

Purchases within the Empire represented an expenditure of £2,204,865 8s. 10d., and from other countries (principally the United States of America), £18,701 11s. 8d.

During the year contracts were made for workshops machinery and electrical equipment totalling £249,876, of which £210,796 were placed within the Empire, and £39,080 in other countries, mostly the United States of America.

General contracts have been made with various New Zealand merchants in conjunction with the Stores Control Board. These contracts are mainly for two-yearly periods, but some of the more fluctuating items have been accepted for a term of one year only.

All Government Departments can purchase supplies under these contracts. They have proved of considerable value to the Railways Department, as they have enabled purchases to be made at better values and have assured the Department of a regular source of supply.

During the year the work of reorganization of the Stores Branch has been proceeded with steadily.

Main stores at Newmarket, East Town, Petone, Addington, Hillside, and Invercargill have been equipped with bin-card containers, and bin-cards have now been placed with all stocks of stores.

At Greymouth a new store has been erected at Elmer Lane, and is in process of being equipped with standard racks, &c., for service in connection with the new locomotive running-sheds.

A new store has been erected at Rangataua to serve as a trust store for Rangataua Maintenance Workshops.

All maintenance line stocks have been brought under the control of the stores system.

A great deal of work has been done during the year in connection with bringing maintenance trust stores into proper order and condition. Special attention has been given to maintenance trust stores at Penrose, East Town, Addington, Dunedin, Invercargill, Greymouth and Westport, in order to bring them into conformity with the new stores system.

A summary of what has already been done in regard to main stores, sub-stores, and trust stores is as under: Main stores reracked and system remodelled (with bin-cards), 4; main stores and shops sub-stores combined, reracked, and bin-cards provided, 3; main store, sub-store, and trust store combined, 1; workshops sub-stores, new buildings provided, 1; workshops sub-stores opened in existing buildings, 3; locomotive workshops trust stores in operation, 2; maintenance, Foremen of Works' trust stores, 13; maintenance, Inspectors of Permanent Way trust stores, 28; Locomotive Foremen's trust stores, 12; Locomotive Car and Wagon Inspectors' trust stores, 6; stationery store, 1: total, 74.

Suitable racking has been provided in all main stores and sub-stores, and also to a large extent in the more important trust stores. Bin-cards are in operation for stocks held.

Stock was taken by the storekeepers and clerks in charge of all main stores and sub-stores at the 31st March, 1928. This work was carried out in an expeditious manner, and reflected considerable credit on all the staffs at the various stores.

The work of compiling lists showing slowly-moving lines and obsolete items is well in hand, and these lists will be available at an early date.

Special attention has been given during the year to the reduction of stocks of stores on hand, and this has been done at all main stores and sub-stores. During the year purchases have been curtailed, and it is hoped that with the contracts now in operation it will be possible to further reduce stocks without causing inconvenience to the various Departments to whom stores are issued.

The Stores District Officer in each centre has acted as one of the three members of the local Supplies and Tenders Committee of the Stores Control Board.

The Comptroller of Stores' Office has continued to provide the officer to fill the position of Chairman of the Advisory Committee of the Stores Control Board, and also an officer to act with the Refreshment Branch in connection with the purchase of foodstuffs for all railway and other State services.

During the year a great number of requisitions was received from other Departments of State for stores requirements, and these have been dealt with systematically under the Stores Control Board's regulations.

LAND BRANCH.

The number of leases registered during the year was 559, the aggregate annual rental of these amounting to £6,211 4s. 10d. The total number of leases current on the 31st March, 1928, was 6,796, the total annual rental being £56,996 11s. 4d.

The total fees for preparation of deeds, dealing with documents, and for supplying advices to the Valuation Department was £710 7s.

The number of Proclamations, Orders in Council, notifications, and other documents issued taking and giving up land was 43. The number of transactions purchasing land by certificate of title was 19, the compensation paid for the land acquired totalling £36,235 18s. 1d.

REFRESHMENT BRANCH.

During the year the refreshment-rooms at Paekakariki and Kaitoke were taken over by the Branch, remodelled, and brought up to date.

The staff of the Branch at the 31st March, 1928, was 357, compared with 341 in 1927.

The rooms now under control of the Branch number twenty-eight, and in addition the catering on the Lake Wakatipu steamers is also performed by the Branch.

The revenue derived during the year amounted to £122,220, compared with £129,611 for the previous year.