H.—2.

Extravagance and

We first directed our attention to the railways of the South Island, the want of unity in. management of which, since 1878, has been vested in a Commissioner. the exception of the short disconnected lines at Nelson, Blenheim, and the West Coast, the system of railways in that Island is a connected one, extending from Amberley to Kingston—the total length open for traffic, including branches, Throughout this large and important section there is an being 767 miles. evident tendency to extravagance, and, to say the least, a disregard of the recognized precautions in the expenditure of public money. Men with no special ability or training have been appointed to highly-paid offices, and to perform duties which are either quite unnecessary or within the capacity of an ordinary The service is split up into three distinct departments, with such an absence of definition as to their respective duties and powers, that business is carried on in a constant spirit of antagonism between them.

Confusion.

Whatever organization exists has evidently not been arranged by one directing mind, but is the result of a series of compromises agreed to from time to time as a matter of expediency, to prevent open rupture between the different We find, on inquiry into the system pursued on the railways sub-departments. in other countries, that, after many experiments have been tried, the general conclusion arrived at is, that no line can be satisfactorily worked unless the person who has to carry on the traffic has complete control over every person employed on the line in such a way as to affect the running of trains. This principle we consider essential, and yet we find it has been ignored to such an extent on our railways that the Traffic Manager is precluded from giving any order to the engine-drivers except through the Locomotive Engineer. So far has this been carried, that on one occasion trains were brought to a standstill at the "points," because the pointsmen, under the control of the Traffic Manager, refused to comply with a regulation insisted on by the engine-drivers, acting under orders from the Locomotive Engineer.

Orders disobeyed and misunderstood.

In many cases we found that station-masters and guards were not carrying out the instructions said to be given to them, and much inconvenience to travellers resulted from the neglect. In one instance, accidentally brought under our notice, we saw much loss of time inflicted on the public, some danger incurred, and the time-tables disregarded for a week, in consequence of a too-literal interpretation by engine-drivers of an order of the South Island Commissioner. To us it appeared that, under proper arrangements, any such important misunderstanding should have been rectified in a few hours by the telegraph.

Two contending sets of engineers.

At the present time there are, in connection with the Railway Department in the Middle Island, two distinct bodies of engineers employed on railway works. The Public Works Department has charge of and issues instructions to its staff of engineers in respect to all new works, not excepting additions to stations, &c., on working railways. The Railway Department, on the other hand, employs a separate and distinct staff of engineers—men with the same professional qualifications—to undertake any alterations or repairs which may be required on lines open for traffic.

Bad result.

The result of our inquiries has everywhere been to convince us that much evil and no good results from the existence of these two separate authorities on all engineering questions. The divided and often antagonistic opinions have caused great expense, as well as delay and confusion. We find that a really professional opinion is very seldom sought for or required by those engaged in the daily work of keeping the line in repair. For all practical purposes the Inspectors of Permanent Way are the working engineers on the open lines, and would often be better without the interference of less experienced men than Where a professional opinion is really required, the nearest engineer in the Government service should always be available for the purpose.

Railway Telegraph unnecessary.

Since the railways of the South Island have been placed under the control of the present Commissioner, a Railway Telegraph department has sprung into Like all departments, when once constituted, it has shown a tendency to increase, and the staff is already a large one. We fully recognize the necessity for giving railway officials a claim to precedence over the telegraph wires in cases of urgency; and where the business is large a special wire appears desirable.