I. INTRODUCTORY.

Conduct of the Inquiry.

We arrived in Wellington on the 13th October, and, having had the advantage of previously perusing detailed information relative to railway practice in the Dominion, this being supplied in reply to a questionnaire of ninety-four items submitted by us from Sydney, through the Minister of Railways, we were generally familiar with the nature of the problem to be faced. It was, therefore, decided to commence inspection tours over the whole of the main lines and, with few exceptions, the branch lines, of the New Zealand Government railways. We left Wellington on the 15th October to traverse the North Island system, and returned on the 24th October, after covering some 2,500 miles. We left Wellington again on the 27th October for the South Island, and between that date and 15th November, covered some 3,200 miles. During the two tours we traversed 4,850 miles by railway and 750 miles by motor, the latter being in part to inspect projected connecting-links, and for the rest to reach isolated sections of the railway.

In the course of our tours we inspected the track, locomotives, workshops, stores, stations, &c., of the system, acquainted ourselves with the traffic conditions of the various lines, took evidence from representative bodies desiring to tender views on railway matters, and generally obtained personal knowledge of the railway system in New Zealand. We were accompanied on our tours by Mr. R. W. McVilly, General Manager; Mr. F. J. Jones, Chief Engineer; Mr. E. E. Gillon, Chief Mechanical Engineer; Mr. H. J. Wynne, Signal and Electrical Engineer; and Mr. F. J. Murison, Divisional Locomotive Engineer; whilst district officers joined the inspection party within the confines of their districts. We also had the advantage of having with us Mr. F. W. Furkert, Chief Engineer, Public Works Department and Under-Secretary for Public Works, who accompanied the party at the request of the Hon. J. G. Coates, Minister of Railways, and whose assistance and advice proved very helpful.

At intervals on our tours, and subsequently in Wellington, we received evidence bearing on the subject of our inquiry. Evidence was taken on twenty-six days, and in all thirty-two departmental officers and representatives of twenty-eight public bodies and associations were heard. A list of witnesses is given in an appendix.

Our terms of reference, while very wide, may be summarized under four specific headings; and while in our conclusions we make recommendations in connection with each of the matters referred to us, we purpose dealing with the general question under the headings indicated below:—

Finance

Organization.

Management—(a) Permanent-way and Works, including proposed New Works, (b) Signals, (c) Mechanical, (d) Stores, (e) Operation, (f) Rates and Fares, (g) Statistics.

Miscellaneous questions.

A final section contains a summary of our principal recommendations.

RAILWAY DEVELOPMENT IN NEW ZEALAND.

On the 31st March, 1924, the New Zealand Government railway system comprised 3,053 miles open for traffic, the system being divided into eight separate and disconnected sections as follows:—

Section					Length. (Miles.)		Section.				Length. (Miles.)
North :	Islan	id main	lines and	branches		1,151	South Isl	and mai	n lines a	nd branches	 1,588
Whang	arei					88	Westport	· · ·			 36
Kaihu						24	Nelson				 61
$_{ m Gisborn}$	1e					49	Picton				 56
	Tc	otal, No	rth Island	ł		1,312		Total, S	outh Isla	and	 1.741

It may be well briefly to indicate the trend of railway development in New Zealand. Railway-construction commenced in 1860, when the building of the line from Christchurch to Lyttelton was started. It was not, however, until the 1st December, 1863, that the first portion of this line was opened, while the line was not completed throughout until 1867, when the Lyttelton Tunnel was pierced. Other lines, meanwhile, were being built through the Canterbury Plains, while the Provincial Councils of Southland and Auckland were developing lines from Invercargill to Bluff and from Auckland to Drury respectively.