

The range of stores dealt with from year to year is both wide and varied, necessitating close supervision and unremitting care and attention. During the year the utmost care has been exercised in respect to all purchases made for the purpose of replenishing essential lines for everyday use and special purposes, and in all transactions the necessity for strict economy in expenditure was kept prominently in view. Older stocks purchased at war prices were steadily reduced during the year, and new stocks limited by more frequent ordering in smaller quantities, constant care being taken to provide against shortages, while fluctuations in market values and trade conditions were carefully watched and full advantage taken thereof when opportunity offered.

During the year the Railway Stores Branch has performed a great deal of work for other State Departments in connection with the Stores Control Board. Each District Railway Storekeeper is a purchasing officer for other Government Departments, and is also a member of the Supplies and Tenders Committee in his district. This work has materially increased the responsibility and added to the official duties of the Storekeepers, but it is beyond question that State Departments generally have benefited considerably.

In view of the instability of the markets the practice previously in operation of inviting contracts for general stores has, except in the case of a few specific lines, such as oils, spirits, uniform clothing, and varnish, not yet been reverted to. The method instituted during the war period of purchasing such stores in the open market or direct from manufacturers or their representatives has, up to the present, given more satisfactory results.

#### AUTOMATIC SIGNALLING.

The automatic signalling over the single-line section between Lower and Upper Hutt was completed and brought into operation during the year. The system is now in operation for twenty-one miles of line between Wellington and Upper Hutt, and is working satisfactorily. The system comprises sixty-nine signals; the movements during the year numbered 694,000, and the total failures from all causes represent one for every 9,592 movements. Most of these failures occurred while the working of the installation was in its initial stages, and, as the minor defects which only become apparent during actual working have now been remedied, the proportion of failures will in future be practically negligible.

The system has proved its reliability, and has been of material assistance in facilitating movements of traffic, especially during race meetings, when trains have had to follow each other at short intervals. Since the installation of the signals it has been possible to despatch race trains within three-minute intervals, and great public convenience has resulted.

The installation of the automatic power signalling on the Midland Railway between Rolleston and Stillwater is in hand, and considerable progress has been made therewith.

#### ADVERTISING BRANCH.

The decision of the Department to establish its own Advertising Branch has been fully justified. The business continues to expand steadily, and the revenue accruing from the branch is considerably in excess of the amounts received when the advertising rights were let by contract. In addition to this the display and appearance of advertisements on stations and the departmental hoardings have been greatly improved, and increased satisfaction accorded to advertisers on railway premises.

Special steps have been taken to advertise the scenic and health resorts of the Dominion both in New Zealand and abroad. The Department has on display at railway-stations in New Zealand a series of pictorial posters giving views of Rotorua, the Waitomo Caves, Mount Cook, and Lake Wakatipu. The supply of these posters was arranged in conjunction with the Tourist Department.

There were also published a series of pictorial poster stamps illustrating scenic, sporting, agricultural, and pastoral views. These are made up in booklets, and are on sale to the public at railway-stations. Recently posters were exhibited drawing attention to this means of advertising New Zealand, and as a result there has been a marked increase in requisitions from stations for further supplies of the booklet, thus indicating that the public is co-operating well with the Department in this matter. These stamps are affixed to overseas letters by the public using them, and every mail brings letters of inquiry from abroad sent as a result of receiving a letter bearing one of these stamps. Many hundreds of such letters have been received, and they come from many different countries, thus showing that the distribution is very widespread.

Supplies of these stamps have also been forwarded to the High Commissioner in London and to the New Zealand Government Agents in Melbourne and Sydney, and some of the shipping companies have also purchased large quantities for distribution.

A map showing New Zealand in its corresponding latitude on the Mediterranean Sea was designed and published for the dual purpose of illustrating the size of the Dominion as compared with European countries and also to give an indication of the relatively equable climate of this country. These maps have been supplied to the High Commissioner and to the New Zealand Agents in Australia, and have also been distributed very largely with letters in reply to inquiries from overseas and with other correspondence.

There was also compiled and published a booklet setting out the prospects of New Zealand as a field for business. Copies of this have been supplied to the High Commissioner and the New Zealand Agents in Australia for distribution, and large numbers have also been circulated by post in the ordinary course of our dealings with overseas business firms.