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I do not regard road and rail transport as necessarily antagonistic. Undoubtedly road transport has come in as a new factor and has its rightful place in our economic life. That place must be conceded it in any policy that has regard to the true economic interests of the community, but equally in such policy must road transport be kept within its proper sphere. If this is done the position is not one of antagonism, but one of co-operation and co-ordination. I can conceive no better medium for co-ordinating the transport work of the community than that organization which has already been charged with that work or the greater portion of it—namely, the railways. There will still under this policy be a large field for private enterprise in those portions of the country where it would be no great saving to the railways to undertake transport work by road. Such occasions occur to me as transport on roads that are feeders to the railway. is, I believe, sufficient outlet for the energies of those who desire to adopt that class of business for many years to come. The railways are ever willing to co-operate in the fullest measure with any such persons to facilitate their business as far as the Department may do so and generally to co-ordinate their efforts so as to reduce working-costs and give better service.

Summing the position up in this connection, I desire to say that my policy will be for the Department to utilize road transport either itself or by arrangement with others wherever it can effect economies in its work by so doing, or can increase

the potentialities for service of its present operations.

In this connection I may say that the financial aspect of many of our branch lines has for some time been the cause of much concern, and consideration is now being given by the operating officers to the question of establishing definitely whether it would not be more economical and make for greater efficiency to run services by road, either in addition to or in substitution for services by rail.

## SHUNTING ACCIDENTS.

Owing to the number of shunting accidents which were occurring during the past year it was decided to set up a Railway Shunting Inquiry Board for the purpose of inquiring into the conditions of work of shunters as affecting the hazard involved in the performance of their duties, having regard more particularly to the following factors: (1) The length of the shifts which shunters are required to work; (2) the numbers of the employees composing shunting gangs; (3) the time that is allowed for the work of making up trains; (4) the supervision that is afforded on shunters' work; (5) the general control of the work in shunting-yards; (6) the lighting of shunting-yards; (7) the layouts and proposed layouts of shunting-yards; (8) drainage of yards; (9) the matter of employees inexperienced in the shunting-work being employed thereon; (10) and generally any other matters which, in the opinion of the Board, affect the conditions of work of shunters as bearing on the risks involved in their employment.

The Board consisted of a District Traffic Manager, an Engineer, and two shunters, and commenced sitting on the 16th July, 1925. It conducted a thorough examination into all matters coming within the scope of the order of reference, and inspected shunting yards and facilities at various stations throughout the Dominion, besides taking evidence at all the important stations. The report of the Board is appended

to this Statement.

All matters reported upon have either been adjusted or are in the course of further investigation.

## LEVEL-CROSSING PROBLEM.

The policy in regard to the level-crossing problem was clearly set out in the Railways Statement presented to Parliament last session as being one for the "elimination of the more dangerous level crossings and provision of warning-appliances at others." That policy has been, and is being, carried out.

Information from other countries where level crossings constitute an even more formidable problem than in New Zealand goes to show that the tendency is to do away with gates and gate-keepers and to depend on warning notices, visible or audible signals, and the good sense of vehicle-drivers for securing safety