

On the goods side we are making it our policy to work as far as possible through established carrying concerns. I feel, however, that there will still be a fairly large measure of potential business that will, in some places at any rate, render it necessary for the Department to supplement the services of the carrying concerns with an organization of its own. This is a matter that is now in hand.

Another means by which we are endeavouring to get closer to our customers is by the appointment of suitable persons or firms as railway agents. These people will work in much the same way as central booking-offices and parcels-depots, and will, as the number increases, become a valuable connecting-link between the Department and the public.

LEVEL CROSSINGS.

During the year the problem of level crossings has continued to engage our attention, and the policy of progressive development in the protection of level crossings has been pursued. A few figures in connection with this work may be of interest. The Department employs a total of eighty crossing-keepers at thirty-seven crossings, at an annual cost of £13,122, of which £1,107 is recovered from local bodies. The expenditure on the elimination of crossings by overhead bridges or subways has been approximately £150,000. There have been warning-bells installed at fifty-four crossings, "wigwag" signals at thirty-two crossings, and flashing light signals at four crossings, at a total cost of £19,080. Every crossing has been provided with standard "Warning" notices at a cost of approximately £26,000. The total expenditure on the protection of level crossings is in the vicinity of £195,080, of which amount the Highways Board has spent £13,000 and the local bodies have spent £24,000, and there have been minor amounts provided by other persons or bodies, such as associations of motor interests. The annual cost to the Railway Department of the upkeep of warning-devices amounts to £3,880. Adding this to the wages-bill for the crossing-keepers it will be seen that the recurring expense to the Department on these two aspects of its operations is approximately £16,000.

During the year consideration was given to the question of the state of the law governing the use of level crossings. The position as it existed prior to the 1928 session of Parliament was that every person driving a motor-vehicle was required to stop before driving over a level crossing no matter how good the view might be thereat. It was felt that this was an unnecessary restriction on the freedom of action of motor-drivers, and that it tended to bring the law into disuse. After consultation with representatives of motor interests it was decided to promote an alteration in the law in the direction of classifying level crossings into those at which it should be compulsory to stop before going on to the crossing and those at which it was unnecessary to do this. This amendment was duly passed by Parliament, and came into operation on the 1st June, 1929.

In the meantime all crossings were classified as indicated above, and the necessary notices, in the form laid down by the Regulations under the Motor-vehicles Act, have been erected at compulsory-stop crossings.

I venture to express the hope that motorists will see that, in thus assisting to ease the law, the Department has given consideration to their convenience, and that they will give a closer adherence to the law as it now stands, which is designed for their own protection as well as for that of those who travel on the railway. I cannot help but think that it is too often overlooked when a collision occurs at a level crossing that the motorist who, by neglect of adequate precautions, was the cause of the same not only jeopardized his own safety, but also that of the passengers and crew on the train. The present provisions are the minimum that can be reasonably required for safe working, and should not be found to be unduly irksome to motorists.

A further aspect of the level-crossing problem to which consideration has been given is that of the signal which is shown by crossing-keepers. Hitherto crossing-keepers have shown a green flag by day and a green light by night to indicate the approach of a train, but with the growth of motor traffic and the adoption of signals for the regulation thereof it has become recognized that the colour indicating a danger signal to a motorist is red. This has tended to cause some confusion at level crossings, and it could not be but concluded that the time had arrived when some change should be made to avoid this difficulty. This is being done in consultation with representatives of the motor associations, and it is expected that new signals for crossing-keepers will shortly be decided upon, which will in future entirely obviate any difficulty such as that mentioned above.

The foregoing will, I think, serve to indicate that the Department is anxious to do its best to provide for the safety and convenience of the motorists, and I feel sure that if they will respond with their active co-operation in the matter of the careful use of level crossings, and obedience to the law and various signals established for their protection, the problem of the level crossing should assume very small dimensions.

ORGANIZATION OF THE DEPARTMENT.

It will be recollected that some few years ago it was decided to organize the operating side of the Department on the divisional plan with a view to bringing those branches of the Department that are more directly concerned with operating into more intimate contact with one another, and generally bring about closer liaison between the various branches than exists under the departmental system. I feel, however, that we have not yet reached the stage of obtaining the fullest measure of advantage from the divisional system, and the observations which I was able to make in Australia regarding the operation of divisional control there confirm me in that view.

Although we have instituted Divisional Superintendents, we still have district officers organized on the departmental system, and there is a tendency to think in terms of the departmental rather than the divisional system. The bringing of the Maintenance, Locomotive-running, and Traffic officers