

The Government, recognizing this, has given special consideration to the proposed series of workshops transfers, and has decided to facilitate settlement of the housing problem by undertaking a house-building programme on the lines which proved so successful in the Hutt Valley Settlement scheme.

The house-building plant of the Railway Department will be used, and houses erected on selected areas for the use of those transferred railway-workshops employees who desire to purchase houses for themselves in their new locality, the necessary financial assistance being provided in turn with other applicants through the Government Advances Department.

I am pleased to be able to report that the Workshops Committees at each centre are earnestly co-operating in an effort to make the desired changes with a minimum of inconvenience to all concerned.

Workshop-Management.

The costing methods which were introduced into the four main workshops in 1926 have amply proved their worth, and these works can now be considered to be working on a commercial basis. The daily expenditure on any job—labour, material, &c.—is taken out as the work progresses, and the final cost is available twenty-four hours after completion of the work.

Shop Scheduling and Production.

The system of planning work on a production basis, as established during the previous year, has been maintained, and the results definitely show that this was a much-needed improvement in our management system. This system is being extended in a more detailed manner to gradually bring all classes of work under the scheme.

Terminal Repair Depots.

During the year depots have been established at Christchurch and at Dunedin to undertake the annual examination and overhaul of the Westinghouse brake, and also attend to light running repairs to rolling-stock. Previously this class of work was undertaken at the Addington and Hillside Workshops respectively, but owing to the amount of shunting involved, each vehicle was out of use some days for an operation that occupied only a few hours. As the result of the establishment of the terminal depots, vehicles are now out of service a minimum time, and the operating branch thus has available for service a greater percentage of the total rolling-stock.

Expenditure.

It is pleasing to be able to record the fact that the workshop staff were granted an increase in wages as from the 1st April, 1926, which represents an increase of about 3 per cent. of the previous wage expenditure.

Training Apprentices.

Apprentice instruction classes were inaugurated at Newmarket, Petone, Addington, and Hillside Workshops in July, 1926, and the results disclosed at the last examination of apprentices show that a good deal of progress has been made. A keen interest is being displayed by the apprentices in the class-work, and the advantages to be derived from systematic training are quite apparent.

Sub-stores.

Sub-stores, being part of the Stores Branch reorganization scheme, have been instituted at Newmarket, Petone, Addington, Hillside, and East Town Workshops, and are now functioning satisfactorily. This has made possible the practical development of the policy of stores control outlined in my statement for 1926, and the Stores Branch has now assumed control of all material for workshops use.