RAILWAY IMPROVEMENTS.

The European War, which commenced after my special report of last year was drafted, has rendered it necessary to proceed much more slowly than was originally proposed in carrying out the work to be charged to loan. The programme has been recast to meet the altered circumstances, and a number of works forming part of the major scheme have been deferred, or in the meantime been charged against the ordinary vote for "Additions to open lines." This arrangement is, however, a tentative expedient the result of abnormal financial conditions created by the war.

The experience of the past twelve months has confirmed the conclusions I had formed previously as to the necessity of undertaking at the earliest possible opportunity the improvements advocated in my special report of last year. It is evident that the programme of extensive works alluded to cannot be undertaken during the existing financial stringency, but no review of the present conditions and future requirements would be complete without a clear indication of the imperative necessity that exists for providing the additional accommodation in the near future. Traffic on the Main Trunk lines and the suburban lines in the neighbourhood of the principal cities is already very congested with the existing traffic, and there is every indication of great expansion taking place. It will be impossible to deal efficiently, expeditiously, and economically with the natural growth of the railway business with the present accommodation.

It was estimated that the larger works enumerated in last year's schedule would take five years to complete. The date of commencement of the new works is now uncertain, yet, before five years have elapsed, the traffic, under normal conditions, will have attained a magnitude that will compel the

provision of additional means of handling.

The works in question were dealt with in detail in last year's special report, but briefly may be

summarized as under:-

Complete reorganization of the station and yard accommodation at Auckland, Wellington, Palmerston North, Hastings, Lyttelton, Christchurch, Addington, and Timaru, where the operations of the Department are greatly hampered owing to the obsolete and insufficient accommodation now provided. Grade-easement, deviations, and duplication of lines where train services are greatly congested and the maximum limits of existing capacity have almost been reached. Bridge-strengthening, completion of signalling and interlocking on main systems, installation of alarms at level crossings, and erection of up-to-date workshops for the manufacture of locomotives and other rolling-stock.

As far as the Railway Improvements Authorization Loan is concerned, no moneys are being expended except upon works already in progress or purposes to which the Department is already pledged. No new work that does not come within the above category has been commenced under the

loan proposal.

At Auckland the Mechanics Bay reclamation, already half-finished, must be completed, whilst the removal of the engine-shed to allow of improvements to roads, &c., is being carried out in fulfilment of an undertaking to the Harbour Board. A series of grade-easements in progress before the war cannot be abandoned without serious waste. Certain improvements in signalling are regarded as urgent, otherwise the new works referred to above and including the loan have been deferred.

RAILWAY BATTALIONS.

The Railway battalions organized under the defence scheme in 1911 have already proved their utility. Under instructions of the General Officer Commanding Defence Forces the battalions were mobilized and utilized in protecting the railway-line for a period of nearly one month after the outbreak of the war. Every tunnel and bridge connected with the New Zealand system was guarded day and night by members of the Railway Battalions.

A Railway contingent of 258 men and officers was also sent to Samoa with the Advance Expeditionary Force. These men represented every company of Railway Engineers, and the whole of them reached Wellington for embarkation, fully uniformed, armed, and equipped, within forty-eight

hours from the time the order was given for them to be called up.

Instructional camps for officers and non-commissioned officers have been held in both the North and South Island. They were well attended, and the training received has proved of considerable value to officers concerned. The Railway Department has provided miniature rifle-ranges at Auckland, Wellington, Christchurch, and Dunedin in order to encourage rifle shooting and the defence movement among the staff.

WAR SERVICES.

Railway men have by no means been backward in showing their loyalty in the crisis that has overtaken the Empire. A large number of members of all grades of the service, embracing members of the Railway battalions and civilians, have enlisted and gone abroad with New Zealand Expeditionary Forces to uphold the integrity of the Empire; while the men employed in the railway workshops at Petone and Addington rendered valuable assistance to the cause by the energy and ability displayed in construction in record time of ammunition-carts, limbers, and other vehicles for the New Zealand Forces at the front. Many letters have also been received from other members of the staff intimating their willingness to forego leave and in other ways to assist the Department to tide over the temporary difficulties of working with depleted staff, and I have no doubt should this difficulty become acute the service as a whole would most loyally co-operate by all means in their power so that the Department could give to the public an adequate service for carrying on the