

under the control of the Divisional Superintendents has undoubtedly had some tendency to bring these officers into more intimate contact with one another. It seems to me; however, that we need to carry the matter further from the departmental system of district officers, each with his separate office organization, in the direction of unifying the administrative activities of these officers under the single organization of the Divisional Superintendents. I think the district officers (in the operating branches, at any rate) instead of being regarded in the light of district officers, as they have been in the past, having a greater or less degree of independence and autonomy as district officers, should be actually on the staff of the Superintendents.

The superimposition of the Divisional Superintendents on the old departmental system has taken the matter a certain distance, and I feel that it should go still further, and may do so advantageously both from the points of view of efficiency and economy. I think that the Traffic Section might be completely merged into the position of Divisional Superintendent, the Locomotive-running officers being technical members of the Superintendent's staff. This would entail the entire abolition of the offices of District Traffic Manager. Under the present organization the Locomotive (Running) Engineers are on the staff of the Divisional Superintendents, and would so continue.

The office of General Superintendent of Transportation would continue, much as at present, to be a branch of the general management, operating to collate the various matters affecting the transport side of the business and maintaining a general control, under the General Manager, of all matters connected with the traffic side. The Chief Mechanical Engineer would fix the standards and act in an inspectorial capacity for the purpose of seeing that the standards set were maintained. He would also have charge of all capital works on the mechanical side, and would have control of the workshops, while the running-repair depots would, as at present, be under the charge of the Superintendents. The Chief Mechanical Engineer would not have direct contact with the Locomotive Engineers, but would work wholly through the organization of the Divisional Superintendents.

The foregoing is a general outline of the mode by which I think divisional control could be further developed, and concrete proposals in connection therewith will be worked out during the coming year.

RAILWAY WORKSHOPS REORGANIZATION.

The new railway workshops in the four main centres—Otahuhu, Hutt Valley, Addington, and Hillside—are now nearing completion, and it has been possible to transfer the staff from Petone to the Hutt Valley shops, and from Newmarket to Otahuhu. At Addington and Hillside approximately 80 per cent. of the new workshops has been completed, and the staff have been enabled to work with the new machinery which has been installed.

The layout and design of the workshops and machinery have been carried out in accordance with the most modern practice, and have been found on completion to be satisfactory and adequately meet the Department's requirements in every way.

The general arrangement of the workshops is such that the handling of material is reduced to a minimum by the use of modern cranes and industrial trucks.

Detailed considerations of the layout during the progress of the work have resulted in additions to the original scheme and extra expenditure which was considered to be fully warranted. Similarly, the extension of electrification to every form of activity in the workshops consequent upon hydro-electric power being available has also materially increased the efficiency of the undertaking, and in addition to this has ensured that the operation of the workshops in close proximity to suburban areas will cause no inconvenience to the residents, particularly in regard to the smoke nuisance.

Opportunity was afforded me to compare the latest workshops which have been erected in Australia with the workshops erected in New Zealand, and there is no doubt that the New Zealand workshops compare favourably in their layout and equipment with any similar establishments existing in Australia. I am also assured by officers who have been abroad that the standard of our workshops equals that of the most modern workshops on other railway systems.

The Department will welcome visits to the workshops from industrialists throughout the Dominion, in order that they may appreciate the completeness and the efficiency of the undertakings. Some parties have already inspected the installations, and have been impressed with the efficient handling of the Department's repair and construction activities.

On final completion of the workshops the Department will be in a position to manufacture the bulk of its requirements. In the past the Department has been compelled to import considerably more rolling-stock and other manufactured materials than it has been capable of producing in its own workshops. The advantage to the Dominion as a whole of importing raw materials rather than finished products need not be emphasized.

As a result of the reconstruction of the workshops it is confidently believed that there will be considerable savings in the manufacture and repair of practically the whole of the appliances necessary for the running of the railways.

The old workshops had arrived at the stage that they were obsolete and inadequate to the demands of the Department's business, and they were also in a condition that did not enable the staff to do themselves justice. A fair proportion of the men were working without cover, and those who were in the workshops were not in surroundings that enabled them to have that degree of comfort and convenience in connection with their work to which they were entitled, and which would enable them to give the best measure of service to the Department. The improvement that has been made in this respect in the workshop is, I believe, not the least important of the factors tending to justify the reorganization.