

RAILWAY IMPROVEMENTS.

The expenditure during the year in connection with works authorized by the Railway Improvements Authorization Act, 1914, and charged to Capital Account was £63,729. The total expenditure on the scheme up to the 31st March, 1921, was £698,993. The scheme was estimated to cost £3,250,000, spread over a period of five years, by which time it was anticipated the whole of the works would have been completed, and the Department would have then have entered upon a second programme of improvements to provide for the essential requirements of the traffic. A period of seven years has now elapsed, and the Department finds itself in the position of having to deal with a traffic from which a revenue of nearly £7,000,000 was obtained last year with facilities that were considered to be totally inadequate for a business producing a revenue of £4,000,000 per annum in 1914.

The slow rate of progress made with the improvements scheme is the direct outcome of the conditions created by the late war. The present shortage of accommodation at the various termini and other important sub-centres of the railway system is now having a very serious effect on the operations of the Department. It is a fruitful source of delay to traffic, and increases the cost of dealing with it. Notwithstanding the fact that post-war conditions have for the time being checked the rate of progress in the Dominion, there can be no doubt that within a comparatively short period the country will again enter upon an era of prosperity which will result in the very material and continuous increase in railway traffic. The natural resources and productivity of the country are such that its advancement cannot be retarded for any lengthened period.

In order, therefore, that the Department may be placed in a position to deal satisfactorily, efficiently, and economically with the large volume of business that it will have to handle in the near future, it is imperative that provision be made without further delay for carrying out not only the scheme outlined in 1914, but others equally essential at other important depots. The works that should be immediately undertaken are: Deviation and new station at Palmerston North, and new stations at Auckland, Hawera, Hastings, Wellington, Lyttelton, Christchurch, and Timaru, as well as important works connected with the Canterbury–Westland lines in anticipation of the early opening of the Otira Tunnel.

Provided adequate funds can be made available for absolutely necessary works connected with the working railways, steady employment for a period of at least five years could be found for 2,500 suitable men.

In many places the limit of the capacity of a single line has nearly been reached, and it will become necessary to consider the question of providing for duplications. The first essential is, however, the provision of adequate and convenient terminal facilities, which form the master-key of the railway-transport problem. The necessity for accelerating the rate of progress of these works cannot be too strongly emphasized.

HOUSES FOR STAFF.

During the year ending 31st March eighty-four houses were completed and occupied by the Railway staff, and sixty-three others under construction, making a total of 147.

The Housing Factory.—Good progress has also been made in connection with the building of the housing factory and sawmill at Frankton Junction. When the factory is completed a material saving will be made in the cost of house building and equipment, special attention having been given to the elimination of man-power wherever possible.

The housing programme of the Railway Department for its own staff is of considerable magnitude. Provided the necessary funds are available it will be possible to meet the urgent requirements of the railways in a comparatively short period, and the Department will, as intimated in my report of last year, be in a position to supply other Government Departments with house-material cut to size. The factory will also be capable of utilization in connection with the building of cars and wagons.

WAGES AND CONDITIONS OF STAFF.

In accordance with the recommendation made by the Railways Committee in October, 1919, when the Government Railways Amendment Act was under consideration, a Board, consisting of two assessors and presided over by His Honour Mr. Justice Stringer, was appointed to deal with the claims of Railway staff for advances in pay in excess of the rates provided in the schedule to the 1919 Act. After full investigation, Mr. Justice Stringer recommended the payment of a bonus of 1s. per day to married men and widowers and widows with children, and 6d. per day to single men and widowers without dependants. Effect was duly given to these recommendations; but the Locomotive men, being still dissatisfied, struck on the 27th April, 1920, while His Royal Highness was at Rotorua, and the members of the Amalgamated Society of Railway Servants also ceased work. As a result of negotiations the men resumed work on the 3rd May, 1920.

In June, 1920, a special Conciliation Commission was set up to further review the rates of pay and conditions of work of employees of the First and Second Division respectively, and to report what increases, if any, had taken place in the cost of living since the 1st April, 1920, and what allowances, if any, in addition to bonus, to the ordinary rates of pay should be made to members of the First and Second Divisions in respect of such increases.

In respect to the First Division, the Board recommended that the bonus granted from the 1st January, 1920, in pursuance of the recommendation made by His Honour Mr. Justice Stringer, should be cancelled as from the 1st April, 1920, and a bonus at the rate of £20 per annum be granted to each member from Grade 8 of the First Division, and a bonus of £50 per annum to each member from Grades 2 to 7 inclusive, and to each casual employee in the clerical staff, and captains, mates, and engineers in the Wakatipu steamer service, to date from the 1st April, 1920.