

and sawmill have now been completed, and arrangements have been made to commence operations in the factory, which has a capacity of three hundred houses per annum. These will be cut to-fit, and will be sent out from the factory completed and ready for assembling on the sites.

Houses are being provided at the various places in order of their urgency, and it is expected that when the programme is complete very considerable economies will be effected in respect of transfer expenses. I venture to express the hope that the increased comfort and convenience afforded to the staff will be reflected in a genuine and practical desire on the part of the occupants of the houses to care for the buildings and improve their surroundings.

The requirements immediately in view are one thousand two hundred houses, and the provision of these will keep the factory fully employed for at least four years. When not required for house-building purposes the factory will be utilized in connection with car and wagon construction, for which the equipment is suitable.

A large stock of timber has already been accumulated and seasoned for use, and, subject to financial considerations, the factory operations can proceed continuously. Further supplies of timber will be railed from the Department's bushes at Pokako and Erua in the form of logs, which will be dealt with by the sawmill at Frankton Junction.

RAILWAYS IMPROVEMENT.

The expenditure during the year on works authorized under the Railways Improvements Authorization Act, 1914, and charged to the capital cost, was £57,301, making a total expenditure up to the 31st March, 1923, on the various schemes authorized by that Act £899,759. Of the total amount the sum of £296,286 has been spent in connection with the Auckland new station; £238,934 on the grade-easements between Penrose and Mercer, and Mercer-Frankton-Te Kuiti; £8,006 on duplication works in Auckland District; £61,110 on new engine-depot, Auckland, and new workshops, Newmarket; £12,708 on grade-easements between Marton and Palmerston North; £198,593 on signals, interlocking, and safety appliances; £16,252 on improvements at Christchurch; £53,113 on improvements in Wellington yard, automatic signals, Petone shops, and Haywards Station; £1,871 at Hastings; and £12,886 on plant required in connection with the general scheme of works. Arrangements have also been made to let a contract for the construction of the sea-wall in connection with the Wellington Station reclamation.

In order that the Department may be in a position to satisfactorily fulfil its obligations to the public it is imperative that a commencement should now be made on the works connected with the Palmerston deviation and new station; the Christchurch Station and marshalling-yard; improvements at Lyttelton Station; the Auckland deviation (as a preliminary to the erection of a new station); and (as soon as the extent of the reclamation permits) the erection of the station and the rearrangement of the yard at Wellington. All these works are of first importance. Other works that must also be taken in hand are new stations at Hawera, Hastings, Addington, and Greymouth.

Great difficulty is being experienced at present in dealing with the traffic at the various terminal stations, and further postponement of the work will have serious and very far-reaching consequences to the operations of the Department and the business of the country. It is probably realized by few to what extent the whole working of a railway system is influenced by terminal facilities. In connection with the working of one of the large railroads in America it has recently been pointed out that approximately one-fourth of all transportation expenditure is incurred in yard operation. There is no reason to believe that the position is any different in New Zealand, and it will be obvious, therefore, that the hampering of yard movement—i.e., shunting operations—by the lack of proper facilities may well be a source of great expense. Nor does the matter rest there, for congestion in the shunting-yards means additional risk of injury to the staff and rolling-stock, and delays to traffic, with the consequent dissatisfaction to those using the railways for the transport of goods.

In the South Island the completion of the Otira Tunnel will result in the diversion of traffic which is now sea-borne between the west and east coasts resulting in additional demands being made on the facilities at Christchurch and Lyttelton. The cramped accommodation at present provided at these stations is a source of considerable expense and causes serious delays to the business.

LEVEL CROSSINGS.

During the year there has been a number of accidents at level crossings through motor vehicles colliding with trains, and I desire again to emphasize the duty which motorists owe not only to themselves but also to the travelling public who use the trains. In this connection I cannot do better than quote from a recent judgment of the Supreme Court in a case in which action was taken against this Department for damages arising out of a collision between a motor-lorry and a train at a level crossing. The learned Judge said (*inter alia*)—

“*Prima facie*, however, and in the absence of special circumstances of justification, a man who enters on a level crossing in front of an approaching train and is there run down by it must himself have been guilty of failure to use due care for his own safety. To look and listen is in all ordinary cases an effective precaution against such an accident, and it is the duty of all persons before entering on a railway-crossing to look and listen accordingly, and, by reducing speed or otherwise, to place themselves in such a situation that they can look and listen effectively.”

It can scarcely be doubted that if the precautions mentioned by the learned Judge were observed by drivers of motor-vehicles accidents at level crossings would be almost entirely avoided. I think attention may also be profitably drawn to the summing-up of His Honour in the same case. After