern ones as opportunity offered.

Greater facilities are still needed in some of the districts to suit the more pressing requirements.

During the year electric light has been installed at Thorndon, Ravensbourne, and Ekctahuna Stations, and at Kensington and Caversham Stations and signals. The electric light at stations where installed is giving satisfaction.