

The car-shop should be ready for occupation about July, 1928, while the wood-mill and wood-wagon repair shops should be ready at an early date. No further progress can be made here until the new loco-erecting and boiler shops at Hillside can be occupied, which will then enable the foundry to be proceeded with. When this building is complete arrangements can then be made to proceed with the erection of the new machine and steel-wagon repair shop at Addington.

The necessary machinery and equipment is meanwhile being installed in the buildings that can be occupied.

Hillside.—The loco-erecting shop, also power-house and reclaim depot at these workshops, will be ready for occupation during July, 1928, notwithstanding several unavoidable delays. The steel framing for the boiler-shop is at present under erection. The new foundry and stores at these workshops cannot be commenced until the staff in the existing buildings are transferred to Addington upon the completion of the new car-shop at that location (about July, 1928).

East Town. During the year these shops have been changed over to complete electrical drive, while all the machinery and equipment for the manufacture of points and crossings has been installed and is now right for the commencement of this work.

MACHINERY.

All the first year's quota of new machinery is now being erected in the new workshops, together with that of the second year's quota. All the transporting and lifting equipment, such as cranes, traversers, &c., are now arriving, and are being installed in their buildings in the new workshops.

Tenders are now closing for the third year's quota, and specifications are being prepared for the final quota of machinery required for the equipment of the above workshops.

All the power-house equipment is now in position, and will be ready to start up new workshops upon completion of the installation of new machinery and equipment.

STAFF CHANGES.

During the year under review a complete survey of the staff in the existing workshops was made, and from this the organization required in the new workshops was compiled. This necessitates the change of a large number of men from one locality to another on account of the concentration of certain classes of repairs, &c., at one locality in each Island.

In this connection I would like to place on record the assistance that was received from the Workshop Committees which were set up to consider the question as to which men should be transferred.

HOUSING SCHEME.

The problem of housing these transferees under the reorganization scheme was given considerable thought by the Department, and a Housing Committee, comprising a number of Head Office executives, was set up to formulate a scheme whereby this situation could be overcome. After considerable thought and the considering of many alternative schemes, the Board approved of the Department negotiating on each applicant's behalf, and by arrangements with the State Advances Department obtaining loans for the erection of dwellings required. This has entailed a great deal of work, necessitating inspection of properties available for sale, valuing same, and completing negotiations on behalf of each applicant. Two hundred and fifty men, spread amongst the four main centres, are availing themselves of this scheme.

STORES.

Mr. E. J. Guinness, Comptroller of Stores, reports as follows :—

The value of stores, material, and plant (purchased under Railway vote) on hand at 31st March, 1928, at the various stores, depots, and sawmills amounted to £1,114,989 5s., as against £1,047,209 14s. 5d. on 31st March, 1927.

The value of stores on hand on account of additions to open lines was nil, as against £108,547 9s. 10d. on 31st March, 1927.

The whole of the stock is in good order, has been systematically inspected, and its value for the amount stated.