ix D.—2.

LOCOMOTIVE-SUPPLY.

Reference has been made previously to the steps taken to secure designs of articulated locomotives similar to those so extensively used on the South African railways. A suitable design of articulated engine has been decided upon, and tenders are now being invited in Great Britain for three locomotives for work in the central areas of the North Island Main Trunk Railway. It is claimed that this class of locomotive will result in a very material saving in operating-expenses due to the high tractive effort and economy in working, and its performances will therefore be watched with much interest.

GENERAL REORGANIZATION.

It will be remembered that in the early part of 1925 very extensive reorganization was commenced, including Board management, divisional control, inauguration of the Commercial Branch, separation of finances from the Consolidated Fund, construction of modern workshops, and a comprehensive programme of new works, &c. These changes necessitated a great deal of work, and, obviously, had to be given effect to in addition to the usual work in connection with the ordinary operation of the Department. The reorganization of each section meant the thorough investigation of many large undertakings, and it was found necessary to co-ordinate the various sections of the Department interested in the changes into small committees to deal with each problem. The experience gained in this method of working has been so satisfactory that it is apparent better progress can be made in dealing with everyday problems by the committee method than by other ways, and the system is being continued to apply to all works of importance. It is another indication of the advantage of team work over unrelated individual effort.

HUTT VALLEY RAILWAY DEVIATION.

On the 27th May last the Hutt Valley Railway Deviation, a double-track line branching off from the main line a short distance beyond Petone and passing through the heart of the Hutt Valley to Waterloo Road, was opened. Ultimately this line should join the main line again in the vicinity of Silverstream, thus serving a large area of country which at present is somewhat removed from convenient railway facilities

The main feature of this branch line is that it has been constructed on the betterment principle—meaning that a portion of the enhanced value of the land resulting from the opening-up of this valuable suburban settlement accrues to the railway, thus setting off a portion of the cost of construction.

The principle is quite a new one so far as New Zealand is concerned, and to date 682 acres of land have been purchased at a cost of £181,000. The land has been disposed of as follows:—

			Acres.
Taken for Railway requirements			 29
For workshops area		• •	 80
Taken for roads and reserves		• •	 135
Area for residential and industrial sites	••		 438
${\rm Total} \qquad \dots \qquad \dots$			 682

Of this area, 225 acres have already been disposed of or are under negotiation for final sale at an approximate price of £231,448, made up as follows:—

		£
308 residential sites sold	 	97,338
290 sections sold for workers' dwellings	 • •	47,960
Four industrial sites	 	24,450
Sales nearing completion:—		
Three school-sites, expected to realize	 	10,000
Church-sites	 	3,000
Eighty acres for railway workshops	 	40,000
Land taken for railway	 	8,700
Total	 	£231,448